

Stock Code: 9918



Shin Shin Natural Gas
Co., LTD.

Annual Report

2024

Taiwan Stock Exchange Market Observation Post System: <https://mops.twse.com.tw>

Company Website: <https://www.shinshingas.com.tw>

Printed on May 16 , 2025

I. Names, title, telephone, and email of the Company's spokesperson and their deputy:

Spokesperson:

Name: Yi-Hsin Chien

Title: Vice President

Telephone: (02) 2921-7811 ext 203

Email: ssngas11@ms67.hinet.net

Spokesperson:

Deputy spokesperson: Chong-Yi Liao

Title: Manager of Business Department

Telephone: (02) 2921-7811 ext 211

Email: ssngas11@ms67.hinet.net

II. Company address and telephone:

Company Address: No. 100, Section 1, Yonghe Road, Yonghe District, New Taipei City

Telephone: (02) 2927-5747, (02) 2921-7811

Fax: (02) 2925-3004

III. Name, address, website and telephone of stock transfer agency:

Name: KGI Securities Co., Ltd.

Address: 5F, No. 2, Section 1, Chongqing South Road, Taipei City

Website: www.kgiworld.com.tw

Telephone: (02) 2389-2999

IV. Name, Accounting Firm, address, website and telephone of the CPA for the financial statements in the most recent year:

CPAs: Jiunn-huei Ko, Li-yen Wang

Accounting Firm: BDO Taiwan

Address: 10F, No. 72, Section 2, Nanjing East Road, Taipei City

Telephone: (02) 2564-3000

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

V. Trading venue of overseas marketable securities listed for trading and method of searching overseas marketable securities information: None

VI. Company website: <https://www.shinshingas.com.tw>

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Employee Code of Shin Shin Natural Gas Co. LTD.

- I. The Company is home and take pride in the workplace.
- II. Customer service at its best and safety at all times.
- III. Stay humble and honest.
- IV. Work proactively and diligently, and seek work performance.
- V. Company looks to grow stronger, and society wants to stay secure and prosperous.

1. Shareholders Report

One. Shareholders Report

Dear all shareholders,

Time has passed by quickly, and the 2025 Annual General Meeting has arrived. On behalf of the Company and all employees, we would like to express our support for each shareholder throughout the past year. Thanks to you, we operate our business smoothly and steadily. In the past year, the Russo-Ukrainian War had not yet stopped, and the global economy had been negatively affected by inflation. The Central Bank of the Republic of China resumed several real estate credit control measures, resulting in a slowdown in the housing market. Fortunately, under the trusted guidance of the directors and efforts by all employees, along with steady management philosophy ideal, we have achieved revenue and pre-tax earnings exceeding the annual plan targets. There has been growth.

2024 Operating Results:

(1) Implementation results of the operational plan

Regarding the operations in 2024, the projected expansion target was 4,400 households for installation fees, and the actual number was 4,753 households; the target for gas supply was 3,740 households while the actual number was 5,470 households; as of the end of 2024, the number of households for gas supply have reached 375,043 households. In addition, the expected operating revenue for 2024 was NT\$1.86623 billion while the actual revenue was NT\$1.97287 billion and the consolidated operating revenue of the Company and its subsidiaries was NT\$1.99272 billion; the profit before tax was projected at NT\$220 million while the actual net profit was NT\$461.25 million and the consolidated net profit before tax of the Company and its subsidiaries was NT\$467.90 million. Regarding pipeline replacement, the annual target was 8,850 meters. Every month, we worked according to the replacement plan and cooperated with each season's increasing odor injection quantity leak inspection patrol operation to discover any abnormalities. The total length of the replacement over the year is 11,515 meters. Regarding internal pipeline inspection, the "regular inspection of internal pipes" was conducted once every two years in accordance under the regulations. Annual planned inspection of 183,822 users; the actual completion was 152,280 users. This ensures the safe usage of gas for users.

(2) Research and development

The Company's top priority is safety. We have completed the tracking and management of the supply system information for key equipment, such as storage tanks and compressor stations. We have also introduced advanced testing instruments and disaster prevention equipment to ensure safety. In addition, we established a computer information management procedure for employees in 2024 to replace the traditional manual management system. The automated system checks the status of the supply network across all business areas to prevent potential risks in advance and meet the goal of supply safety management.

Regarding user service, the Company simplifies the procedure of user application by telephone and internet, and provides gas meter reading self-report by telephone / internet

and bill payment service by post office, banks and various financial institutions. The “eFCS” platform and “BeePay” mobile payment method were provided since February 2019, providing multiple payment methods.

(3) Strengthening of risk management

To improve the Company’s risk control and management and strengthen the functions of the Board of Directors, the Board approved the authorization of the Audit Committee to supervise risk management in 2024. By doing this, we ensure the stable operation and long-term development of the Company. The Company continues to track and control risks, strengthen the risk awareness of its employees, and put the concept into practice of risk control in daily business management, shaping a comprehensive corporate risk management culture.

2025 Operating Plan Summary:

The 2025 expansion plan will pursue complete installation for new construction sites, survey market demand, create gas supply expansion scope plan, survey willingness to apply and setup gas supply by our Company in areas that have not yet setup the service, and plan the pipe network for investment benefits; The Company will pursue for expansion in areas that already have the pipe layout or with residential homes that have not yet set up the service; And, to strengthen pursuing larger users such as institutions, schools, corporations, and hospitals within the expansion areas, in the hope to achieve stable growth for sales volume. For gas supply safety, the company continues to buy safety inspection equipment and conducts pipeline replacement plans, particularly focusing on the pipeline improvement project in the Zhonghe and Yonghe areas. In doing this, we hope to effectively improve the quality of gas supply, strengthen the management of equipment and information, enhance user safety inspections, and help with the new operation for gas meter replacement to make ensure that users feel safe using them. The Company values customer service and continues to improve the quality of services such as “bill payment through post office or online banks” and “e-bills” on the Company’s website. In addition, the Company has introduced a gas meter reading self-report through Smart Communication a collaborative digital platform built by New Taipei City government and added an SMS service for those with hearing and speech impairments, continuing to enhance our service quality to better serve all our customers. We have planned to conduct pressure inspections at the end of the pipelines during the “gas usage peak hours.” For low-pressure areas, we have proposed an improvement plan and carried out the construction. We also take part in activities held by local government, communities, and clubs to promote “general knowledge on gas” and remind users about safety and scam prevention. In addition, the Company has been austere in executing its budget plan hoping to obtain expected result. The estimated numbers of users for installation fee and for gas supply service are 4,400 users and 3,740 users, respectively, with the projected sales volume of 110,753,721 cubic meters.

Strategies for Future Company Development, and Influences of External, Legal and Overall Operating Environment:

The Company is a public natural gas utilities business. The sales price of natural gas needs to be approved by the competent authority, so the price may not reflect the costs promptly. Due to relevant restrictions under the Natural Gas Enterprise Act, our

1. Shareholders Report

profitability may be affected. However, the Company adheres to the idea of sustainable operation and strives to overcome problems while maintaining growth. We particularly attach great importance to environmental protection, social responsibility, and corporate governance, in line with international standards. By doing this, we try to combine the core value of “sharing, cooperation, and inclusion” with the contributions of employees, the trust of customers, the cooperation of suppliers and partners, and the support of shareholders. Taking social sustainability as the starting point, we will further enhance our corporate value by pursuing economic growth and realizing the long-term goal of “safety first, best services, and sustainability.”

We welcome your advice and wish you the best of health and great success.

Chairman

陳河家



2. Operations Department

2024 Business Statistics Report

Unit: User

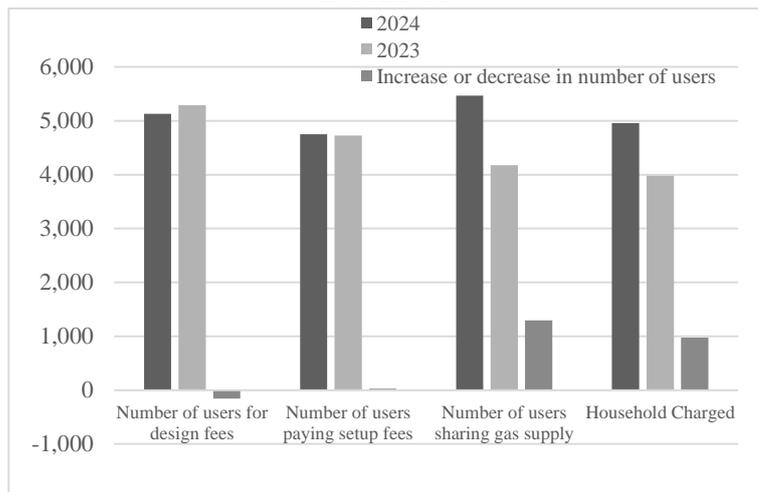
Items Month	Number of users for design fees	Number of users paying setup fees	Number of users sharing gas supply	Number of users with increased charges each month	Number of users with end of month total charges
1	280	558	578	577	369,155
2	44	232	319	354	369,509
3	253	272	301	555	370,064
4	835	528	523	231	370,295
5	705	727	325	573	370,868
6	410	443	978	256	371,124
7	445	456	299	449	371,573
8	443	470	283	828	372,401
9	665	194	246	377	372,778
10	621	395	293	219	372,997
11	212	227	273	324	373,321
12	215	251	1,052	213	373,534
Total	5,128	4,753	5,470	4,956	

2024 and 2023 Comparison
Chart for Each Business

2024 and 2023 Comparison Table for Each
Business

Unit: User

Distinguish	2024	2023	Increase or decrease in number of users
Number of users for design fees	5,128	5,287	-159
Number of users paying setup fees	4,753	4,728	+25
Number of users sharing gas supply	5,470	4,173	+1,297
Household Charged	4,956	3,979	+977



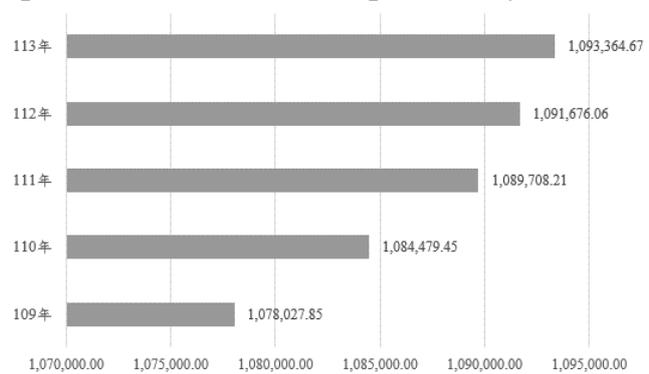
3. Department of Engineering

2024 Statistical Table for the Increasing of Pipe Line Length

Unit: Meters

Type of pipeline	2024	Accrued total length
Low pressure pipe	-3,524.96	614,427.15
Medium pressure pipe B (1kg/cm ² and above, and less 3 kg/cm ²)	+5,214.1	450,948.01
Medium pressure pipe A (3kg/cm ² and above, and less 10 kg/cm ²)		23,992.04
High pressure pipe	-0.33	3,997.47
Total	+1,688.81	1,093,364.67

Pipeline statistics for the past five years



Gas stations

2024 Statistical Table for the Increase or Decrease of Pipeline Facilities

Facility item	Year 2024	Accrued total
Gas-holder tank	0	2
Gas distributing station	0	2
Gas stations	0	11
Low pressure water dispenser	-6	882
Ball valve	-42	3,968
Low pressure cork	-10	1,718
Cathodic protection	+8	76

2024 Statistical Table for the Safety Inspection of Inner Pipe Facility

Number of users for safety inspection of annual plan	Number of users completed safety inspection	Completion rate
183,822	152,280	82.84%

Note:

- For users who are unwilling to cooperate with the safety inspection for two consecutive months for the monthly inspections, the Company will report to the competent authority of the city government in writing requesting for support in handling the matter, and users will be listed as key supplementary safety inspections for 2025. This is to raise the rate of inspection.
- Shall list users who have been uncooperative with the safety inspections for many years under project control and management. The Company will visit these users one by one to conduct supplementary inspections. For users who cannot cooperate with these safety inspections, formal letter of notice will be sent to these users by registered mail and a copy will be sent to the competent authority for help in the handling and to complete the operation procedures.

4. Finance Department

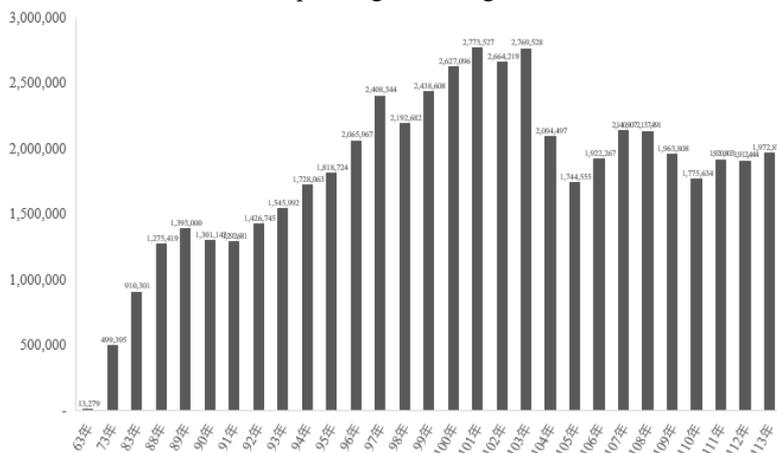
2024 Budget Execution

Unit: NTD in thousands

Account	Budget amount	Settlement amount	Completion rate (%)
Operating revenue	1,866,239	1,972,873	106
Operating costs	1,433,821	1,419,642	99
Gross profit	432,418	553,231	128
Operating expenses	288,698	283,788	98
Operating income	143,720	269,443	187
Total non-operating income and expenses	76,280	191,814	251
Income before tax	220,000	461,257	210
Income after tax	185,400	397,412	214
Earnings per share	1.04	2.23	214

Operating revenue growth chart

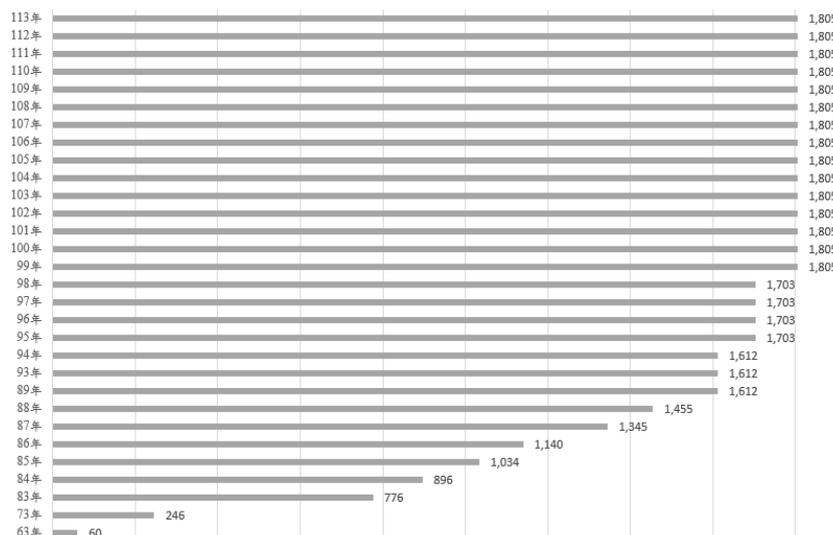
Operating revenue growth chart



Unit: NTD in thousands

Historical capital stock growth chart

Historical capital stock growth chart



Unit: NTD 1,000,000

Two. Company Governance Report

I. Information on directors, president, vice president, assistant VP and head of each department and branches:

(I) Directors' Information (1)

April 27, 2025

Title	Nationality or place of registration	Name	Gender Age (years old)	Date elected (onboard)	Term of office	Date first elected	Shares held when elected		Shares currently held		Shares currently held by spouse & minors		Shares held in the name of others		Selected education and professional qualification	Selected current Positions at the Company and Other Companies	Other officers, directors or supervisors who are spouses or within second-degree relative of consanguinity to each other			Remark
							Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (shares)	Shareholding percentage %			Title	Name	Relationship	
Chairman	R.O.C.	Ho-Chia Chen	Male 71-80	2024.6.21	3 years	1985.5.21	912,010	0.51	912,010	0.51	97,862	0.05	0	0	Education Graduated from Tamsui Institute of Business Administration Work Experience Honorary Chairperson, Gas Association of the Republic of China; Chairperson, Gas Association of the Republic of China; Chairman, Hsin Kuang Construction Co., Ltd., National Assembly member; Adviser of Executive Yuan Administrative.	Chairman, EVFA INTERNATIONAL CO., LTD.	Director	Hui-Chun Chen Wu Shi-shuenn Chen	Spouse Second-degree relatives	
Director	R.O.C.	THE GREAT TAIPEI GAS CORPORATION Representative: Richard H Wu	Male 41-50	2024.6.21	3 years	2002.6.21	(10,534,066)	(5.83)	(10,534,066)	(5.83)	0	0	0	0	Education Bachelor, The New School for General Studies, New York Work Experience Director, Shin Kong Financial Holding Co., Ltd.; Director, Shin Kong Life Insurance Co., Ltd.; Director, Shin Hai Gas Co. Ltd.; Director, Seed Studio Incorporation; Director, Shinkong Textile Co., Ltd.	Chairperson, TAIWAN SHIN KONG SECURITY CO., LTD; Vice Chairperson, THE GREAT TAIPEI GAS CORPORATION; Vice Chairperson, Gas Association of the Republic of China	Director	Hsin-Ju Wu	Second-degree relatives	
Director	R.O.C.	Veterans Affairs Commission, Executive Yuan Representative: Hsiao-i Lee	Female 41-50	2024.6.21	3 years	1972.11.25	46,556,713	25.79	46,556,713	25.79	0	0	0	0	Education Department of History, National Chengchi University Work Experience Commissioner of the National Civilian Training Institute, Commissioner of the National Security Council	Senior Executive Officer, Department of Civil Service Ethics, Veterans Affairs Commission, Executive Yuan	None	None	None	Re-assigned on March 17, 2025
Director	R.O.C.	Kindasaki	Male	2024.6.21	3	1997.5.24	6,031,011	3.34	6,031,011	3.34	0	0	0	0	Education	Chairperson, Taiwan	Chairman	Ho-	Second-	Reassignment

2. Company Governance Report

Title	Nationality or place of registration	Name	Gender Age (years old)	Date elected (onboard)	Term of office	Date first elected	Shares held when elected		Shares currently held		Shares currently held by spouse & minors		Shares held in the name of others		Selected education and professional qualification	Selected current Positions at the Company and Other Companies	Other officers, directors or supervisors who are spouses or within second-degree relative of consanguinity to each other			Remark
							Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (shares)	Shareholding percentage %			Title	Name	Relationship	
		Biochemical Technology Co., Ltd. Representative: Shi-shuenn Chen	71-80		years										Ph.D., Department of Civil Engineering, University of California Berkeley Work Experience President, NTUST; Director, Public Construction Commission, Executive Yuan	Reliability Engineering Association; Director, NTUST Architecture Center	Director	Chia Chen Hui-Chun Chen Wu	degree relatives Second-degree relatives	on December 9, 2024
Director	R.O.C.	Jung-Chun Huang	Male 61-70	2024.6.21	3 years	2011.6.17	914,951	0.51	914,951	0.51	0	0	0	0	Education Graduated from High School Work Experience President, Ifu Enterprise Co., Ltd.	President, Ifu Enterprise Co., Ltd.	Director	Ko-Tseng Li	Second-degree relatives	
Director and President	R.O.C.	Veterans Affairs Commission, Executive Yuan Representative: Kun-chung Huang	Male 61-70	2024.6.21	3 years	1972.11.25	(46,556,713)	(25.79)	(46,556,713)	(25.79)	0	0	0	0	Education 2000 Year Class, War College, National Defense University Work Experience Director, Department of Veterans Service and Assistance; Director, Kaohsiung City Veterans Service Office; Director, Yunlin Veterans Home; Director, Pingtung County Veterans Service Office; Director, Taitung County Veterans Service Office, Veterans Affairs Commission;	President, EVFA INTERNATIONAL CO., LTD.	None	None	None	
Director	R.O.C.	THE GREAT TAIPEI GAS CORPORATION Representative: Hsin-Ju Wu	Female 41-50	2024.6.21	3 years	2002.6.21	10,534,066	5.83	10,534,066	5.83	0	0	0	0	Education MBA, Columbia Business School, Columbia University, New York, USA Work Experience President, Shin Kong Financial Holding Co., Ltd., Special Assistant to Chairman, Shin Kong Wu Ho-Su Memorial Hospital Director, Shin Kong Life Insurance Co., Ltd., Director, Shin Kong Bank, Director, Shin Kong Wu Ho-Su Memorial Hospital	Director, Shin Kong Financial Holding Co., Ltd., Special Assistant to Chairman, Shin Kong Wu Ho-Su Memorial Hospital	Director	Richard H Wu	Second-degree relatives	
Director	R.O.C.	Veterans Affairs Commission,	Male 51-60	2024.6.21	3 years	1972.11.25	(46,556,713)	(25.79)	(46,556,713)	25.79	0	0	0	0	Education Master for Eminent	Veterans Affairs Commission, Executive	None	None	None	

Title	Nationality or place of registration	Name	Gender Age (years old)	Date elected (onboard)	Term of office	Date first elected	Shares held when elected		Shares currently held		Shares currently held by spouse & minors		Shares held in the name of others		Selected education and professional qualification	Selected current Positions at the Company and Other Companies	Other officers, directors or supervisors who are spouses or within second-degree relative of consanguinity to each other			Remark
							Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (shares)	Shareholding percentage %			Title	Name	Relationship	
		Executive Yuan													Public Administrators, National Chengchi University Work Experience Director, Department of Personnel, Ocean Affairs Council; Deputy Director, Department of Personnel, Ministry of Culture; Director, Personnel Office, Directorate-General of Personnel Administration, Executive Yuan	Yuan, Department of Personnel, Directorate-General				
		Representative: Yen-Chun Wu					0	0	0	0	0	0	0							
Director	R.O.C.	Veterans Affairs Commission, Executive Yuan					(46,556,713)	(25.79)	(46,556,713)	25.79	0	0	0		Education Class of 1985, Fu Hsing Kang College (Political Warfare College), Advanced Seminar, Class of 1995, Fu Hsing Kang College, Master's Degree in Business Administration, National Chiayi University Work Experience Directorate-General, Department of Administrative Management, Veterans Affairs Council; Chief of Political Warfare of the 261st Navy Team, and Director of Veterans Service Office of Nantou County	Director-General of Service Care Division, Veterans Affairs Council	None	None	None	Reassignment on June 24, 2024
		Representative: Tung-fa Tsao	Male 51-60	2024.6.21	3 years	1972.11.25	0	0	0	0	0	0	0							
Director	R.O.C.	THE GREAT TAIPEI GAS CORPORATION					(10,534,066)	(5.83)	(10,534,066)	(5.83)	0	0	0		Education College of Law, National Taiwan University Work Experience Chairman, TAIWAN SHIN KONG SECURITY CO., LTD., President, Yu Yuan Construction Co., Ltd., Vice President, ASIAN CULTURE PUBLISHING	Director, TAIWAN SHIN KONG SECURITY CO., LTD.; Director, THE GREAT TAIPEI GAS CORPORATION	None	None	None	
		Representative: Po-Fong Lin	Male 71-80	2024.6.21	3 years	2002.6.21	0	0	0	0	0	0	0							

Title	Nationality or place of registration	Name	Gender Age (years old)	Date elected (onboard)	Term of office	Date first elected	Shares held when elected		Shares currently held		Shares currently held by spouse & minors		Shares held in the name of others		Selected education and professional qualification	Selected current Positions at the Company and Other Companies	Other officers, directors or supervisors who are spouses or within second-degree relative of consanguinity to each other			Remark
							Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (shares)	Shareholding percentage %			Title	Name	Relationship	
		Shin-Hai Gas Co, Ltd.					4,668,441	2.59	4,668,441	2.59	0	0	0	0	CO., LTD.					
Director	R.O.C.	Representative: Chen-Lung Li	Male 61-70	2024.6.21	3 years	2002.6.21 elected supervisor until 2021.8.31 elected director	0	0	0	0	0	0	0	0	Education Master of Management, Ming Chuan University Work Experience Deputy Assistant General Manager, The Great Taipei Gas Corporation; Deputy General Manager, Shin-Hai Gas Corp.; General Manager, Shin-Hai Gas Corp.	General Manager, The Great Taipei Gas Corporation	None	None	None	
Director	R.O.C.	Hui-Chun Chen Wu	Female 61-70	2024.6.21	3 years	Elected as the representative of Supervisor of Kindasaki Biochemical Technology Co., Ltd. on June 23, 2006, and elected as the representative of Kindasaki Biochemical Technology Co., Ltd. on June 19, 2009. Elected as a natural person on June 21, 2024	97,862	0.05	97,862	0.05	912,010	0.51	0	0	Education Graduated from National Keelung Commercial & Industrial Vocational Senior High School (KLCIVS) Work Experience Chairperson, New Taipei City Women's Association; Chairperson, Yungho District Women's Association; CEO, Mr. Chen Gen-Chu Foundation for Education and Culture	None	Chairman Director	Ho-Chia Chen, Shi-shuenn Chen	Spouse Second-degree relatives	
Director	R.O.C.	Tung Chan Enterprise Co., Ltd. Representative: Hung-Wen Chuang	Male 51-60	2024.6.21	3 years	2006.6.23 elected director until 2009.6.19 elected supervisor until 2021.8.31 elected director	31,506	0.02	31,506	0.02	0	0	0	0	Education Masters, Cornell University, USA Work Experience Vice President, YANG MING SHAN GAS CO., LTD.	Chairman, HSIN TAI GAS CO., LTD.	None	None	None	
Director	R.O.C.	Cheng-Cheng Wong	Male 61-70	2024.6.21	3 years	1988.4.29 elected director until 2009.6.23 elected supervisor until 2021.8.31 elected director	1,139,698	0.63	1,139,698	0.63	187,854	0.10	0	0	Education Graduated from Tamsui Institute of Business Administration Work Experience Director, Shengfa International Co., Ltd.	Chairperson, Shunyi International Co., Ltd; Director, HONDA Cars Tucheng	None	None	None	
Director	R.O.C.	Veterans Affairs Commission, Executive Yuan Representative: Kuang-yu Chan	Male 51-60	2024.6.21	3 years	1972.11.25	(46,556,713)	(25.79)	(46,556,713)	(25.79)	0	0	0	0	Education Master for Eminent Public Administrators in Cross-Strait Study, National Chengchi University	Directorate-General, Department of Administrative Management, Veterans Affairs Commission, Executive Yuan	None	None	None	
							0	0	0	0	0	0	0	0						

Title	Nationality or place of registration	Name	Gender Age (years old)	Date elected (onboard)	Term of office	Date first elected	Shares held when elected		Shares currently held		Shares currently held by spouse & minors		Shares held in the name of others		Selected education and professional qualification	Selected current Positions at the Company and Other Companies	Other officers, directors or supervisors who are spouses or within second-degree relative of consanguinity to each other			Remark
							Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (shares)	Shareholding percentage %			Title	Name	Relationship	
															Work Experience Director, Gangshan Veterans Home; Directorate-General, Nantou County Veterans Service Office; Deputy Director, Zhongzhang Veterans Home					
Director	R.O.C.	Shin Kong Wu Foundation	Male 51-60	2024.6.21	3 years	2024.6.21	11,183	0.006	11,183	0.006	0	0	0	0	Education MBA, National Chengchi University Work Experience Director, Shin Lung Natural Gas Co., Ltd.	Executive Deputy General Manager, The Great Taipei Gas Corporation	None	None	None	
		Representative: Chi-hao Wu					0	0	0	0	0	0	0							
Director	R.O.C.	Kuo-Tai Chang	Male 71-80	2024.6.21	3 years	80.4.26	1,327,101	0.74	1,327,101	0.74	52,465	0.03	0	0	Education Graduated from Chihlee Commercial College Work Experience Director, Yuda Commercial Senior High School, Vice President, Shin Shin Natural Gas Co. LTD.	Vice President, EVFA INTERNATIONAL CO., LTD.	None	None	None	
Director	R.O.C.	Ko-Tseng Li	Male 71-80	2024.6.21	3 years	1994.3.26	111,022	0.06	111,022	0.06	0	0	0	0	Education Graduated from Hsing Wu College Work Experience Director, EVFA INTERNATIONAL CO., LTD.; Supervisor, Yuanta Securities Co., Ltd.; Manager, Shin Shin Natural Gas Co., Ltd.	Special Assistant to Chairman, EVFA INTERNATIONAL CO., LTD.	Director	Jung-Chun Huang	Second-degree relatives	
Director	R.O.C.	Veterans Affairs Commission, Executive Yuan	Male 51-60	2024.6.21	3 years	1972.11.25	(46,556,713)	(25.79)	(46,556,713)	(25.79)	0	0	0	0	Education Class 1988, National Defense College; Class 1999, National Defense Information Institute; Class 2005, National Defense University Work Experience Section Chief, Pension Division, Veterans Affairs Council, Inspector-in-Charge; Deputy Director; Director of Veterans Service Office of Hualien	Section Chief, Pension Division, Veterans Affairs Council, Inspector-in-Charge	None	None	None	Reassignment on June 24, 2024
		Representative: Ma-ko Lo					0	0	0	0	0	0								

Title	Nationality or place of registration	Name	Gender Age (years old)	Date elected (onboard)	Term of office	Date first elected	Shares held when elected		Shares currently held		Shares currently held by spouse & minors		Shares held in the name of others		Selected education and professional qualification	Selected current Positions at the Company and Other Companies	Other officers, directors or supervisors who are spouses or within second-degree relative of consanguinity to each other			Remark
							Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (shares)	Shareholding percentage %			Title	Name	Relationship	
Independent Director	R.O.C.	Ching-kuo Lee	Male 71-80	2024.6.21	3 years	2018.6.7	0	0	0	0	0	0	0	0	County Education Master's, School of Management, National Taiwan University of Science and Technology Work Experience Lieutenant General and Deputy commander, Army General Headquarters; President, Shin Shin Natural Gas Co., Ltd.	Chairman, Taipei Golf Club	None	None	None	Audit Committee Convener
Independent Director	R.O.C.	Chin-Ming Kuo	Male 61-70	2024.6.21	3 years	2018.6.7	0	0	0	0	0	0	0	0	Education PhD, Department of Law, National Chengchi University (NCCU) Work Experience Professor, Department of Law, Chinese Culture University; Visiting Research Fellow, School of Law, Nagoya University; Associate Professor, Department of Law, Management College, National Defense University; Assistant Professor, Department of Law, Management College, National Defense University; Adjunct Professor, Department of Finance, National Taipei College of Business	Dean of the College of Law, Chinese Culture University	None	None	None	The former convener of the Remuneration Committee passed away a few days ago. The vacancy of the committee member has been appointed by the board of directors, and the committee is still waiting to elect a convener. The vacancy of the independent director is still waiting to be elected at the shareholders' meeting this year (2025).
Independent Director	R.O.C.	Shu-Ping Hsu	Female 41-50	2024.6.21	3 years	2022.6.17	0	0	0	0	0	0	0	0	Education Department of Accounting, Tamkang University Work Experience Practice Accountant, CHAMPION CPAs Firm; Assistant Vice President, Deloitte & Touche	Zhuoheng Certified Public Accountants Director and Certified Public Accountant	None	None	None	

Title	Nationality or place of registration	Name	Gender Age (years old)	Date elected (onboard)	Term of office	Date first elected	Shares held when elected		Shares currently held		Shares currently held by spouse & minors		Shares held in the name of others		Selected education and professional qualification	Selected current Positions at the Company and Other Companies	Other officers, directors or supervisors who are spouses or within second-degree relative of consanguinity to each other			Remark
							Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (shares)	Shareholding percentage %			Title	Name	Relationship	
Independent Director	R.O.C.	Ming-Hsiung Chen	Male 71-80	2024.6.21	3 years	2021.8.31	0	0	0	0	0	0	0	0	Education Graduated from High School Work Experience Chairman, Yi-Cheng Mining Corporation; 4-time Councilman, Taipei County Council, National Assembly member, Advisor of Executive Yuan Administrative, National Policy Advisor to the Office of the President	Chairman, Daxin Investment Co., Ltd., Chairman, Ambassador Construction Co., Ltd.	None	None	None	
Independent Director	R.O.C.	Han-Lin Tseng	Male 51-60	2024.6.21	3 years	2021.8.31	0	0	0	0	0	0	0	0	Education Masters, Birmingham Business School, University of Birmingham, UK Work Experience Principal, Huikuang Guide Dog School Taiwan, Chairman of the Institute for the Blind of Taiwan, Municipal Consultant, Taipei City Government	Chairman, Tong Hsin Water Business Inc.	None	None	None	

- Note:
- Representatives of institutional shareholder, Veterans Affairs Commission, Executive Yuan: Hsiao-i Lee, Kun-chung Huang, Kuang-yu Chan, Yen-chun Wu, Tung-fa Tsao, Ma-ko Lo, 6 persons, jointly hold a total number of shares at 46,556,713 shares, which accounts for 25.79% of the total issued shares.
 - Representative of institutional shareholder, Kindasaki Biochemical Technology Co., Ltd.: Shi-shuenn Chen, hold a total number of shares at 6,031,011 shares, which accounts for 3.34% of the total issued shares.
 - Representatives of institutional shareholder, THE GREAT TAIPEI GAS CORPORATION: Richard H Wu, Hsin-Ju Wu, and Po-Fong Lin, 3 persons, jointly holds a total number of shares at 10,534,066 shares, which accounts for 5.83% of the total issued shares.
 - Representative of institutional shareholder, Shin-Hai Gas Co, Ltd.: Chen-Lung Li, holds a total number of shares at 4,668,441 shares, which accounts for 2.59% of the total issued shares.
 - Representative of institutional shareholder, Tung Chan Enterprise Co., Ltd.: Hung-Wen Chuang, holds a total number of 31,506 shares, which accounts for 0.02% of the total issued shares.
 - Representatives of institutional shareholder, Shin Kong Wu Foundation: Chi-hao Wu, holds a total number of shares at 11,183 shares, which accounts for 0.006% of the total issued shares.
 - The Company's director, president or any managerial officers in charge of finance or accounting affairs have not in the most recent year held a position at the accounting firm of the attesting CPA or an affiliate of the accounting firm.

Table I: Dominant shareholders of institutional shareholders

April 27, 2025

Name of institutional shareholders	Dominant shareholders of institutional shareholders	Shareholding percentage
Veterans Affairs Commission, Executive Yuan	Not applicable for government agencies	Not applicable
Shin Kong Wu Ho-Su Culture and Education Foundation	Tung-Chin Wu	50%
	Hsien-Hsien Hsu	50%
Kindasaki Biochemical Technology Co., Ltd.	Ho-Chia Chen	30.68%
	Hui-Chun Chen Wu	23.41%
	Shu-Hui Chiu	18.56%
	Po-Hsuan Chen	14.85%
	Po-Rong Chen	9.09%
	Chien-Yu Wu	3.41%
THE GREAT TAIPEI GAS CORPORATION	Tung-Chin Wu	6.06%
	Shin Kong Life Insurance Co., Ltd.	5.85%
	Shin Kong Wu Ho-Su Memorial Hospital	5.54%
	Yueh Hsing Hua Investment Co., Ltd.	5.18%
	SHINKONG SYNTHETIC FIBERS CORP.	3.91%
	Chi Yeh Chemical Co., Ltd.	3.00%
	Juying Industrial Co., Ltd.	2.70%
	Shin-Kong Life Real Estate Service Co., Ltd.	2.27%
	SHINKONG TEXTILE CO., LTD.	2.08%
	Shin Hu Natural Gas Co., LTD.	2.02%
Shin-Hai Gas Co, Ltd.	Pai Hsun Investment Co., Ltd.	18.09%
	THE GREAT TAIPEI GAS CORPORATION	9.43%
	CONSCIOUS ENTERPRISES CO., LTD.	7.72%
	Thousand Islands Investment Co., Ltd.	6.85%
	Chi Yeh Chemical Co., Ltd.	5.49%
	Northeast Corner Recreation Development Co., Ltd.	2.90%
	Jui Hsing International Investment Co., Ltd.	2.87%
	Jang Te Investment Co., Ltd.	2.60%
	YANG MING SHAN GAS CO., LTD.	2.41%
Tung Chan Enterprise Co., Ltd.	Hung-Wen Chuang	94.26%
	Chen-Yu Chuang	4.60%
	Mei-Ying Chen	1.14%

Table 2: The dominant shareholders of the major institutional shareholder in Table 1.

1. THE GREAT TAIPEI GAS CORPORATION

April 27, 2025

Name of institutional shareholders	Dominant shareholders of institutional shareholders (Shareholdings percentage%)
Shin Kong Life Insurance Co., Ltd.	Shin Kong Financial Holding Co., Ltd. (100%)
Shin Kong Wu Ho-Su Memorial Hospital	Shin Kong Life Insurance Co., Ltd. (33.3%), Shin Kong Wu Foundation (10%), company, charities, and Tung-Chin Wu (56.7%)
Yueh Hsing Hua Investment Co., Ltd.	Hui-Liang Hsueh (0.05%), Mei-Liang Hsueh (0.05%)
SHINKONG SYNTHETIC FIBERS CORP.	Shinkong Co., Ltd. (5.21%), Xin-Sheng Investment Co., Ltd. (4.99%), Shin Kong Recreation Co., Ltd. (4.66%), Shinkong Textile Co., Ltd. (3.47%) Shinkong Insurance Co., Ltd. (3.04%), Yuan Bao Co., Ltd. (2.46%), Ji-Li-En Investment Co., Ltd. (2.36%), Toray Industries (2.20%), Yi-Guang Industrial Co., Ltd. (2.08%), Rui-Xin Industrial Co., Ltd. (1.98%)
Chi Yeh Chemical Co., Ltd.	THE GREAT TAIPEI GAS CORPORATION (26.55%), Thousand Islands Investment Co., Ltd. (8.73%), Mienhao Industrial Co., Ltd. (6.33%), Pai Hsun Investment Co., Ltd. (5.64%), Han-Tung Lin (4.07%), Ho Jui Industrial Co., Ltd. (5.03%), Taifeng Investment Co., Ltd. (3.34%), Taiwan Glass Ind. Corp. (3.3%), Hung Hsin Industrial Co., Ltd. (2.28%), Hui-Wen Lin (1.93%)
Shin Hu Natural Gas Co., LTD.	Veterans Affairs Council (32.95%), Hsin Chuan Investment Co., Ltd. (30.72%), and Yu Jen Chia Investment Co., Ltd. (2.39%) Ton Yuan Enterprise Co., Ltd. (1.94%), Moshou Investment Co., Ltd. (1.56%), Chuang Hung-Chiang (1.40%), Chuang Hung-Wen (1.40%), Yeh Chi-Yuan (1.09%), Chuan Fu Enterprise Co., Ltd. (1.02%), Wu Chun-Hsien (0.97%)
Juying Industrial Co., Ltd.	Tung Ying Investment Co., Ltd. (99.8%), Tung-Chin Wu (0.2%)
Shin-Kong Life Real Estate Service Co.,Ltd.	Shin Kong Life Insurance Co., Ltd. (72.01%), Shin Kong Wu Ho-Su Memorial Hospital (8.78%), YI-KONG INTERNATIONAL APARTMENT BUILDING MANAGEMENT AND MAINTENANCE CO., LTD. (3%), SHINSOFT CO., LTD. (3%), TAIWAN SECURITY CO., LTD. (3%), YI-KONG SECURITY CO., LTD. (2.4%), Shin-Po Investment Co., Ltd. (2.4%), E TECH PRO LTD. (2%), SHIN-PO LIFE CARE CO., LTD. (1.6%), Shin-Po Express Co., Ltd. (1.6%)
SHINKONG TEXTILE CO., LTD.	Shinkong Synthetic Fibers Corp. (9.45), Shin Kong Wu Ho-Su Memorial Hospital (6.99%) Chi Chen Co., Ltd. (6.54%), Hung Pu Co., Ltd. (4.69%), Lien Chuan Co., Ltd. (4.54%), Qian Cheng Yi (4.29%), Chien Cheng Co., Ltd. (3.99%), Hua Chen Co., Ltd. (3.56%), Cheng Kuang Industrial Co., Ltd. (3.74%), Mienhao Industrial Co., Ltd. (2.70%)

2. Shin-Hai Gas Co, Ltd.

April 27, 2025

Name of institutional shareholders	Dominant shareholders of institutional shareholders (Shareholdings percentage%)
Pai Hsun Investment Co., Ltd.	THE GREAT TAIPEI GAS CORPORATION (100%)
THE GREAT TAIPEI GAS CORPORATION	Tung-Chin Wu (6.06%), Shin Kong Life Insurance Co., Ltd. (5.92%), Shin Kong Wu Ho-Su Memorial Hospital (5.54%), Yueh Hsing Hua Investment Co., Ltd. (5.18%), SHINKONG SYNTHETIC FIBERS CORP. (3.91%), Chi Yeh Chemical Co., Ltd. (3%), Juying Industrial Co., Ltd. (2.70%), Shin-Kong Life Real Estate Service Co.,Ltd. (2.27%), SHINKONG TEXTILE CO., LTD. (2.08%), Shin Hu Natural Gas Co., LTD. (2.02%)
CONSCIOUS ENTERPRISES CO., LTD.	Huang Mei-Ying (15.18%), Chang Chung-Ta (9.31%), Chang Wen-Rui (9.18%), Yeh Mei-Yun (8%) Chang Chan-Nan (7.24%), Yang Chuo-Chiang (7.24%), Chao Chang Hui-Fen (7.18%), Chang Pi-Mei (6.53%) Chang Wu, Su-Fu (5.06%)
Thousand Islands Investment Co., Ltd.	THE GREAT TAIPEI GAS CORPORATION (100%)
Chi Yeh Chemical Co., Ltd.	THE GREAT TAIPEI GAS CORPORATION (26.55%), Thousand Islands Investment Co., Ltd. (8.73%), Mienhao Industrial Co., Ltd. (6.33%), Pai Hsun Investment Co., Ltd. (5.64%), Ho Jui Industrial Co., Ltd. (5.03%), Han-Tung Lin (4.07%), Taifeng Investment Co., Ltd. (3.34%), Taiwan Glass Ind. Corp. (3.30%), Hung Hsin Industrial Co., Ltd. (2.28%), Hui-Wen Lin (1.93%)
Northeast Corner Recreation Development Co., Ltd.	Tung-Chin Wu (36.67%), Lung-Shih Lin (16.67%), Juying Industrial Co., Ltd. (16.50%), Peng Lai Co., Ltd. (13.17%), Chiu-Ju Industrial Co., Ltd. (11.67%), Hsien-Hsien Hsu (5.00%), Tsai-Hsing Chen (0.16%), Po-Fong Lin (0.16%)
Jui Hsing International Investment Co., Ltd.	Zhao Li Co., Ltd. (20%), Jin Ya Investment Co., Ltd. (12.5%), Dong Jie Investment Co., Ltd. (12.5%), Zhi Ting Investment Co., Ltd. (12.5%), Ya Investment Co., Ltd. (12.5%), Yun De Investment Co., Ltd. (10%), Chia Yu Investment Co., Ltd. (10%), and Fei Kai Investment Co., Ltd. (10%)
Jang Te Investment Co., Ltd.	Wu Hui-Lan (16.67%), Wu Ying-Chen (14.25%), Wu Tzu-Hsiu (14.19%), Wu Liang-Hong (14.19%), Ke Yao-Pi (8.01%), Lin Yu-Fen (7.17%), Pan Wen-Hui (5.88%), Hsu Chi-Ching (4.33%), Wu Cheng-Liang (3.62%), Lai Hui-Chiung (2.48%)
YANG MING SHAN GAS CO., LTD.	Lai Chiu-Yu (4.74%), Liu Chin-Piao* (3.16%), Wu Chun-Ming (2.97%), Huang Li-Chen (2.51%) Liu Chia-I (2.27%), Liu Hsin-I (2.27%), Liu Li-Hsuan (2.27%), Lai Po-Hung (2.02%), Chen Mei-Ju (1.94%), Lai Po-Han (1.76%) *Liu Chin-Tsai passed away on January 19, 2024 and the successor has not yet completed the transfer.

Directors Information (2)

I. Information disclosure on the professional qualifications of the directors and status of independence of the independent directors:

April 27, 2025

Criteria Name	Professional qualifications and experiences	State of independence	Number of other public companies in which the individual is concurrently serving as an independent director
Ho-Chia Chen	<p>He has been the Company's Director since 1985 and in the natural gas industry for nearly 40 years. He helped the Company's successful public listing and has been the Chairman of the Company since 1995. He is committed to the improvement of professional technology and assurance of safety, as well as the provision of comprehensive services.</p> <p>Prior to his current position as the Honorary Chairperson of Gas Association of the Republic of China, he served as the Chairman of Gas Association of the Republic of China for 8 years. During his term, he assisted in the amendments to applicable laws and regulations regarding natural gas enterprises, coordination and planning of professional skill certification, promotion of fraud prevention, implementation of drills and formulation of construction regulations, and held the Natural Gas Round Table for R.O.C., Japan and Korea to increase exchange of professional technology and citizen diplomacy. During his leisure time, he focuses on social welfare and endeavors to facilitate art and cultural events. He also cares about the environmental sustainability in order to fulfill the corporate social responsibility.</p> <p>He is familiar with the natural gas industry and equipped with the work experience in leadership, operating judgment, finance, risk</p>	<ol style="list-style-type: none"> 1. Has Spouse and 1 second-degree relative assume the director post with the Company. 2. Not in any of the circumstances regulated under Paragraph 3 and 4, Article 26-3 of the Securities and Exchange Act 3. Not under any of the circumstances provided in Article 30 of the Company Act. 	None

2. Company Governance Report

Criteria Name	Professional qualifications and experiences	State of independence	Number of other public companies in which the individual is concurrently serving as an independent director
	management and public welfare needed for the Company's business.		
THE GREAT TAIPEI GAS CORPORATION Representative: Richard H Wu	He is currently the Chairperson of Taiwan Shin Kong Security Co., Ltd. He endeavors to facilitate digital transformation and actively integrates related businesses to match market demands. He majored in Information Management in college and once founded a gaming software company. He attended major international exhibition on an annual basis and pays attention to topics such as technology, medicine and care. He has practical work experience in commerce, investment, finance, risk management and company management. He is equipped with the work experience in commerce, leadership, operating decision-making, finance and risk management needed for the Company's business.	<ol style="list-style-type: none"> 1. Has 1 second-degree relative assume the director post with the Company. 2. Not in any of the circumstances regulated under Paragraph 3 and 4, Article 26-3 of the Securities and Exchange Act 3. Not under any of the circumstances provided in Article 30 of the Company Act. 	None
Veterans Affairs Commission, Executive Yuan Representative: Hsiao-i Lee	Current senior Executive Officer, Department of Civil Service Ethics, Veterans Affairs Commission, Executive Yuan; former Commissioner of the National Civilian Training Institute, Commissioner of the National Security Council. He owns work experience in planning and administration needed for the Company's business.	<ol style="list-style-type: none"> 1. No spouse or second-degree relatives assuming director post with the Company. 2. Not under any of the circumstances provided in Article 30 of the Company Act. 	None
Kindasaki Biochemical Technology Co., Ltd. Representative: Shi-shuenn Chen	Current Chairperson, Taiwan Reliability Engineering Association; Director, NTUST Architecture Center; Former President, NTUST; Director, Public Construction Commission, Executive Yuan; familiar with public construction and the construction industry, and is committed to social welfare	<ol style="list-style-type: none"> 1. Has 2 second-degree relative assume the director post with the Company. 2. Not in any of the circumstances regulated under Paragraph 3 and 4, Article 26-3 of the Securities and Exchange Act 3. Not under any of the circumstances provided in 	None

2. Company Governance Report

Criteria Name	Professional qualifications and experiences	State of independence	Number of other public companies in which the individual is concurrently serving as an independent director
	activities. Equipped with experience in management, leadership, business determination, public administration, risk management, political affairs, public welfare, and other areas required by the Company's business.	Article 30 of the Company Act.	
Jung-Chun Huang	He has been the Company's Director since 2011 and owns extensive experience in the natural gas industry. He is equipped with the work experience in commerce, leadership, operation, marketing and risk management needed for the Company's business.	<ol style="list-style-type: none"> 1. Has 1 second-degree relative assume the director post with the Company. 2. Not in any of the circumstances regulated under Paragraph 3 and 4, Article 26-3 of the Securities and Exchange Act 3. Not under any of the circumstances provided in Article 30 of the Company Act. 	None
Veterans Affairs Commission, Executive Yuan Representative: Kun-chung Huang	Current General Manager of Shin Shin Natural Gas Co., Ltd. Former Director of Yunlin Veterans Home, Director of Veterans Service Office of Kaohsiung City, Director-General of Service Care Division. He is equipped with the work experience in leadership, operating decision-making, care, planning and administration needed for the Company's business.	<ol style="list-style-type: none"> 1. No spouse or second-degree relatives assuming director post with the Company. 2. Not under any of the circumstances provided in Article 30 of the Company Act. 	None
THE GREAT TAIPEI GAS CORPORATION Representative: Hsin-Ju Wu	She is currently the Director of Shin Kong Financial Holding Co., Ltd., the Director of Shin Kong Life Insurance Co., Ltd. and the President of Shin Kong Financial Holding Co., Ltd. She is equipped with the work experience in leadership, operating decision-making, banking, insurance, securities, finance and risk management needed for the Company's business.	<ol style="list-style-type: none"> 1. Has 1 second-degree relative assume the director post with the Company. 2. Not in any of the circumstances regulated under Paragraph 3 and 4, Article 26-3 of the Securities and Exchange Act 3. Not under any of the circumstances provided in Article 30 of the Company Act. 	None
Hui-Chun Chen Wu	She is currently Municipal Consultant, Taipei City Government and served as the Chairperson of the New Taipei	<ol style="list-style-type: none"> 1. Has Spouse and 1 second-degree relative assume the director post with the Company. 	None

2. Company Governance Report

Criteria Name	Professional qualifications and experiences	State of independence	Number of other public companies in which the individual is concurrently serving as an independent director
	City Women’s Association, the Chairperson of YungHo District Women’s Association and the CEO of Mr. Chen Gen-Chu Foundation for Education and Culture She has the work experience in commerce, banking, and public welfare needed for the Company’s business.	<ol style="list-style-type: none"> 2. Not in any of the circumstances regulated under Paragraph 3 and 4, Article 26-3 of the Securities and Exchange Act 3. Not under any of the circumstances provided in Article 30 of the Company Act. 	
Tung Chan Enterprise Co., Ltd. Representative: Hung-Wen Chuang	He is currently the Chairperson of Hsin Tai Gas Co., Ltd. and subscribes to the principle of “Safety and Service First”. He endeavors to improve professional technology and ensure the maintenance of safety in addition to the comprehensive service. He is familiar with the natural gas industry and equipped with the work experience in leadership, operating decision-making, finance and risk management needed for the Company’s business.	<ol style="list-style-type: none"> 1. No spouse or second-degree relatives assuming director post with the Company. 2. Not under any of the circumstances provided in Article 30 of the Company Act. 	None
Cheng-Cheng Wong	He has been the Company’s Director since 1988 and is equipped with the ability in long-term development strategy in natural gas industry. He is equipped with the work experience in leadership, operating decision-making, finance, insurance and marketing needed for the Company’s business.	<ol style="list-style-type: none"> 1. No spouse or second-degree relatives assuming director post with the Company. 2. Not under any of the circumstances provided in Article 30 of the Company Act. 	None
Veterans Affairs Commission, Executive Yuan Representative: Kuang-yu Chan	He serves as the Directorate-General of the Department of Administrative Management, Veterans Affairs Commission. He was the Director of Gangshan Veterans Home and the Directorate-General of Nantou County Veterans Service Office. He owns work experience in planning, administration and public welfare needed for the Company’s business.	<ol style="list-style-type: none"> 1. No spouse or second-degree relatives assuming director post with the Company. 2. Not under any of the circumstances provided in Article 30 of the Company Act. 	None
Veterans Affairs Commission,	He is currently the Director of Department of Personnel, Veterans	<ol style="list-style-type: none"> 1. No spouse or second-degree relatives assuming director 	None

2. Company Governance Report

Criteria Name	Professional qualifications and experiences	State of independence	Number of other public companies in which the individual is concurrently serving as an independent director
Executive Yuan Representative: Yen-Chun Wu	Affairs Commission and served as the Director of Department of Personnel, Ocean Affairs Council and the Deputy Director of Department of Personnel, Ministry of Culture. He is equipped with the work experience in talent cultivation, education and training, planning and administration needed for the Company's business.	post with the Company. 2. Not under any of the circumstances provided in Article 30 of the Company Act.	
Veterans Affairs Commission, Executive Yuan Representative: Tung-fa Tsao	Current Directorate-General of the Care Service Division, Veterans Affairs Commission; former director of Political Warfare Director of the Navy's 261st Battle Group and Director of Veterans Service Office of Nantou County. Equipped with experience in finance, planning, administrative management, and other tasks required for the Company's business.	1. No spouse or second-degree relatives assuming director post with the Company. 2. Not under any of the circumstances provided in Article 30 of the Company Act.	None
THE GREAT TAIPEI GAS CORPORATION Representative: Po-Fong Lin	He is currently the Director of Great Taipei Gas Corporation and Taiwan Shin Kong Security Co., Ltd., and served as the Chairman of Taiwan Shin Kong Security Co., Ltd. He is equipped with the work experience in leadership, operating decision-making, commerce and law needed for the Company's business.	1. No spouse or second-degree relatives assuming director post with the Company. 2. Not under any of the circumstances provided in Article 30 of the Company Act.	None
Shin-Hai Gas Co, Ltd. Representative: Chen-Lung Li	He is currently the Chairperson of the Great Taipei Gas and endeavors to improve business performance, expand the application fields and efficacy of natural gas, and accelerate the replacement of old pipes and regular safety checks of user pipe equipment ensuring users' safety. He is familiar with the natural gas industry and equipped with the work experience in leadership, operating decision-making, finance, risk management and	1. No spouse or second-degree relatives assuming director post with the Company. 2. Not under any of the circumstances provided in Article 30 of the Company Act.	None

2. Company Governance Report

Criteria Name	Professional qualifications and experiences	State of independence	Number of other public companies in which the individual is concurrently serving as an independent director
	administration needed for the Company's business.		
Shin Kong Wu Foundation Representative: Chi-hao Wu	Executive Deputy General Manager at The Great Taipei Gas Corporation, familiar with the natural gas industry and experienced in risk management, financial management, and accounting as required by the Company.	<ol style="list-style-type: none"> 1. No spouse or second-degree relatives assuming director post with the Company. 2. Not under any of the circumstances provided in Article 30 of the Company Act. 	None
Kuo-Tai Chang	He is currently the Vice President of EVFA International Co., Ltd. and served as the Vice President of the Company. He is familiar with business in the natural gas industry and owns expertise in finance, investment, education and training needed for the Company's business.	<ol style="list-style-type: none"> 1. No spouse or second-degree relatives assuming director post with the Company. 2. Not under any of the circumstances provided in Article 30 of the Company Act. 	None
Ko-Tseng Li	He is currently the Special Assistant to the Chairman of EVFA International Co., Ltd. and served as the Manager of the Company's Business Department. He is familiar with business in the natural gas industry and owns expertise in finance, securities and investment needed for the Company's business.	<ol style="list-style-type: none"> 1. Has 1 second-degree relative assume the director post with the Company. 2. Not in any of the circumstances regulated under Paragraph 3 and 4, Article 26-3 of the Securities and Exchange Act 3. Not under any of the circumstances provided in Article 30 of the Company Act. 	None
Veterans Affairs Commission, Executive Yuan Representative: Ma-ko Lo	Current section Chief, Pension Division, Veterans Affairs Council, Inspector-in-Charge, Deputy Director; former Director of Veterans Service Office of Hualien County He owns work experience in planning and administration needed for the Company's business.	<ol style="list-style-type: none"> 1. No spouse or second-degree relatives assuming director post with the Company. 2. Not under any of the circumstances provided in Article 30 of the Company Act. 	None
Ching-kuo Lee	Current Chairman of Taipei Golf Course and former General Manager of Shin Shin Natural Gas Co., Ltd., familiar with the natural gas industry and equipped with the leadership, operational decision-making, finance, and risk	<ol style="list-style-type: none"> 1. Neither him/her, his/her spouse, nor relatives within second degree of kinship has held position as the director or employee of the Company or its affiliates. 2. Is not a director, supervisor or 	None

2. Company Governance Report

Criteria Name	Professional qualifications and experiences	State of independence	Number of other public companies in which the individual is concurrently serving as an independent director
	management skills needed for the Company's business.	<p>employee of a designated company that has specified relationship with the Company.</p> <p>3. Has not obtained compensation from providing business, legal, finance, or accounting services to the Company or its affiliates in the most recent two years.</p> <p>4. Not under any of the circumstances provided in Article 30 of the Company Act.</p>	
Chin-Ming Kuo	He is the Dean of the College of Law of Chinese Culture University. He is familiar with the family law, succession law, Family Act, commercial law, Criminal Code of the Armed Forces, Military trial, etc. He is an instructor or higher in a department of law related to the business needs of the Company in a public or private junior college, college, or university.	<p>1. Neither him/her, his/her spouse, nor relatives within second degree of kinship has held position as the director or employee of the Company or its affiliates.</p> <p>2. Is not a director, supervisor or employee of a designated company that has specified relationship with the Company.</p> <p>3. Has not obtained compensation from providing business, legal, finance, or accounting services to the Company or its affiliates in the most recent two years.</p> <p>4. Not under any of the circumstances provided in Article 30 of the Company Act.</p>	None Passed away recently, the vacancy is still to be filled at this year's (2025) annual general meeting of shareholders
Shu-Ping Hsu	She is currently the Practice Accountant at Champion CPAs Firm and has more than 20 years of expertise in finance and accounting. She has work experience in accounting and finance needed for the Company's business.	<p>1. Neither him/her, his/her spouse, nor relatives within second degree of kinship has held position as the director or employee of the Company or its affiliates.</p> <p>2. Is not a director, supervisor or employee of a designated company that has specified relationship with the Company.</p> <p>3. Has not obtained</p>	None

2. Company Governance Report

Criteria Name	Professional qualifications and experiences	State of independence	Number of other public companies in which the individual is concurrently serving as an independent director
		compensation from providing business, legal, finance, or accounting services to the Company or its affiliates in the most recent two years. 4. Not under any of the circumstances provided in Article 30 of the Company Act.	
Ming-Hsiung Chen	He worked in the construction industry, which is closely related to the natural gas industry, and served as the 4-time councilman of Taipei County Council, the National Assembly member, the Advisor of Executive Yuan Administrative, and the Advisor to the Office of the President. He has tremendous contribution to the Company by facilitating administrative affairs such as communication and coordination with the competent authority. During his leisure time, he is committed to social welfare to fulfill the corporate social responsibility. He has the work experience in leadership, operational decision-making, commerce, investment, and risk management.	1. Neither him/her, his/her spouse, nor relatives within second degree of kinship has held position as the director or employee of the Company or its affiliates. 2. Is not a director, supervisor or employee of a designated company that has specified relationship with the Company. 3. Has not obtained compensation from providing business, legal, finance, or accounting services to the Company or its affiliates in the most recent two years. 4. Not under any of the circumstances provided in Article 30 of the Company Act.	None
Han-Lin Tseng	He is currently the Vice Chairman of Tong Hsin Water Business Inc., and was engaged in the construction industry, which is closely related to the natural gas industry. In addition, he has been active in social welfare events to give back to the community, and acts as the Chairman of the Institute for the Blind of Taiwan, Municipal Consultant, Taipei City Government and the Director of New Taipei Branch, Taiwan After Care Association, Ministry of Justice. He is equipped with the work experience in commerce, finance, accounting, investment,	1. Neither him/her, his/her spouse, nor relatives within second degree of kinship has held position as the director or employee of the Company or its affiliates. 2. Is not a director, supervisor or employee of a designated company that has specified relationship with the Company. 3. Has not obtained compensation from providing business, legal, finance, or accounting services to the Company or its affiliates in the most recent two years.	None

2. Company Governance Report

Criteria Name	Professional qualifications and experiences	State of independence	Number of other public companies in which the individual is concurrently serving as an independent director
	leadership and risk management needed for the Company's business.	4. Not under any of the circumstances provided in Article 30 of the Company Act.	

II. Diversity and independence of the Board of Directors:

(I) The Company’s Board of Directors is composed based on the development and scale of its development and the shareholding of its major shareholders by taking into account the actual operational needs. As stated in the “Corporate Governance Best-Practice Principles” and the “Procedures for Election of Directors,” it is advisable that the composition of the Board shall be diverse and attentive to gender equality, professional qualifications and domains of work experience, and the members shall possess knowledge, skills and experience necessary to perform their duties.

The 20th Board of Directors of the Company consists of 24 Board members (including 5 independent directors) with a diversified composition, and their respective expertise and experience. The term of office is from June 21, 2024 to June 20, 2027. One of the independent directors has passed away, and the vacancy will be filled at this year's (2025) annual general meeting of shareholders.

Basic information										Professional qualification								
Name	Board member	Employee of the Company	Gender	Age				Independent Director Term of office		Management and leadership	Natural gas industry	Public administration management	Risk management	Finance management	Accounting expertise	Legal expertise	Government affairs experience	Charity experiences
				Below 50	51-60	61-70	Over 71	Less than 3 years	3~6 years									
Ho-Chia Chen	Chairman		Male				V		V	V		V	V			V	V	
Richard H Wu	Director		Male	V					V	V			V				V	
Hsiao-i Lee	Director		Female	V							V							
Shi-shuenn Chen	Director		Male				V		V	V	V	V				V	V	
Jung-Chun Huang	Director		Male			V			V	V		V						
Kun-chung Huang	Director	V	Male			V			V	V	V	V					V	
Hsin-Ju Wu	Director		Female	V					V			V	V				V	
Hui-Chun Chen Wu	Director		Female			V			V		V					V	V	
Hung-Wen Chuang	Director		Male		V				V	V		V	V					
Cheng-Cheng Wong	Director		Male			V			V	V		V	V					
Kuang-yu Chan	Director		Male		V						V						V	
Yen-chun Wu	Director		Male		V						V							
Tung-fa Tsao	Director		Male		V						V		V					
Po-Fong Lin	Director		Male				V		V						V			
Chen-lung Lee	Director		Male			V			V	V	V	V	V					
Chi-hao Wu	Director		Male		V					V		V	V	V				
Kuo-Tai Chang	Director		Male				V			V		V		V			V	
Ko-Tseng Li	Director		Male				V			V				V			V	
Ma-ko Lo	Director		Male		V						V							
Ching-kuo Lee	Independent Director		Male				V	V	V	V		V	V					
Shu-Ping Hsu	Independent Director		Female	V				V					V	V				
Ming-Hsiung Chen	Independent Director		Male				V	V	V							V	V	
Han-Lin Tseng	Independent Director		Male		V			V	V				V			V	V	

(II) With regard to the age distribution of Directors, there are 4 Directors below 50 years old, 7 Directors between 51-60 years, 6 Directors between 61-70 years and 7 Directors above 71 years.

In addition to the above, the Company also places great emphasis on gender equality among its members. There are currently four female directors, accounting for 17.4% of all directors; there are four independent directors, accounting for 17.4% of all directors (The vacancy of independent director will be filled at the annual shareholders meeting this year); there is one director who is also an employee, accounting for 4% of all directors. If the number of directors of any gender does not reach one-third of the total number of directors, the outcome is due to the structure of the directors' equity.

(III) Specific management goals and current status of the Board of Directors diversity policy:

Management goals	Achievements	Remark
At least one seat of female director	V	4 seats of female director
No more than one-third of the directors who are concurrently managers of the company	V	Accounting for 4%
Must be more than one-fifth of the directors who are independent directors	V	Accounting for 21%
Years of service by independent directors at not more than 9 years	V	None of such situation

(IV) There are 5 independent directors for the Company, standing at 21%. Each of them exercise authority independently. Among the current 4 independent directors, 3 of the independent directors have served for less than 4 years, 1 of the independent directors have served for 7 years, and all independent directors do not serve for over 3 consecutive terms. There have been no circumstances as regulated under Article 26-3, Paragraph 3 and 4 of the Securities and Exchange Act.

None of the independent directors, their spouses, relatives within the second degree of kinship hold positions as a director, supervisor or employee of the Company, its affiliates or a designated company that has specified relationship with the Company, and do not hold any company shares; Have not obtained compensation from providing business, legal, finance, or accounting services to the Company or its affiliates in the most recent two years.

The Independent Director Shu-Ping Hsu, who has professional background in accounting or finance, has been the Practice Accountant at CHAMPION CPAs Firm for 7 years and worked as the Assistant Vice President in Deloitte and Touche has more than 20 years of expertise in finance, and she is not under any of the circumstances set forth in Article 30 of the Company Act.

(V) The Company drives the complete development of the Board of Directors formation and structure for the purpose of strengthening its corporate governance. Realizing the diversity and complementarity of the board

2. Company Governance Report

directors to ensure the board members in general possess the necessary knowledge, skills and competence for the execution of the work.

(VI) Information on president, vice president, assistant VP and, head of each department and branches

April 27, 2025

Title	Nationality	Name	Gender	Date elected (onboard)	Shareholding		Shareholding by spouse or dependents		Shares held in the name of others		Selected education and professional qualification	Concurrent Positions at Other Companies	Managerial officers who are spouses or within second-degree relative of consanguinity to each			Remark
					Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %	Number of shares (Shares)	Shareholding percentage %			Title	Name	Relationship	
President	R.O.C.	Kun-chung Huang	Male	2023.03.16	0	0	0	0	0	0	2000 Year Class, War College, National Defense University	President, EVFA INTERNATIONAL CO., LTD.	None	None	None	
Vice President	R.O.C.	Yi-Hsin Chien	Male	2021.09.11	62,011	0.03	210,919	0.12	0	0	Bachelor of Chinese Literature, Fu Jen Catholic University	None	None	None	None	
Vice President	R.O.C.	Yi-shen Lai	Male	2023.08.11	0	0	0	0	0	0	Master of Science, Engineering Management, Tatung University	None	None	None	None	
Corporate Governance Officer	R.O.C.	Te-yin Wan	Female	2023.06.01	538	0	0	0	0	0	Bachelor of Agricultural Economics, National Taiwan University	None	None	None	None	
Manager, Development Department	R.O.C.	Cheng-Hsueh Hsieh	Male	2021.09.16	2,694	0.0018	0	0	0	0	Diploma of Electronic Engineering, Tungnan Technical College	None	None	None	None	
Internal Auditing Officer	R.O.C.	An-Yi Chen	Female	2021.09.11	275,152	0.15	548	0	0	0	Bachelor of Sociology, Soochow University	None	None	None	None	
Manager, Department of Engineering	R.O.C.	Chi-Ming Chang	Male	2020.11.21	0	0	0	0	0	0	Bachelor of Civil Engineering, Tamkang University	None	None	None	None	
Manager, Business Department	R.O.C.	Chong-Yi Liao	Male	2020.11.16	0	0	0	0	0	0	Master of Business Administration, National Taipei University	None	None	None	None	
Manager, Management Department	R.O.C.	Yuan-liang Liu	Male	2022.09.16	0	0	0	0	0	0	Department of Electrical Engineering, Tungnan Institute of Technology	None	None	None	None	
Manager, Department of Finance	R.O.C.	Yi-Yang Huang	Male	2019.04.09	0	0	0	0	0	0	Master of Resource Management, Management College, National	None	None	None	None	
Head of Labor Safety and Health Office	R.O.C.	Shih-chao Hsu	Male	2024.10.16	73,184	0.04	0	0	0	0	Department of Journalism, Television and Film, Shih Hsin University	None	None	None	None	
Director of Information Systems Office	R.O.C.	Hung-Wen Li	Male	2024.09.01	2,120	0.0012	0	0	0	0	Master of Information Management, National Taiwan University of	None	None	None	None	
Director of Human Resource Office	R.O.C.	Huai-An Liao	Male	2024.09.01	0	0	0	0	0	0	Hon. Master and Master of Commerce, Business Information Systems, University of	None	None	None	None	

II. Remunerations paid to directors and independent directors, president and vice president in the most recent year

(I) Remuneration for directors and independent directors (disclosure of an aggregate amount that is in accordance with the range of compensation and the name of director)

December 31, 2024

Title	Name	Remuneration for directors								% of the sum of A to D in the net profit after tax		Remuneration for concurrent position as an employee								% of the sum of A to G in the net profit after tax		Compensation received from non-consolidated affiliates or parent company (NTD)	
		Remunerations Paid (A) (NTD)		Retirement Pension (B)(NTD)		Directors remuneration (C)(NTD)		Expenses for Execution of Business (D)(NTD)				Salaries, Bonus and Special Expenditure (E)(NTD)		Retirement Pension (F) (NTD)		Employees remuneration (G)(NTD)							
		The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	Cash amount	Stock amount	Cash amount	Stock amount	The Company	All companies in financial statements		
Chairman	Ho-Chia Chen																						
Director	Kun-chung Huang (Note 1)																						
Director	Richard H Wu (Remarks 4)																						
Director	Jung-Chun Huang																						
Director	Shi-shuenn Chen (Note 3)																						
Director	Tung-fa Tsao (Remarks 1)																						
Director	Hsin-Ju Wu (Note 4)																						
Director	Chi-hao Wu (Note 2)																						
Director	Chin-chiang Li (Note 1)																						
Director	Yen-chun Wu (Note 1)	6,339,835	7,309,018	0	0	10,614,703	10,614,703	20,690,836	20,798,836	9.47	9.74	5,436,660	7,617,460	0	0	201,477	0	588,677	0	10.89	11.81	None	
Director	Po-Fong Lin (Notes 4)																						
Director	Hui-Chun Chen Wu (Note 3)																						
Director	Kuo-Tai Chang																						
Director	Ko-Tseng Li																						
Director	Kuang-yu Chan (Note 1)																						
Director	Cheng-Cheng Wong																						
Director	Chen-lung Lee (Note 5)																						
Director	Hung-Wen Chuang (Note 6)																						
Director	Ma-ko Lo (Note 1)																						
Independent Director	Ching-kuo Lee																						
Independent Director	Chin-Ming Kuo																						
Independent Director	Ming-Hsiung Chen	0	0	0	0	0	0	2,524,666	2,524,666	0.64	0.64	0	0	0	0	0	0	0	0	0.64	0.64	None	
Independent Director	Han-Lin Tseng																						
Independent Director	Shu-Ping Hsu																						

1. Please describe the remuneration policies, mechanisms, standards, and structures for the independent directors, and their correlation to the amount of remuneration based on factors such as duties, risks, and invested time of the independent directors: The Company's independent directors, after the board's approval, obtain fixed-rate remuneration and attendance fees based on their role and responsibilities, conducting business independently, and participation in corporate governance; For independent directors who are also the remuneration committee member will obtain commuting and attendance fees each month.

2. Pay for services (such as non-employee consultant) specified in the financial statements provided by directors in the most recent year not specified above: None.

Note: 1. Representative of the Veterans Affairs Commission, Executive Yuan.

3. Representative, Kindasaki Biochemical Technology Co., Ltd.

5. Representative, Shin-Hai Gas Co, Ltd.

7. The "expensed retirement pension" amount set aside was NTD 108,000 for 2024 directors who are concurrently employees.

9. 2024 directors and employees remuneration have been approved by the Board of Directors meeting.

2. Representative of Shin Kong Wu Foundation

4. Representative, THE GREAT TAIPEI GAS CORPORATION.

6. Representative, Tung Chan Enterprise Co., Ltd.

8. Provide rented company car to the Chairman and president, one car each person, monthly rental fee is NTD 117,400.

2. Company Governance Report

Range of Remunerations

Remuneration ranges for each director of the Company	Director name			
	Total amount of the first four remunerations (A+B+C+D)(NTD)		Total amount of the first seven remunerations (A+B+C+D+E+F+G)(NTD)	
	The Company	All companies in financial statements	The Company	All companies in financial statements
Less than NTD 1,000,000	Huang Kun-Tsung (1), Wu Hsin-Ju (4), Chuang Hung-Wen (6), Lin Po-Feng (4), Li Cheng-Lung (5), Wu Chi-Hao (2), Chen Hsi-Shun (3), Wu Yan-Chun (1), Chan Kuang-Yu (1), Li Chin-Chiang (1), Tsao Dong-Fa (1), Lo Ma-Ke (1), Li Ching-Kuo, Kuo Chin-Ming, Ming-Hsiung Chen, Han-Lin Tseng, Shu-Ping Hsu 17 persons	17 persons (Name list is the same to the left)	Hsin-Ju Wu, Hung-Wen Chuang, Po-Fong Lin, Chen-lung Lee, Chi-hao Wu, Shi-shuenn Chen, Yen-chun Wu, Kuang-yu Chan, Chin-chiang Li, Tung-fa Tsao, Ma-ko Lo, Ching-kuo Lee, Chin-ming Kuo, Ming-Hsiung Chen, Han-Lin Tseng, Shu-Ping Hsu 16 persons	16 persons (Name list is the same to the left)
1,000,000 (inclusive) – \$2,000,000 (exclusive)	Ko-Tseng Li, Hui-Chun Chen Wu, Cheng-Cheng Wong, Richard H Wu (4) 4 persons	4 persons (Name list is the same to the left)	Ko-Tseng Li, Hui-Chun Chen Wu, Cheng-Cheng Wong, Richard H Wu 4 persons	Hui-Chun Chen Wu, Cheng-Cheng Wong, Richard H Wu 3 persons
2,000,000 (inclusive) – \$3,500,000 (exclusive)	Jung-Chun Huang, Kuo-Tai Chang 2 persons	2 persons (Name list is the same to the left)	Jung-Chun Huang, Kuo-Tai Chang 2 persons	Jung-Chun Huan, Kuo-Tai Chang Ko-Tseng Li 3 persons
3,500,000 (inclusive) – \$5,000,000 (exclusive)	0	0	0	0
5,000,000 (inclusive) – \$10,000,000 (exclusive)	Ho-Chia Chen, 1 person	Ho-Chia Chen, 1 person	Ho-Chia Chen, Kun-chung Huang 2 persons	Ho-Chia Chen, Kun-chung Huang 2 persons
10,000,000 (inclusive) – \$15,000,000 (exclusive)	0	0	0	0
15,000,000 (inclusive) – \$30,000,000 (exclusive)	0	0	0	0
30,000,000 (inclusive) – \$50,000,000 (exclusive)	0	0	0	0
50,000,000 (inclusive) – \$100,000,000 (exclusive)	0	0	0	0
More than \$100,000,000	0	0	0	0
Total	24 persons	24 persons	24 persons	24 persons

Note: 1. Representative of the Veterans Affairs Commission, Executive Yuan.

2. Representative of Shin Kong Wu Foundation

3. Representative, Kindasaki Biochemical Technology Co., Ltd.

4. Representative, THE GREAT TAIPEI GAS CORPORATION.

5. Representative, Shin-Hai Gas Co, Ltd.

6. Representative, Tung Chan Enterprise Co., Ltd.

2. Company Governance Report

(II) Compensation for President and Vice President (name of President and Vice President is disclosed in accordance with the aggregate amount attributed to the range of compensation)

Title	Name	Remunerations Paid (A) (NTD)		Retirement Pension (B)(NTD)		Salaries, Bonus and Special Expenditure (C) (NTD)		Profit sharing remuneration for employees (D) (NTD)				% of the sum of A to D in the net profit after tax (%)		Compensation received from non-consolidated affiliates or parent company (NTD)
		The Company	All companies in financial statements	The Company	All companies in financial statements	The Company	All companies in financial statements	The Company		All companies in financial statements		The Company	All companies in financial statements	
								Cash amount	Stock amount	Cash amount	Stock amount			
President	Kun-chung Huang													
Vice President	Yi-Hsin Chien	5,938,781	5,938,781	0	0	4,604,048	5,292,797	373,140	0	573,140	0	2.75	2.97	None
Vice President	Yi-shen Lai													

Note: 1. The “expensed retirement pension” amount set aside was NTD 295,704 for 2024 President and Vice President.

2. 2024 employee remunerations was passed by the Board of Directors meeting.

Range of Remunerations

Remuneration range for president and vice president as paid by the Company	Names of president and vice president	
	The Company	All companies in financial statements
Less than NTD 1,000,000	0	0
1,000,000 (inclusive) – \$2,000,000 (exclusive)	0	0
2,000,000 (inclusive) – \$3,500,000 (exclusive)	Yi-Hsin Chien, Yi-shen Lai	Yi-Hsin Chien, Yi-shen Lai
3,500,000 (inclusive) – \$5,000,000 (exclusive)	Kun-chung Huang	0
5,000,000 (inclusive) – \$10,000,000 (exclusive)	0	Kun-chung Huang
10,000,000 (inclusive) – \$15,000,000 (exclusive)	0	0
15,000,000 (inclusive) – \$30,000,000 (exclusive)	0	0
30,000,000 (inclusive) – \$50,000,000 (exclusive)	0	0
50,000,000 (inclusive) – \$100,000,000 (exclusive)	0	0
More than \$100,000,000	0	0
Total	3 persons	3 persons

Profit sharing remuneration for employees, manager names and distribution

April 27, 2025

	Title	Name	Share bonus (NTD)	Cash bonus (NTD)	Total (NTD)	% in net earnings
Managerial Officer	President	Kun-chung Huang	0	756,862	756,862	0.19
	Vice President	Yi-Hsin Chien				
	Vice President	Yi-shen Lai				
	Corporate Governance Officer	Te-yin Wan				
	Manager	Yi-Yang Huang				

Note: The 2024 employee remuneration was approved by the Remuneration Committee and Board of Directors meeting.

(III) Analysis of the total remuneration as a percentage of net income, as stated in the parent company's financial reports or individual financial reports, paid by the Company and each other company included in the consolidated financial statements to directors, the President, and Vice Presidents during the past 2 fiscal years.

Items Title	The Company				In the consolidated statements			
	2023		2024		2023		2024	
	Total amount	To net earnings after tax in percentage	Total amount	To net earnings after tax in percentage	Total amount	To net earnings after tax in percentage	Total amount	To net earnings after tax in percentage
Remuneration for directors (including Independent Director)	38,649,747	10.86%	40,170,040	10.11%	39,827,747	11.19%	41,247,223	10.38%
Supervisor								
Remuneration for president and vice president	11,585,252	3.26%	10,915,969	2.75%	12,655,252	3.56%	11,804,718	2.97%
Income after tax	355,885,301		397,412,124		355,885,301		397,412,124	

Note: Remuneration policies, standards, and package:

(1) Remuneration for directors:

2. Company Governance Report

The principle for directors' remuneration is prescribed in Article 33 of the Articles of Incorporation of the Company. The Company's Board of Directors may resolve to have directors' remuneration appropriated for an amount not more than 2.2% of the aforementioned profits, if any.

(2) Remuneration for president and vice president:

The Company shall appropriate employee compensation for an amount equivalent to 2.2% of the aforementioned profits, if any, which is to be distributed in shares or cash by resolution of the Board of Directors. The employees of subordinate companies who meet certain conditions are also entitled to such earnings distribution.

(3) The proposal for the distribution of employee compensation and directors' remuneration shall be reported to the shareholders' meeting. However, when the Company has accumulated losses, an equivalent amount should be reserved in advance for making up such losses before appropriating the employee compensation and directors' remuneration in accordance with the ratio stated in the preceding paragraph.

III. Operations of corporate governance

(I) Operation of the Board of Directors

The number of Board meetings held in the most recent fiscal year was 7 (A), and the attendance by the Directors is as follows:

Title	Name	Actual attendance (B)	Attendances by proxy	Compulsory attendance (A)	In-person attendance rate (%) 【B/A】	Remark
Chairman	Ho-Chia Chen	7	0	7	100	Re-election on June 21, 2024, re-elected
Executive Director	RICHARD H WU (Note 1)	7	0	7	100	Re-election on June 21, 2024, re-elected
Director	Yee-kong Lee (Note 3)	4	0	4	100	Re-elected and, relieved of duty on June 24, 2024
Director	Chin-chiang Li (Note 3)	3	0	3	100	Reassignment on June 24, 2024
Director	Pao-Kway Chen Chien (Note 2)	6	0	6	100	Re-election on June 21, 2024, re-elected Dismissed on December 9, 2024
Director	Shi-shuenn Chen (Note 2)	1	0	1	100	Reassignment on December 9, 2024
Director	Jung-Chun Huang	7	0	7	100	Re-election on June 21, 2024, re-elected
Director	Kun-chung Huang (Note 3)	7	0	7	100	Re-election on June 21, 2024, re-elected
Director	Hsin-Ju Wu (Note 1)	7	0	7	100	Re-election on June 21, 2024, re-elected
Director	Hui-Chun Chen Wu (Note 4)	7	0	7	100	Re-election on June 21, 2024, re-elected
Director	Hung-Wen Chuang (Note 5)	7	0	7	100	Re-election on June 21, 2024, re-elected
Director	Cheng-Cheng Wong	7	0	7	100	Re-election on June 21, 2024, re-elected
Director	Kuang-yu Chan (Note 3)	7	0	7	100	Re-election on June 21, 2024, re-elected
Director	Yen-chun Wu (Note 3)	7	0	7	100	Re-election on June 21, 2024, re-elected
Director	Chy-Chung Chang (Note 3)	4	0	4	100	Re-elected and, relieved of duty on June 24, 2024
Director	Tung-fa Tsao (Note 3)	2	1	3	66.7	Reassignment on June 24, 2024
Director	Po-Fong Lin (Note 1)	5	2	7	71.4	Re-election on June 21, 2024, re-elected
Director	Rung-Fu Hsieh (Note 1)	1	0	1	100	Dismissed on April 14, 2024

2. Company Governance Report

	6)					
Director	Chen-lung Lee (Note 6)	5	0	5	100	Reassignment on May 3, 2024 Re-election on June 21, 2024, re-elected
Director	Po-Ih Wang (Note 7)	2	1	3	66.7	Discharged after the re-election on June 21, 2024
Director	Chi-hao Wu (Note 8)	4	0	4	100	Re-election on June 21, 2024, newly elected
Director	Kuo-Tai Chang	7	0	7	100	Re-election on June 21, 2024, re-elected
Director	Ko-Tseng Li	7	0	7	100	Re-election on June 21, 2024, re-elected
Director	Chien-ching Tsai (Note 3)	4	0	4	100	Re-assigned on January 16, 2024, and re-elected Dismissed on June 21, 2024
Director	Ma-ko Lo (Note 3)	3	0	3	100	Reassignment on June 24, 2024
Independent Director	Ching-kuo Lee	7	0	7	100	Re-election on June 21, 2024, re-elected
Independent Director	Chin-Ming Kuo	6	1	7	85.7	Re-election on June 21, 2024, re-elected
Independent Director	Ming-Hsiung Chen	7	0	7	100	Re-election on June 21, 2024, re-elected
Independent Director	Han-Lin Tseng	7	0	7	100	Re-election on June 21, 2024, re-elected
Independent Director	Shu-Ping Hsu	7	0	7	100	Re-election on June 21, 2024, re-elected
<p>Note: 1. Representative, THE GREAT TAIPEI GAS CORPORATION. 2. Representative, Kindasaki Biochemical Technology Co., Ltd. 3. Representative, Veterans Affairs Commission, Executive Yuan. 4. In the 19th term was the representative of Kindasaki Biochemical Technology Co., Ltd., and the 20th term was elected as a natural person. 5. Representative, Tung Chan Enterprise Co., Ltd. 6. Representative, Shin-Hai Gas Co, Ltd. 7. Representative of juristic person, Shin Kong Wu Ho-Su Memorial Hospital. 8. Representative of Shin Kong Wu Foundation</p>						

Other matters required to be recorded:

- I. If the operation of the Board of Directors is under any of the following circumstances, the date, period, proposal content, all independent directors' opinions and the Company's handling of the independent directors' opinions should be described:
 - (I) Matters listed in Article 14-3 of the Securities and Exchange Act:

The Company has 24 directors (including 5 independent directors). Regarding matters pursuant to Article 14-3 of the Securities and Exchange Act, a proposal is made accordingly and submitted to the Board meeting for discussions; Independent directors have made their expert suggestions. The Board shall make their decisions with full considerations of the independent directors' opinions to exercise the due care of a good administrator.

(Please refer to page 90 to 93 for the important resolutions of the Board of Directors).
 - (II) Unless otherwise stated, other Independent Directors who expressed opposition or qualified opinions recorded or declared in writing: None.
- II. When there is recusal due to conflicts of interest by a director, the name of that director,

2. Company Governance Report

the involved proposal(s), the cause(s) of the recusal due to conflicts of interest, and the participation in voting of that director shall be specified: None.

- III. The TWSE/TPEX listed company shall disclose information such as the assessment cycle, assessment period, scope and method of assessment, and items of self-assessment (or peer assessment) for individual board members. See the attachment on the board’s assessment implementation status.
- IV. The goals for strengthening the functions of the board in the current and recent fiscal years (e.g. establishing the Audit Committee, promoting information transparency, etc.) and conducting performance assessment: None

Implementation of appraisal by Board of Directors

Evaluation cycle: Once a year

Evaluation period: January 1, 2024 to December 31, 2024

Scope of evaluation	Evaluation method	Evaluation content	Evaluation results
All members of the Board of Directors	Board of Directors Internal self-evaluation	<ol style="list-style-type: none"> 1. The degree of participation in the company's operations. 2.. Improvement in the quality of decision making by the board of directors. 3.. The composition and structure of the board of directors. 4.. The election of the directors and their continuing education. 5.. Internal controls. 	<p>There are 5 major aspects, 8 indicators, overall score is 96.25 points (100 points as the full score). This demonstrates that the Board has exercised due care in guiding and supervising the company strategies leading to the overall operations in good state. The Company will continue to strengthen based on this appraisal results to enhance its corporate governance effects and outcomes.</p>
Individual Board member	Self-evaluation by director	<ol style="list-style-type: none"> 1.. Grasp of the company’s goals and missions. 2.. Recognition of director’s duties. 3.. The degree of participation in the company's operations. 4.. Management of internal relationships and communication. 5.. Director’s professionalism and continuing education. 6.. Internal controls. 	<p>There are 6 major aspects, 7 indicators, overall score is 95.94 points (100 points as the full score). This demonstrates the Board members’ professionalism and responsibility to each of the operation indicators. Communications have been good, and meets the corporate governance requirements.</p>

(II) Audit committee operation:

Audit committee operation

The Company's Audit Committee was established on August 31, 2021. The current term of office is from June 21, 2024 to June 20, 2027. Independent Director Li Ching-Kuo, the convener of the Audit Committee, has convened 6 (A) regular meetings in 2024, and the attendance of the committee members is as follows:

Title	Name	Actual attendance (B)	Attendances by proxy	Actual attendance rate (%) (B/A)	Remark
Convener Independent Director	Ching-kuo Lee	6	0	100	Re-elected Re-election on June 21, 2024
Independent Director	Chin-Ming Kuo	5	1	83.33	Re-elected Re-election on June 21, 2024
Independent Director	Ming-Hsiung Chen	6	0	100	Re-elected Re-election on June 21, 2024
Independent Director	Han-Lin Tseng	6	0	100	Re-elected Re-election on June 21, 2024
Independent Director	Shu-Ping Hsu	6	0	100	Re-elected Re-election on June 21, 2027

Other matters required to be recorded:

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

Meeting date	Motion content	Resolution and result	State of implementation
2024.03.12 (1st Term, 11th Meeting)	Report of the Company's 2023 annual accounting final report and statements including Business Report, Financial Statements, and Consolidated Financial Statements.	Passed by all attending members as proposed.	All motions of this meeting were passed during the 16th meeting of the 19th Board of Directors.
	Propose the 2023 earnings distribution and cash dividend distribution.	Passed by all attending members as proposed.	
	Propose the 2023 Statement of Internal Control System.	Passed by all attending members as proposed.	

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Meeting date	Motion content	Resolution and result	State of implementation
	Amendment to the “Audit Committee Meeting Procedure Management” of the internal control system.	Passed by all attending members as proposed.	
	Amendment to the “Audit for the Audit Committee Meeting Procedure Management.”	Passed by all attending members as proposed.	
2024.04.16 (1st meeting of the 1st extraordinary shareholders’ meeting)	The Company intends to sign a joint investment and construction contract with Han Huang Development Co., Ltd.	Passed by all attending members as proposed.	The proposal was passed during the 1st meeting of the 19th Board of Directors.
	The Company intends to purchase the “Farglory Qingguang” Building from Farglory Land Development Co., Ltd.	Committee member Chin-Ming Kuo provided an instructive opinion, and the amended proposal was passed by all attending members.	The proposal was sent to the 1st extraordinary meeting of the 19th Board of Directors and was approved by all attending directors, as recommended by the Audit Committee.
2024.05.10 (1st Term, 12th Meeting)	Propose to submit the 2024 Q1 (January to March) consolidated financial statements of the parent company and subsidiaries.	Passed by all attending members as proposed.	The proposal was approved in the 17th meeting of the 19th Board of Directors.
2024.06.21 (2nd meeting of the 1st extraordinary shareholders’ meeting)	Proposal to continue Mr. Huang Yi-Yang as the Manager of Finance Department.	Passed by all attending members as proposed.	All motions of this meeting were passed during the 1st extraordinary meeting of the 20th Board of Directors.
	Proposal for continuing the appointment of Ms. Chen An-Yi as the Chief Auditor.	Passed by all attending members as proposed.	
2024.08.12 (2nd Term, 1st Meeting)	Propose to submit the 2024 Q2 (January to June) consolidated financial statements of	Passed by all attending members as proposed.	Approved by the 1st meeting of the 20th Board of Directors

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Meeting date	Motion content	Resolution and result	State of implementation
	the parent company and subsidiaries.		
2024.11.11 (2nd Term, 2nd Meeting)	Propose to formulate the “2025 Annual Audit Plan.”	Passed by all attending members as proposed.	The 2025 Business Plan was submitted to the 20th meeting of the 20th Board of Directors, and approved by all attending directors. The proposal was approved in the 20th meeting of the 2nd Board of Directors.
	Propose to submit the 2024 Q3 (January to September) consolidated financial statements of the parent company and subsidiaries.	Passed by all attending members as proposed.	
	Amendments to some clauses of the internal control system for “user installation, disassembly, replacement, and meter review operations.”	Passed by all attending members as proposed.	
	Amendments to some clauses of the internal control system enforcement rules for “user installation, disassembly, replacement, and meter review operations.”	Passed by all attending members as proposed.	
	Amendment to the “Financing” section of the internal control system.	Passed by all attending members as proposed.	
	Amendment to some clauses of the internal control system enforcement rules for “audit of financing operations.”	Passed by all attending members as proposed.	
	Formulation of the internal control system “Sustainable	Passed by all attending members as proposed.	

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Meeting date	Motion content	Resolution and result	State of implementation
	Information Management” and “Sustainable Reporting and Assurance Procedures.”		
	Formulation of some clauses of the internal control system enforcement rules for “audit of sustainable information management”	Passed by all attending members as proposed.	
	Assessment of the independence and suitability of the CPAs and the proposal for continuing the appointment.	Passed by all attending members as proposed.	

(II) Other resolution matters that were agreed by more than two thirds of all of the directors but have yet been approved by the Audit Committee: None.

II. Independent director recusal due to conflicts of interest: None.

III. Communication between independent directors, and internal audit officer and accountant (include communications on significant matter, method, and results of the company finance, business situation, and so on):

(I) The Company’s internal chief auditor communicates regularly with the audit committee members on the audit report results and reports to the audit committee meetings on a quarterly basis on the internal audit report. Where there are special circumstances, will report to the audit committee members immediately. There have been no aforementioned special circumstances in the year 2024. The Company’s audit committee and internal audit officer are of good communication status.

(II) The Company’s attesting CPAs report in the Audit Committee’s meetings on a quarterly basis on the results of the financial statements audit or review for the quarter and other matters for discussion required by related laws. Where there are special circumstances, they will report to the Audit Committee immediately. There were no aforementioned special circumstances in 2024. The Company’s audit committee and CPAs are of good communication status.

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Matters for Communications Between the Independent Directors and Internal Audit Officer or CPAs Are as in the Table Below:

[2024 Status of Communications Between the Independent Directors and Internal Audit Officer]

Meeting date	Communication content	State of Communication
2024.03.12	1. Implementation status of the audit plan. 2. 2023 Statement of internal control system 3. Amendment to the internal control system – Amendment to the “Audit Committee Meeting Procedure Management.” Synchronous amendments to the Internal Audit Implementation Rules.	1. All independent directors have been informed. 2. Agreed after propose to audit committee for discussions, it is to be sent to the Board of Directors for review.
2024.05.10	Implementation status of the audit plan.	All independent directors have been informed.
2024.08.12	Implementation status of the audit plan.	All independent directors have been informed.
2024.11.11	1. Implementation status of the audit plan. 2. 2025 Audit Plan’s planning items. 3. Amendment to the internal control system – Amendment to the “construction cycle” and “financing cycle.” Synchronous amendments to the Internal Audit Implementation Rules. 4. Amendment to the internal control system “Sustainable Information Management” and “Sustainable Reporting and Assurance Procedures.” The “Sustainable Information Management” audit is added to the audit guidelines.	1. All independent directors have been informed. 2. Agreed after propose to audit committee for discussions, it is to be sent to the Board of Directors for review.

[2024 Status of Communications Between the Independent Directors and CPAs]

Meeting date	Communication content	State of Communication
2024.03.12 Meeting before the Board of Directors’ meeting	Audit result concerning 2023 financial statements. .	Independent Directors thoroughly communicated with the CPAs and did not raise any objections.
Meeting before the Board of Directors’ meeting	Audit plan for 2024 financial statements and matters regarding internal control audit.	Independent Directors thoroughly communicated with the CPAs and did not raise any objections.
2024.12.13 Board of Directors	The 2024 financial statements audit plan and communication matters with the corporate governance unit are listed below: 1. Communicate on the audit plan. 2. Responsibilities of Management and those in Charge with Governance of the Financial Statements. 3. Role and responsibility of lead accountant. 4. Independence of accountant. 5. 2025 audit plan.	1. Discussions and communications on the company’s project contents. 2. Good communications, and no expressions of objections.

(III) Operations of corporate governance and differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor

Evaluation items	State of operation			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
I. Has the Company formulated and disclosed its corporate governance best practice principles in accordance with the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”?	V		The Company adopted the “Corporate Governance Best Practice Principles” in the 12th meeting of the 17th Board of Directors, and together with the amendments made in the 8th meeting of the 19th Board of Directors disclosed on the MOPS and company website.	in compliance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
II. Shareholding Structure and Shareholders’ Rights (I) Does the Company have Internal Operation Procedures for handling shareholders’ suggestions, concerns, disputes and litigation matters. If yes, has these procedures been implemented accordingly?	V		(I) The Company has established the spokesperson, deputy spokesperson, and has a professional stock affairs agency and external website’s “stakeholders” contact window, and “investor information” and so on communications channels, and has designated personnel to handle shareholders’ concerns and suggestions.	in compliance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
(II) Does the Company possess a list of major shareholders and beneficial owners of these major shareholders?	V		(II) The Company has according to Article 25 of the Securities and Exchange Act, submits report to the Taiwan Stock Exchange (TWSE) via the MOPS on a monthly basis on any changes to the equity held by its internal personnel (directors, supervisors, managers, and shareholders holding more than a total of 10% of total shares).	

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Evaluation items	State of operation			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
(III) Has the Company built and executed a risk management system and “firewall” between the Company and its affiliates?	V		(III) The risk control and management of the affiliates is based on the Company’s “Rules Governing the Management of Long Term Investment” and “Rules Governing the Management of Investees” as the control and management system.	
(IV) Has the Company established internal rules prohibiting insider trading on undisclosed information?	V		(IV) The Company has established the “Procedures Governing Internal Material Information and Preventing Insider Trading” to regulate and control relevant matters and announced them on the Company’s external website under the corporate governance area.	
III. Composition and responsibilities of the Board of Directors				in compliance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies
(I) Has the Board of Directors established a diversity policy, set goals, and implemented them accordingly?	V		(I) The Company has specified its requirement for Board diversity in its “Corporate Governance Best Practice Principles” and “Rules Governing the Election of Directors” Directors in general possess the competency required for their performance of duties. The Company values gender equality in its Board, which includes 4 female seats accounting for 17.4% of the total seats. The concrete goals and related implementation status are disclosed on the company website and MOPS.	
(II) Other than the Compensation Committee and the		V	(II) Other than the Compensation Committee and the Audit Committee which are	

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Evaluation items	State of operation			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
<p>Audit Committee which are required by law, does the Company plan to set up other Board committees?</p> <p>(III) Has the Company established methodology for evaluating the performance of its Board of Directors, on an annual basis, reported the results of performance to the Board of Directors, and use the results as reference for directors' remuneration and renewal?</p>	V		<p>required by law, the Company has not set up other functional committees.</p> <p>(III) At the 2nd meeting of the 20th Board of Directors, the Company approved the amendment to the "Procedures for Board Performance Evaluation." At the end of the year, the personnel office conducts the evaluation at the end of each year and completes the evaluation by the end of February of the following year. At least once every three years, the evaluation is conducted by an external professional independent organization or a team of experts and scholars. The results of the above evaluation must be reviewed at the Remuneration Committee meeting and submitted to the Board meeting and shareholders' meeting as reference for the remuneration and nomination for reappointment of individual directors.</p>	
<p>(IV) Does the Company regularly evaluate its external auditors' independence?</p>	V		<p>(IV) The Audit Committee of the Company evaluates the independence and suitability of the attesting CPAs. In addition to requiring the attesting CPAs to issue the "CPA's Statement of Independence" and the "Audit Quality Indicators</p>	

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Evaluation items	State of operation			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
			<p>(AQI) Report,” it also conducts an assessment according to the criteria and 12 AQIs provided in the attached schedule. After reviewing the AQI Report and the Statement of Independence, the engaged CPAs of the Company do not meet any criteria listed in the assessment. Thus, the CPAs’ independence and suitability have been confirmed.</p> <p>The assessment result for the most recent fiscal year was approved at the 2nd meeting of the 2nd Audit Committee on November 11, 2024, and submitted to and approved at the 2nd meeting of the 20th Board of Directors on November 11, 2024.</p>	
<p>IV. Does the listed or OTC company have the qualified and suitable number of corporate governance personnel, and does the company appoint a corporate governance officer to be responsible for matters regarding corporate governance (including but not limited to providing directors and supervisors with the information required for the implementation of business operations, assisting directors and supervisors to comply with laws and</p>	V		<p>(I) The Company has established the “Corporate Governance Best Practice Principles.” Currently, all matters relating to corporate governance are supervised by the Vice President, the corporate governance officer and the corporate management department, finance department, and personnel office will each be responsible based on their functions, and the company appoints a professional shareholder services agency to organize shareholders affairs, completing them together through division of work.</p> <p>(II) The status for continuing</p>	<p>in compliance with the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies</p>

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Evaluation items	State of operation			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
<p>English website, appointing a dedicated person to be responsible for the collection and disclosure of the Company's information, implementing the spokesperson system, and uploading videos of the investor conferences on the company's website)?</p> <p>(III) Has the Company published and reported its annual financial report within two months after the end of a fiscal year and published and reported its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?</p>		V	<p>information collection and release; and has dedicated personnel to update the external website information in a timely manner and to provide summarized English version of the information.</p> <p>2. The Company fulfils the spokesperson, deputy spokesperson system, and as approved by the Board of Directors, the positions are to be filled with the persons who understands the company's overall business, and who can speak independently to the public on behalf of the company according to the spokesperson procedures.</p> <p>3. The Company has in 2024 organized the corporate briefing according to the regulations, and disclosed the processes on the company's external website.</p> <p>(III) The Company has completed announcements in accordance with Article 36 of the Securities and Exchange Act, and has reported and filed with the competent authority.</p>	
VIII. Has the Company	V		(I) The company established	in compliance with the

2. Company Governance Report

Evaluation items	State of operation			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?			<p>the “Rules Governing the Management of Long Term Investment,” “Rules Governing the Management of Investees,” “Regulations for Acquisition or Disposal of Assets,” and the supervisor authorization approval system, which clearly stipulate the responsibilities of all levels. Also, the company did not engage in high risk investments and did not make guarantees for external parties.</p> <p>(II) The Company meets with the pipeline construction contractors regularly to assist in solving technical demands for constructions.</p> <p>(III) Risk management policies and implementation</p> <p>1. In order to improve the Company’s risk control and management and strengthen the functions of the Board of Directors, the Board approved the authorization of the Audit Committee to supervise risk management in 2024. By doing this, we ensure the stable operation and long-term development of the Company. In addition, the Board of Directors approved the “Risk Management Policy and Procedures” as the Company’s highest guiding principle. The 3rd</p>	Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies

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Evaluation items	State of operation			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
			<p>meeting of the 20th Board of Directors on December 13, 2024 reported the risk management related matters.</p> <p>2. The risk management team performs risk assessments and compiles various risk factors faced by the Company, and then conducts follow-up tracking to implement the risk management mechanism and ensure the effective operation and execution of the Company's risk management.</p> <p>3. The Company continues to monitor and control risks, strengthen its employees' risk awareness, and implement the concept of risk control in daily business management. The Company uses business reports, employee monthly meetings, contractor meetings, and other training courses to promote effective risk management practices, provide direction for risk management, encourage self-assessment, facilitate more efficient implementation, and foster a comprehensive corporate risk management culture.</p> <p>4. Risk management</p>	

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Evaluation items	State of operation			Differences from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
			<p>implementation Please refer to “V. Review of Financial Conditions, Financial Performance, and Risk Management” (pages 137-149) of this annual report.</p> <p>(IV) Status of purchasing liability insurance for the directors by the company: The Company has in 2024 purchased liability insurance for the directors according to legal requirements, and reported to the 1st Term 20th Meeting of the Board of Directors.</p> <p>(V) The status for continuing education of the directors and manager will be attached separately in a table.</p>	
<p>IX. The improvement status for the result of Corporate Governance Evaluation announced by Taiwan Stock Exchange.</p> <p>(I) The Company plans to complete its Sustainability Report and greenhouse gas inventory in 2025.</p>				

Schedule 1: Criterion for Independence Evaluation of the CPA

Items	Indicator for independence and suitability	Evaluation results	
		Yes	No
1.	The CPA does not serve as the attesting CPA for more than 7 years.	✓	
2.	The CPA and any member of the assurance team are not, or have not been directors, or officers of the Company, or in a position to exert significant influence over the subject matter of the engagement within the last two years.	✓	
3.	The CPA and any member of the engagement team do not have a close or immediate family member who is a director or officer of the Company or an employee of the Company who is in a position to exert significant influence over the subject matter of the engagement.	✓	
4.	A former CPA, within one year of disassociating from the firm, shall not join the Company as a director or officer or be in a key position to exert significant influence over the subject matter of the engagement.	✓	
5.	The CPA does not have a direct financial interest or material indirect financial interest with the Company.	✓	
6.	The accounting firm does not have undue dependence on total fees from a client (the Company).	✓	
7.	The CPA does not have a significant close business relationship with the Company.	✓	
8.	The CPA does not enter into any potential employment negotiations with the Company.	✓	
9.	The CPA does not enter into a contingent fee arrangement relating to the audit engagement.	✓	
10.	The non-assurance service which performed by the CPA for the Company would not affect directly a material item of the assurance engagement.	✓	
11.	The CPA does not act as an advocate on behalf of the Company in litigation or disputes with third parties.	✓	
12.	The CPA does not promote or broker shares in the Company or other securities issued by the Company.	✓	
13.	The CPA does not accept gifts or preferential treatment from the Company, the Company's director, officer or major stockholder.	✓	
14.	The CPA or any member of the engagement team does not keep the Company's money.	✓	
15.	Whether disciplinary actions have been taken against the CPA according to the Securities and Exchange Act and the Certified Public Accountant Act, or by the Competent Authority or CPA associations.	✓	

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Schedule 2:

Status of continuing education for the Company's directors in 2024 relating to corporate governance:

Title	Name	Organizer	Course	Duration/Hr	Total hours
Chairman	Ho-Chia Chen	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6	6
Executive Director	Richard H Wu	Taiwan Stock Exchange	Summit on Strengthening Taiwan's Capital Market	3	6
		Taipei Foundation Of Finance	Corporate Governance – Information Security – Personal Information Security Audit	3	
Director	Yee-kong Lee	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	12	12
Director	Chin-chiang Li	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	12	12
Director	Pao-Kway Chen Chien	BCSD-Taiwan	Build a New Era of Carbon With Sustainable Knowledge	7	7
Director	Jung-Chun Huang	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	6	6
Director	Kun-chung Huang	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	12	12
Director	Hsin-Ju Wu	Taiwan Corporate Governance Association	Ethical Corporate Management Best-Practice Principles and How to Avoid the Red Line of the Responsibilities of Directors and Supervisors	3	9
		Taiwan Corporate Management and Sustainable Development	Latest Developments and Impacts of CFC Laws and Regulations	3	

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Title	Name	Organizer	Course	Duration/Hr	Total hours
		Association			
		Taipei Foundation Of Finance	Corporate Governance – Sustainable Finance	3	
Director	Hui-Chun Chen Wu	Securities and Futures Institute	Sustainability Development Workshop for TWSE Listed Companies	3	9
		Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6	
Director	Hung-Wen Chuang	Securities and Futures Institute	2024 Insider trading prevention promotion session	3	6
		Securities and Futures Institute	2024 Insider trading laws and regulations compliance promotion session	3	
Director	Cheng-Cheng Wong	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	6	6
Director	Kuang-yu Chan	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	12	12
Director	Yen-chun Wu	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	12	12
Director	Chy-Chung Chang	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	12	12
Director	Tung-fa Tsao	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	12	12
Director	Po-Fong Lin	Chinese National Association of Industry and Commerce	Industry Upgrades and Industry Cooperation Promoted by AI Big Data	3	

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Title	Name	Organizer	Course	Duration/Hr	Total hours
		Taiwan Corporate Governance Association	Best Practice of the Audit Committee's Exercise of Powers – The Role of the Convener	3	
		Chinese National Association of Industry and Commerce	Risks Associated With Emerging Payment Trends and Compliance	3	
Director	Chen-lung Lee	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	12	12
Director	Chi-hao Wu	Securities and Futures Institute	2024 Insider trading prevention promotion session	3	9
		Securities and Futures Institute	2024 Insider trading laws and regulations compliance promotion session	3	
		Securities and Futures Institute	Workshop for the Application of Derivatives to Expand the Asset Management in Asia	3	
Director	Kuo-Tai Chang	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	6	6
Director	Ko-Tseng Li	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	6	6
Director	Chien-ching Tsai	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	12	12
Director	Ma-ko Lo	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	12	12
Independent Director	Ching-kuo Lee	Chinese National Association of Industry	Innovative Business Model and Business	3	6

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Title	Name	Organizer	Course	Duration/Hr	Total hours
		and Commerce	Opportunities Under the Green Supply Chain Era		
		Chinese National Association of Industry and Commerce	Carbon Risk Management Strategy for Enterprises in the Carbon Era	3	
Independent Director	Chin-Ming Kuo	Chinese National Association of Industry and Commerce	Interviewing the Company and the Family Governance on the Legal Tax Saving Layout	3	6
		Chinese National Association of Industry and Commerce	Global and Taiwan's M&A Trend of the Biomed Industry	3	
Independent Director	Ming-Hsiung Chen	Chinese National Association of Industry and Commerce	Innovative Business Model and Business Opportunities Under the Green Supply Chain Era	3	6
		Chinese National Association of Industry and Commerce	Analysis of Irregular Transactions	3	
Independent Director	Han-Lin Tseng	Chinese National Association of Industry and Commerce	Innovative Business Model and Business Opportunities Under the Green Supply Chain Era	3	6
		Securities and Futures Institute	Forum for Perspectives of Institutional Investors	3	
Independent Director	Shu-Ping Hsu	The National Federation of CPA Associations of the R.O.C.	Analysis of the Development Trend and Case Study of Anti-money Laundering	3	12
		Chinese National Association of Industry and Commerce	Innovative Business Model and Business Opportunities Under the Green Supply Chain Era	3	
		Securities and Futures Institute	Forum for Perspectives of Institutional Investors	3	
		The National Federation of CPA Associations of the R.O.C.	International Development Trends and Practices of Money Laundering Prevention		

2. Company Governance Report

Schedule 3:

Status of participation on continuing education by the managers of the Company relating to corporate governance:

Title	Name	Organizer	Course	Duration/Hr	Total hours
President	Kun-chung Huang	Accounting Research and Development Foundation	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	12	12
Vice President	Yi-Hsin Chien	Chinese Creativity Innovation Entrepreneurship Association	Carbon footprint verifier	6	12
			Carbon Footprint Verification Expert	6	
Corporate Governance Officer	Te-yin Wan	Taiwan Corporate Governance Association	2024 Seminar on corporate management for directors and supervisors and seminar suggested for middle and senior executives	12	24
		Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6	
		Taiwan Stock Exchange	2024 Insider trading prevention promotion session	3	
		Taiwan Stock Exchange	2024 Insider trading laws and regulations compliance promotion session	3	
Manager, Department of Finance	Yi-Yang Huang	Accounting Research and Development Foundation	CFO's Knowledge of Sustainable New Trends Symposium	3	21
		Accounting Research and Development Foundation	Continuing Education for Accounting Supervisors of Issuers, Securities Firms and Stock Exchanges	12	
		Taiwan Stock Exchange	2024 Listed Companies Seminar	3	
		Taiwan Stock Exchange	2024 International Financial Reporting Standards Implementation Seminar	3	

(IV) The composition, function, and operation of the Remuneration Committee:

1. Information of the Remuneration Committee members

December 31, 2024

Criteria		Professional qualifications and experiences (Note 2)	State of independence (Note 3)	Number of other public companies where the member is also a member of their remuneration committees
Identity (Note 1)	Name			
Independent Director (Convener)	Chin-Ming Kuo	More than 5 years of work experience in commerce, law, finance, accounting or others as required by the company, Lecturer and above in public and private institutions of higher education	(1) No (2) No (3) No (4) No	0
Independent Director	Han-Lin Tseng	More than 5 years of work experience in commerce, law, finance, accounting or others as required by the company	(1) No (2) No (3) No (4) No	0
Others	Xiang-Rui Kuo	More than 5 years of work experience as judge, prosecutors, lawyers, accountants or other professional and technical personnel, who has passed the national examination and obtained license certificate, as required by the company	(1) No (2) No (3) No (4) No	0

Note 1: For the related number of working years, professional qualifications and experiences, and status of independence of the remuneration committee members, please refer to page 21 of Schedule 1 on Directors information.

Note 2: Professional qualifications and experiences: Describe the professional qualifications and experiences of each remuneration committee members.

Note 3:

- (1) Does the Committee member, the member's spouse, or relatives within second degree of kinship hold position as a director, supervisor, or employee of the Company or its affiliates?
- (2) The number of shares held by the Committee member, the member's spouse, or relatives within second degree of kinship and shareholding percentage.
- (3) Is the Committee member acting as a director, supervisor or employee of a designated company that has specified relationship with the Company?
- (4) The compensation amount from providing business, legal, finance, or accounting services to the Company or its affiliates in the most recent two years.

2. Information on the operation of the Remuneration Committee

- I. The Company's remuneration committee consists of 3 members.
- II. Term of office: From June 21, 2024 to June 20, 2027 (the tenure for the 20th Board of Directors expires), the remuneration committee held 2 meetings in the most recent year (2024).
Committee member qualifications and attendance:

Title	Name	Actual attendance (B)	Attendances by proxy	Actual attendance rate (%) (B/A) (Note)	Remark
Convener	Chin-Ming Kuo	2	0	100	Re-election on June 21, 2024, re-elected
committee member	Xiang-Rui Kuo	2	0	100	Re-election on June 21, 2024, re-elected
committee member	Han-Lin Tseng	2	0	100	Re-election on June 21, 2024, re-elected

Other matters required to be recorded:

- I. When the Board of Directors rejects or modifies the recommendations made by the Remuneration Committee, please state the date and session of board meeting, the proposal, board resolutions, and settlement on the opinions of Remuneration Committee members (if the salary and compensation approved by board are superior to that recommended by the Remuneration Committee, please specify the differences and causes): None.
- II. When there are objections or qualified opinions for the records or with written statements of Remuneration Committee members to committee resolutions, state the date and session of the committee meeting, the proposal, and the settlement of the opinions for and against the resolution: None.
- III. Scope of job responsibilities:
The Company's remuneration committee shall exercise the care of a good administrator in faithfully performing the official powers listed below, and shall submit its recommendations for deliberation by the board of directors:
- (I) Prescribe and periodically review the performance review and remuneration policy, system, standards, and structure for the Company's directors and managerial officers.
- (II) Periodically evaluate and prescribe the remuneration of the Company's directors and managerial officers. When performing the official powers of the preceding paragraph, the Remuneration Committee shall follow the principles listed below:
1. With respect to the performance assessment and remuneration of directors and managerial personnel of the Company, it shall refer to the typical pay levels adopted by peer companies, and take into consideration the reasonableness of the correlation between remuneration and individual performance, the Company's business performance, and future risk exposure.
 2. It shall not produce an incentive for the directors or managerial officers to engage in activity to pursue remuneration exceeding the risks that the Company may tolerate.
 3. It shall take into consideration the characteristics of the industry and the nature of the Company's business when determining the ratio of bonus payout based on the short-term performance of its directors and senior management and the time for payment of the variable part of remuneration.
 4. The Remuneration Committee's members shall not join in the discussions and voting of the decision for his/her individual remuneration.

2. Company Governance Report

2023 Remuneration Committee's discussion matters and resolution result

Meeting date	Motion content	Resolution and result	State of implementation
2024.02.16 (5th Term, 6th Meeting)	2024 Managerial Officer salary for approval.	Passed by all attending members as proposed.	Submitted to the 19th Term 16th Meeting of the Board of Directors for recordation.
	The distribution of Directors and managers' remuneration of 2023.	Passed by all attending members as proposed.	The proposal has been submitted to the 16th Meeting of the 19th Board of Directors and approved by all attending Directors as proposed.
024.11.22 (6th Term, 1st Meeting)	2024 Directors and Managerial Officers end of year bonus appropriation standard	Passed by all attending members as proposed.	The proposal has been submitted to the 3rd Meeting of the 20th Board of Directors and approved by all attending Directors as proposed.
	The Company's 2025 Managerial Officer (including employees) salary adjustments suggestions.	Passed by all attending members as proposed.	The proposal has been submitted to the 3rd Meeting of the 20th Board of Directors and approved by all attending Directors as proposed.

(V) Differences in promoting sustainable development implementation from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor:

Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
I. Does the Company have a governance structure for sustainability development and a dedicated (or ad-hoc) sustainable development organization with Board of Directors authorization for senior management, which is reviewed by the Board of Directors?	V		<p>The Company has designated the Administration Department as the unit to promote sustainable development, which is jointly executed by various units to perform various related business activities. The department submits major work reports to the Board of Directors for review and implementation of the Company’s sustainable development efforts. The Company has established the timeline for the “Sustainable Development Roadmap for TWSE/TPEX Listed Companies” and reported it such to the 6th meeting of the 19th Board of Directors. Additionally, it has participated in counseling courses held by government and private organizations. The initial meeting of the Board of Directors in November 2023 set the scope and boundaries of the GHG inventory. The statistics of the relevant inventory data were compiled from January 2024, the Board of Directors on the preparation of the sustainable report, and the disclosure items of the major topics were identified as follows</p> <ol style="list-style-type: none"> 1. Economic performance 2. Greenhouse gas emission 3. Natural gas supply security 4. Labor/employment relations 5. Occupational safety and health <p>The implementation of the Company’s “sustainable development” as of March 12, May 10, August 12, and November 11, 2024, and the supervision are as follows:</p> <ol style="list-style-type: none"> 1. Regularly convene the Sustainability Team Meeting, as recommended by the directors, to review the progress of implementation and oversee the Company’s quarterly reporting on 	Mostly conforms to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

2. Company Governance Report

Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor						
	Yes	No	Summary description							
			<p>sustainability initiatives.</p> <p>2. The GHG inventory operation is launched before the statutory deadline, and recommendations are given for the inventory status.</p> <p>3. Continue to participate in training on sustainable development to understand the latest international trends, policies, and regulations.</p> <p>4. Support and participation in social development and charity events, while maintaining good communication with society and the local community, and preparing comprehensive reports for the inventory.</p>							
<p>II. Does the Company follow materiality principle to conduct risk assessment for environmental, social and corporate governance topics related to company operation, and establish risk management related policy or strategy?</p>	V		<p>The disclosure covers information from January to December 2024, and the boundary of risk assessment is the Hsin Hsin Building of the Company. The risk assessed is described as follows:</p> <table border="1"> <thead> <tr> <th>Material topics</th> <th>Assessment items</th> <th>Explanation</th> </tr> </thead> <tbody> <tr> <td>Environment</td> <td>Environmental impact and management</td> <td>The Company has adopted the “Energy Saving and Carbon Reduction” policy and provides education and training to employees to promote self-initiated environmental protection and waste reduction and classification, which has shown a great result. It upholds the concept and principle of</td> </tr> </tbody> </table>	Material topics	Assessment items	Explanation	Environment	Environmental impact and management	The Company has adopted the “Energy Saving and Carbon Reduction” policy and provides education and training to employees to promote self-initiated environmental protection and waste reduction and classification, which has shown a great result. It upholds the concept and principle of	<p>Mostly conforms to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.</p>
Material topics	Assessment items	Explanation								
Environment	Environmental impact and management	The Company has adopted the “Energy Saving and Carbon Reduction” policy and provides education and training to employees to promote self-initiated environmental protection and waste reduction and classification, which has shown a great result. It upholds the concept and principle of								

2. Company Governance Report

Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
				“Energy Saving and Carbon Reduction” and implements such for all equipment in order to reduce the impact and shock on the environment.
			Society	Occupational safety It hosts firefighting drills, emergency medical technician training and occupational safety education and training on an annual basis to cultivate employees’ abilities in response to emergency and self-protection.
				Product safety In order to properly transfer the risk of accidents, the Company applies the public liability insurance every year and lawfully reports to the Ministry of Economics for reference.
			Corporate governance	Social economy and legal compliance 1. Based on the business concept of responsibility, the Company adopts ethics-oriented policies. Through the

2. Company Governance Report

Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
				<p>establishment of effective governance environment and implementation of internal control system in addition to the compliance with the Company's "Operation Rules for Legal Compliance", it timely grasps and reacts to changes of policies and regulations by conducting quarterly laws and regulations inspection and strictly requiring compliance of laws for all operations in order to create a sustainable business environment.</p> <p>2. Each department conducts internal control self-evaluation every year to review the implementation status of internal control and legal compliance in the past year.</p>

2. Company Governance Report

Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
			<p>3. The Company's products and services comply with relevant laws and international rules and standards, and there is dedicated unit responsible for handling customer feedbacks to ensure best efficiency of customer service and protection of customer rights.</p> <p>4. In addition, it continues to encourage Directors to participate in courses regarding corporate governance and improve employees' awareness of legal compliance.</p>	
			<p>Director competency enhancement</p>	<p>Directors in general possess the competencies required for their performance of duties, and the Company also provides relevant information</p>

2. Company Governance Report

Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
			<p>regarding laws and courses related to director competency. Directors are required to take certain hours of continuing education for the enhancement of Board operation and composition. It has also applied director liability insurance to protect them from litigations or claims.</p>	
			<p>Stakeholder communication</p>	<p>1. It has taken initiative to communicate with stakeholders to improve its connection with all stakeholders and worked on action plan for issues of their concern in order to eliminate any conflict or misunderstanding, e.g., the Company's annual reports, shareholders' meetings and investor conferences have</p>

2. Company Governance Report

Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
				<p>provided excellent communication channels. In addition, it has set up the “Stakeholder Section” and the “Investor Relations Contact Window” where the spokesperson and deputy spokesperson are responsible for handling and responding.</p> <p>2. The Company and its major suppliers have signed the contracts, including the compliance with the “Ethical Management Clauses”. With regard to supply chain management, it partners with suppliers seeking long-term cooperation in order to jointly establish a steadily growing supply chain, and assists upstream</p>

2. Company Governance Report

Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
				and downstream vendors to enhance green competitiveness. There has been not any circumstance affecting the environment and society or violating its corporate social responsibility, and it wishes to attain the win-win goals of safety and service first and sustainable development.
<p>III. Environmental topic</p> <p>(I) Has the Company set an environmental management system designed to industry characteristics?</p>	V		(I) To ensure the construction environment safety, the Company has framed the automatic inspection process, including facility inspection and testing, material quality management, maintenance of operating machine and motor vehicle and so on, and provide maintenance safety information, discussions on occupational hazards case studies, prevention of epidemic disease, and more in the weekly business meeting, safeguarding personal safety of the employees.	Conforms to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.
<p>(II) Is the Company committed to improving resource efficiency and to the use of renewable</p>	V		(II) The Company strengthens promotion to users to use high efficiency natural gas burning appliance and actively promotes to schools and hospitals to make the switch to using natural gas as the main fuel for large boilers; Furthermore, implements the double sided paper copying usage, reuse of recycled papers	

2. Company Governance Report

Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor																								
	Yes	No	Summary description																									
<p>materials with low environmental impact ?</p> <p>(III) Does the Company evaluate current and future climate change potential risks and opportunities and take measures related to climate related topics?</p> <p>(IV) Did the Company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?</p>	<p>V</p> <p>V</p>		<p>and more, to enhance the resource reuse efficiency.</p> <p>(III) To lower the impacts to the environment, the Company promotes “energy saving and carbon reduction,” advocates for resource recycling and reuse, and strengthens promotion to users to use high efficiency natural gas burning appliance and actively promotes to schools and hospitals to make the switch to using natural gas as the main fuel for large boilers.</p> <p>(IV) In upholding the concept and spirit of “energy saving and carbon reduction,” the Company proceeds to energy saving with every equipment, and discloses on its website the total carbon dioxide emissions statistics for over the past three years, and framed the “Energy Saving and Carbon Reduction Policy.” To lower the impacts to the environment.</p> <p>Statistics for the water, electricity and gas emissions volume of the Company’s Shin Shin Main Building Source of data: Electricity carbon emission factor: Taiwan Power Company The emission per kilowatt-hour of electricity is around 0.495kg CO₂e/kWh.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>2022</th> <th>2023</th> <th>2024</th> </tr> </thead> <tbody> <tr> <td>Greenhouse gas emissions (kg)</td> <td>201,976</td> <td>192,626</td> <td>186,294</td> </tr> <tr> <td>Water consumption (m³)</td> <td>2,052</td> <td>1,810</td> <td>1,646</td> </tr> <tr> <td>Total weight of waste (MT)</td> <td>11.2</td> <td>10.5</td> <td>11.1</td> </tr> <tr> <td>Electricity consumption (kWh)</td> <td>398,600</td> <td>284,680</td> <td>376,600</td> </tr> <tr> <td>Gas consumption (m³)</td> <td>15</td> <td>25</td> <td>7</td> </tr> </tbody> </table> <p>Water carbon emission factor: Taipei Water Department The emission per m³ of water is around 0.0554kg CO₂e/m³. Gas emission factor: Environmental Protection Administration, Executive Yuan</p>	Year	2022	2023	2024	Greenhouse gas emissions (kg)	201,976	192,626	186,294	Water consumption (m ³)	2,052	1,810	1,646	Total weight of waste (MT)	11.2	10.5	11.1	Electricity consumption (kWh)	398,600	284,680	376,600	Gas consumption (m ³)	15	25	7	
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2. Company Governance Report

Promoting item:	State of implementation (Note 1)		Summary description	Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor				
	Yes	No						
			<p>The emission per m3 of gas is around 1.879kg CO2e/m3. Total weight of waste: Environmental Protection Administration, Executive Yuan Garbage bags calculated using the maximum weight held by designated garbage bags.</p> <p>Major measures for energy conservation and carbon reduction</p> <table border="1"> <thead> <tr> <th>Indicator</th> <th>Major reduction measures</th> </tr> </thead> <tbody> <tr> <td>Electricity consumption</td> <td> (1) Enhance energy efficiency: Preference given to products certified for environmental protection or energy conservation. (2) Improvement of the air conditioning system: Turn off the main air conditioning unit early during off-duty hours, and refrain from turning on the central air conditioning as much as possible during holidays and when only a few people are working overtime. This is to prevent the main unit from operating at low load, low efficiency, and high cost. The user is responsible for adjusting the temperature of the refrigeration in the air conditioning area. Regular cleaning of the air filter, cooling tower, water pipes, and heat exchanger of the main unit is essential to maintain its efficiency. Regular system inspections are performed, and if equipment inefficiencies are found, improvement plans are formulated. (3) Lighting system improvement: </td> </tr> </tbody> </table>	Indicator	Major reduction measures	Electricity consumption	(1) Enhance energy efficiency: Preference given to products certified for environmental protection or energy conservation. (2) Improvement of the air conditioning system: Turn off the main air conditioning unit early during off-duty hours, and refrain from turning on the central air conditioning as much as possible during holidays and when only a few people are working overtime. This is to prevent the main unit from operating at low load, low efficiency, and high cost. The user is responsible for adjusting the temperature of the refrigeration in the air conditioning area. Regular cleaning of the air filter, cooling tower, water pipes, and heat exchanger of the main unit is essential to maintain its efficiency. Regular system inspections are performed, and if equipment inefficiencies are found, improvement plans are formulated. (3) Lighting system improvement:	
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2. Company Governance Report

Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
			<p>Procurement of high-efficiency lighting fixtures, sensing lamps, and gradual replacement of low-efficiency lamps. Adjust and close the public area lights according to the work hours in each region. Develop the habit of turning off lights.</p> <p>(4) Smart elevators are installed, and appropriate elevators are assigned to save energy and transportation time.</p>	
			<p>Water consumption</p> <p>(1) Enhance water conservation advocacy and posters (2) Water-saving equipment: Replaced sink faucets with water-saving devices. (3) Regularly check the water-consuming equipment. (4) Installation of water-saving basins</p>	
			<p>Waste generation</p> <p>(1) Use personal cutlery and classify garbage. (2) Use of recycled paper. (3) Encourage employees to use environmentally friendly shopping bags. (4) Pipeline replacement and recycling of waste materials and gas meters to minimize environmental pollution. (5) e-policy: Regular inspection of paperless operations and paperless MIS system.</p>	

2. Company Governance Report

Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
<p>IV. Social topic</p> <p>(I) Does the Company set policies and procedures in compliance with regulations and internationally recognized human rights principles?</p> <p>(II) Has the Company established appropriately managed employee welfare measures (include salary and compensation, leave and others), and link operational performance or achievements with employee salary and compensation?</p> <p>(III) Does the Company provide employees with a safe and healthy working environment,</p>	V		<p>(I) In accordance with the Labor Standards Act and related personnel regulations, the Company processes the employees' labor and health insurance, allocates employee pension, and implements policies concerning human rights protection with reference to the core international labor standards of the fundamental conventions issued by the International Labor Organization. It treats every employee equally regardless of religion, political party and gender in ensuring the legal rights of employees.</p> <p>(II) The Company provides employees with welfare measures in accordance with the Labor Standards Act and has established the Employee Welfare Committee to organize various employee welfare activities. The Company also distributes earnings to employees, including entry-level employees, as compensation as stipulated in the Company's Articles of Incorporation.</p> <p>(III) Occupational Safety and Health Policy: To avoid the occurrences of occupational disasters, the company management must fulfill the latest laws and regulations, and to build the concept of disaster prevention, providing employees a more safe, comfortable, and efficient work environment. This can</p>	<p>Conforms to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.</p>

2. Company Governance Report

Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor												
	Yes	No	Summary description													
with regular safety and health training?			<p>motivate work production capacity, leading the company into occupational safety and health development so that labor and management can achieve the same goals as the sustainable business goals, co-creating a safer and healthier future.</p> <p>Monitoring of the operating environment: Cleaning is done for the office each day. Every quarter, there is the drinking water cleanliness testing and the maintenance and cleaning of the central air conditioning system. Every half a year, there is the office disinfection and environmental testing for the office lighting and carbon dioxide concentration.</p> <p>Industrial safety: In 2024, the occupational safety and health audit of the construction sites have been carried out on an irregular basis for a total of 139 times, to monitor the contractor to check its compliance to the safety operations regulations in the contract.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Number of people attended</th> <th>Number of hours attended</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>395</td> <td>953</td> </tr> <tr> <td>2023</td> <td>505</td> <td>1,498</td> </tr> <tr> <td>2024</td> <td>384</td> <td>1,163</td> </tr> </tbody> </table> <p>Occupational safety educational trainings and promotion: Number and ratio of fire incidents in the year: There was not fire incident in 2024, and the number of casualties and that to the total number of employees were both 0. Improvement measures related to fire incidents: The Company organizes two earthquake and firefighting group drills every year and promote related knowledge about disaster prevention properly.</p>	Year	Number of people attended	Number of hours attended	2022	395	953	2023	505	1,498	2024	384	1,163	
Year	Number of people attended	Number of hours attended														
2022	395	953														
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2. Company Governance Report

Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
(IV) Has the Company established effective career development training plans ?	V		(IV) The Company’s employees are promoted based on the principles of “fairness, justice, and openness” to enable them to receive the rewards they deserve and create a positive and happy working environment. Through training and career development opportunities, employees can actually grow and progress in their work. All new employees are required to undergo 3 hours of occupational safety and health training. For permanent employees, the Company has established an annual training program that offers professional training courses tailored to their business characteristics. Professional lecturers are hired to come to the Company to give courses or are sent to government-certified training institutions for training or re-education (more than 500 employees receive training each year). The Company also encourages employees to obtain various engineering licenses to support their future career development and cultivate a second specialty.	
(V) Does the Company’s product and service comply with related regulations and international rules for customers’ health and safety, privacy, sales, labelling and set policies to protect consumers’ or customers’ rights and	V		(V) The Company upholds integrity and professionalism, actively manages the product and service value chain, and has established a rigorous quality and safety management mechanism from raw material procurement to the customer end, to continuously strengthen product safety and stability. In addition to using products that comply with international standards, we also pass quality tests and meet environmental protection requirements to ensure that we can fulfill our social responsibilities while providing clean energy. The Company has established multiple safety measures for customers’ health and safety, including pipeline map construction, regular inspections, elimination services, and chemical additives, to fully reduce potential risks and	

2. Company Governance Report

Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
consumer appeal procedures?			<p>ensure users can safely use natural gas. In addition, the Company has a 24-hour engineering team to address the emergency needs of users and ensure round-the-clock risk control and disaster prevention through network monitoring and a response management center.</p> <p>In terms of service, the Company provides diversified service channels, including network, voice, self-assistance, and on-site services, to meet the needs of different users. The Company continues to provide specific expenses and reduction services for disadvantaged groups, and demonstrate its commitment to social care.</p> <p>The Company values customer privacy and information security and has established a comprehensive information security protection system. Regular scanning and educational training ensure the information security of all users and partners. The Company has established a variety of communication and complaint channels, including a toll-free service hotline, email, and an official website forum, to ensure that users' opinions are promptly reflected and handled appropriately. The Company has also set up a special section on its website to disclose information on products and services, and clearly label service notices to improve transparency and user trust. Looking ahead, Shin Shin will continue to optimize its internal mechanisms to meet higher standards in product safety, customer rights, and environmental sustainability. We are committed to improving our overall governance performance and practicing sustainable development goals to create higher value for all stakeholders.</p>	
(VI) Does the	V		(VI) Through suitable assessment, management and	

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Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
Company set supplier management policy and request suppliers to comply with related standards on the topics of environmental, occupational safety and health or labor right, and their implementation status?			careful selection of suppliers, the Company builds a stable development, values corporate social responsibility, and formulated the suppliers management policy. Requests suppliers to abide with environmental protection, occupational safety and labor rights, so on topics, to jointly build the steady development of a green supply chain.	
V. Does the Company refer to international reporting rules or guidelines to publish Sustainability Report to disclose non-financial information of the Company? Has the assurance or opinion from third-party certifying institutions been obtained for the reports of the preceding paragraph?		V	The Company makes public disclosure of information lawfully and expects to disclose information regarding to the development of sustainability report in 2025 pursuant to the GRI Universal Standards in improving its information transparency.	Conforms to the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies.

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Promoting item:	State of implementation (Note 1)			Differences from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
<p>VI. If the company has established ethical corporate governance policies based on Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe any discrepancy between the policies and their implementation: None.</p>				
<p>VII. Other important information to facilitate better understanding of the Company's implementation of sustainable development:</p> <ul style="list-style-type: none"> (I) The Company builds the natural gas supply gas pipeline network segmentation, conducts regular patrol inspection, maintains pipelines, to ensure safety in supplying of gas. (II) Each year, will organize the gas-holder tank safety emergency response drill in boosting the disaster prevention trainings to maintain public safety. (III) The Company actively promotes regular inspection fraud prevention measures. Users are asked to verify the safety inspector of the Company before opening the door for safety inspection, and emphasize that no fees will be collected onsite, in order to prevent unscrupulous vendors from collecting fees through impersonation. This is for guaranteeing users' rights. (IV) To protect the consumers' rights, the Company formulated related regulations based on the "Personal Data Protection Act" and announced them on the company external website. (V) The Company established the "Mobile SMS Service Hotline for the Hearing Impaired," strengthening services to disadvantaged groups to fulfill corporate operations responsibilities. (VI) The Company has, since 2013, continued to care for low and middle income users and the elderly living alone within the business areas, and has implemented basic fee discount regulations. As of the end of 2024, the accumulated discount amount is NTD 5,804,440. (VII) The Company has since 2015 continued to care for the gas supply safety to the single living elderlies within the operating areas. Thus, processed the "Application to Change to Microcomputer Gas Meter" and discounts for its gas fees. (VIII) The Company works to enhance safety during use in cooperation with local and central government policies in natural gas use safety knowledge and promoting installation, or changing to microcomputer gas meter. (IX) The Company upholds to the philosophy of "Taking and Giving Back to the Society." In 2024, sets aside funds as consolations to the veterans and dependents during festivals, care for the orphans and so on activities, and actively supports local art performances to return to the society, the total amount at NTD 2,862,000. 				

(VI) Climate-Related information

Implementation of Climate-Related Information

Items	State of implementation																											
<p>1. Describe the board of directors’ and management’s oversight and governance of climate-related risks and opportunities.</p> <p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).</p>	<p>1. The Company reports to the Board of Directors about the implementation status of sustainability quarterly, and based on directors’ suggestions, it convenes regular sustainability team meetings reviewing the implementation progress to enable greenhouse gas inventory and complete content of the sustainability report and evaluating the impact of climate change on the Company.</p> <p>2. Natural gas is a relatively clean-burning fossil fuel at the current stage, and the short- and mid-term energy policies are expected to further promote the use of natural gas in the country. The Company has been actively searching for and testing new substitute materials to prevent any operating issues caused by a material interruption. It has reinforced the disaster prevention facilities to mitigate the impacts that may be caused by extreme weather events such as catastrophic rainstorms, typhoons, and floods.</p> <table border="1" data-bbox="794 1149 1385 2065"> <thead> <tr> <th data-bbox="794 1149 1075 1218">Risk topic</th> <th data-bbox="1075 1149 1193 1218">Impact level</th> <th data-bbox="1193 1149 1385 1218">Timeframe</th> </tr> </thead> <tbody> <tr> <td data-bbox="794 1218 1075 1323">Increased price of greenhouse gas emissions</td> <td data-bbox="1075 1218 1193 1323">High</td> <td data-bbox="1193 1218 1385 1323">Short term, mid-term and long-term</td> </tr> <tr> <td data-bbox="794 1323 1075 1393">Enhanced emissions-reporting obligations</td> <td data-bbox="1075 1323 1193 1393">Middle</td> <td data-bbox="1193 1323 1385 1393">Short term</td> </tr> <tr> <td data-bbox="794 1393 1075 1525">Mandates on and regulation of existing products and services</td> <td data-bbox="1075 1393 1193 1525">High</td> <td data-bbox="1193 1393 1385 1525">short term, mid term</td> </tr> <tr> <td data-bbox="794 1525 1075 1695">Changes in precipitation patterns and extreme variability in weather patterns</td> <td data-bbox="1075 1525 1193 1695">High</td> <td data-bbox="1193 1525 1385 1695">midterm and long-term</td> </tr> <tr> <td data-bbox="794 1695 1075 1827">Increased severity of extreme weather events such as typhoons and floods</td> <td data-bbox="1075 1695 1193 1827">Middle</td> <td data-bbox="1193 1695 1385 1827">Mid term</td> </tr> <tr> <td data-bbox="794 1827 1075 1933">Increased cost of raw materials</td> <td data-bbox="1075 1827 1193 1933">High</td> <td data-bbox="1193 1827 1385 1933">Short term, midterm and long-term</td> </tr> <tr> <td data-bbox="794 1933 1075 2002">Rising mean temperatures</td> <td data-bbox="1075 1933 1193 2002">Middle</td> <td data-bbox="1193 1933 1385 2002">midterm and long-term</td> </tr> <tr> <td data-bbox="794 2002 1075 2065">Rising sea level</td> <td data-bbox="1075 2002 1193 2065">Middle</td> <td data-bbox="1193 2002 1385 2065">midterm and long-term</td> </tr> </tbody> </table>	Risk topic	Impact level	Timeframe	Increased price of greenhouse gas emissions	High	Short term, mid-term and long-term	Enhanced emissions-reporting obligations	Middle	Short term	Mandates on and regulation of existing products and services	High	short term, mid term	Changes in precipitation patterns and extreme variability in weather patterns	High	midterm and long-term	Increased severity of extreme weather events such as typhoons and floods	Middle	Mid term	Increased cost of raw materials	High	Short term, midterm and long-term	Rising mean temperatures	Middle	midterm and long-term	Rising sea level	Middle	midterm and long-term
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Increased price of greenhouse gas emissions	High	Short term, mid-term and long-term																										
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<p>3. Describe the financial impact of extreme weather events and transformative actions.</p> <p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p> <p>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.</p> <p>6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.</p> <p>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</p> <p>8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be</p>	<p>3. Extreme weather may cause damage to facilities, rising operating expenses, declined or disrupted service productivity, disrupted supply chain and reduced gas usage due to warmer weather. The transition plan, on the other hand, may give rise to an increase in costs (such as carbon levy), investment in the acquisition of facilities required for green energy and environmental protection, cost of raw materials and various insurance expenses as a result of carbon reduction policies and legal compliance.</p> <p>4. With respect to the risk management system, each business unit shall identify and manage risks incurred in its scope of business. Based on the risk property, it then shall design and implement effective internal control procedures. The management review the risks involved in various business activities of the Company, and the internal audit unit shall conduct audits on and evaluate the effectiveness of risk management and relevant internal control systems with timely suggestions for improvement afterwards. The Board of Directors shall approve risk management policies and the material risk management system while supervising the implementation of such a risk management system.</p> <p>5. To be discussed</p> <p>6. To be discussed</p> <p>7. To be discussed</p> <p>8. The Company purchased solar power generation certificates from the National Renewable Energy Certification Center at the initial stage, which can reduce approximately 494kg of carbon dioxide emissions equivalent to 2GW. In addition to promoting the development of the domestic renewable energy business, we</p>
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<p>offset should be specified.</p> <p>9. Greenhouse gas inventory and assurance status.</p>	<p>also protect the environment. It is expected that the purchase amount will increase gradually.</p> <p>9. The Company plans to complete the greenhouse gas inventory of the parent company and its subsidiaries in 2025 and the greenhouse gas inventory assurance for the parent company and its subsidiaries in 2028.</p>
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(VII) Fulfilling ethical management and differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof:

Evaluation items	State of operation (Note)			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons thereof
	Yes	No	Summary description	
<p>I. Establishment of ethical corporate management policy and plan</p> <p>(I) Does the company have a clear ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?</p> <p>(II) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in paragraph 2, Article 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?</p> <p>(III) Whether the company has established relevant policies that are duly enforced to prevent unethical conduct,</p>	V		<p>(I) The Company's 18th Term 9th Meeting of the Board of Directors has approved the establishment of the "Ethical Corporate Management Best Practice Principles." The Board of Directors and management commit to actively fulfill the ethical principles, and instructed all employees to abide to them to prevent the occurrence of unethical behaviors.</p> <p>(II) In ensuring the fulfillment of ethical management, the Company builds a complete accounting system and internal control system, and internal auditors conduct regular audits to check the compliance status of relevant laws and regulations.</p> <p>(III) In accordance with the "Ethical Corporate Management Best Practice Principles" on prevention</p>	<p>No differences</p> <p>The Company has already formulated the "Ethical Corporate Management Best Practice Principles," which is the basis of every operations.</p>

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Evaluation items	State of operation (Note)			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
provided implementation procedures, guidelines, consequences of violation and complaint procedures, and periodically reviews and revises such policies?			of unethical behaviors, the Company established matters of attention and scope of the report system, punishment for violations, and complaint system. And, encourage the directors, managers, and all employees to make suggestions based on the reviews and amendments of the ethical management and measures for continuous review and improvements of the policy and promotion measures, to achieving the results of enhanced implementation of ethical management.	
<p>II. Ethic Management Practice</p> <p>(I) Whether the company has assessed the ethics records of whom it has business relationship with and include business conduct and ethics related clauses in the business contracts?</p> <p>(II) Whether the company has set up a unit which is dedicated to promoting the company’s ethical standards and regularly (at least once a</p>	V		<p>(I) The Company’s employees must abide to the “Work Rules” when conducting business with the users and vendors; Relating to signing of contracts with external parties, there is a need to state that the parties, the company and suppliers and construction contractors must abide to the ethical terms and conditions, in order to fulfill the ethical management service philosophy to users.</p> <p>(II) or a complete management of ethical management for the Company, the personnel office is responsible for the</p>	No differences The Company has already formulated the “Ethical Corporate Management Best Practice Principles,” which is the basis of every operations.

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Evaluation items	State of operation (Note)			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
<p>year) reports directly to the Board of Directors on its ethical corporate management policy and relevant matters, and program to prevent unethical conduct and monitor its implementation?</p> <p>(III) Whether the company has established policies to prevent conflict of interests, provide appropriate communication and complaint channels and implement such policies properly?</p> <p>(IV) To implement relevant policies on ethical conducts, has the company established effective accounting and internal control systems, audit plans based on the assessment of unethical conduct, and have its ethical conduct program audited by internal auditors or CPA periodically?</p> <p>(V) Does the company provide internal and external ethical conduct training programs on a regular basis?</p>			<p>formulation of the ethical management policy and prevention guidelines, and the supervision of the execution. The office has to report to the 20th Term 3rd Meeting of the Board of Directors, assists the directors and management in evaluation of the effectiveness of the ethical management policy.</p> <p>(III) The Company has established the “Work Rules” and “Insider Trading Prevention Management Procedures,” to avoid company employees gain personal benefits affecting the company’s rights and development.</p> <p>(IV) The Company has built a thorough internal control system and accounting system as basis for execution. Based on laws and regulations, and annual audit plan, the internal audit unit regularly audits every process and the legal compliance status to meet the relevant regulations.</p> <p>(V)</p> <ol style="list-style-type: none"> 1. The Company’s finance and audit unit participates in related seminars and training courses each year. 2. The Company regularly organizes the “Employee Monthly Meeting,” “Labor-Management Meeting,” 	

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Evaluation items	State of operation (Note)			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
			“Contractors Management Working Group Meeting” and so on, and makes timely promotion to realize commitments to ethical management.	
III. Implementation of Complaint Procedures (I) Does the company establish specific complaint and reward procedures, set up conveniently accessible complaint channels, and designate responsible individuals to handle the complaint received? (II) Whether the company has established standard operation procedures for investigating the complaints received, follow-up measures after investigation are completed, and ensuring such complaints are handled in a confidential manner?	V		(I) The Company stipulates and announces punishments for violations of the regulations for ethical management and the complaint system, and discloses the handlings on its intranet. (II) There is the personal data protection and confidentiality affidavit established between the Company and employees which regulates the parties must abide to the protection and confidentiality agreement when performing confidential work or processing personal information. The Company also adopted the “Regulations for Filing Complaints and Whistleblowing,” which stipulates the procedures and mechanisms for accepting whistleblowing concerning any violation of laws, abuse of authority or mistreatment that may infringe the rights of the Company or individuals. This is done in order to	No differences The Company has already formulated the “Ethical Corporate Management Best Practice Principles,” which is the basis of every operations.

2. Company Governance Report

Evaluation items	State of operation (Note)			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
(III) Does the company adopt proper measures to prevent a complainant from retaliation for his/her filing a complaint?	V		<p>protect employees' rights and improve the effectiveness of corporate governance.</p> <p>(III) A dedicated unit is responsible for handling the complaint matter in ensuring the protection of the complainant's identity and contents. The "Regulations for Filing Complaints and Whistleblowing" provides the policy for whistleblower protection. The identity of whistleblowers shall be kept confidential from top to bottom. If the identity of a whistleblower is exposed, disciplinary actions shall be taken according to the work rules after an investigation.</p>	
<p>IV. Enhancing Information Disclosure</p> <p>Has the company disclosed on its website and Market Observation Post System the content and promotion effect of its "Ethical Corporate management Best-Practice Principles?"</p>	V		<p>The Company has based on related laws and regulations processed the information release on its external website which has a link to the MOPS, regularly disclosed relevant and reliable information to provide to the public for reading and established the "Ethical Corporate Management Best Practice Principles" in a timely manner.</p>	<p>No differences</p> <p>The Company has already formulated the "Ethical Corporate Management Best Practice Principles," which is the basis of every operations.</p>
<p>V. If the company has established ethical corporate governance policies based on Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe any discrepancy between the policies and their implementation: None.</p>				
<p>VI. Other important information to facilitate a better understanding of the status of operations of the Company's ethical corporate management policies:</p>				

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Evaluation items	State of operation (Note)			Differences from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the reasons therefor
	Yes	No	Summary description	
(I)			The Company's management regularly promotes ethical behaviors during company meetings or educational trainings. It expects to build a consistent belief with all employees and abide to relevant laws and regulations or others relating to regulating business behavior.	
(II)			When signing and entering into special contracts with contractors, contents on abiding to ethical management are also adopted into the contract terms and conditions, promoting and fulfilling the ethical management policy and convening regular meetings for its promotion.	

- (VIII) Other important information that is helpful to understand the Company's implementation of corporate governance: Related personnel on the transparency of financial information, status of related licenses obtained:
1. 2 employees for examination for Certified Public Bookkeeper.
 2. Certified Internal Auditor, 1 person.
 3. Professional capability test for shareholders affairs, 2 persons passed.
 4. Corporate Governance Basic Competency Exam, 3 persons passed.
 5. 2 employees passed the basic ability test for sustainable development.

(IX) Internal Control System Execution Status

1. Statement of Internal Control System for 2024: The statement has been disclosed on the MOPS (link to the website: <https://mops.twse.com.tw/>), and the inquiry route is “MOPS/Single Company/Corporate Governance/Company Regulations/Internal Control/Internal Control Statement Announcement” or the QR Code below can be used directly.



2. The company auditing its internal control system by a CPA shall disclose the CPA audit report: None.

(X) Important resolutions of the shareholder meeting and board meeting from the most recent year up to the date of publication of the annual report:

1. Important resolutions of the shareholder meeting from the most recent year up to the date of publication of the annual report:

Meeting date	Important resolution	Resolution and result	State of implementation
2024.06.21	Proposal for the Company's annual business report and financial statement of 2023.	Passed as proposed by a vote.	To be processed accordingly.
	Proposal for the Company's surplus distribution of 2023.	Passed as proposed by a vote.	The 2023 earnings distributions to shareholders in cash dividends at NTD 1.5 per share. Established July 23, 2024 as the ex-dividend date, and distribution is completed on August 13, 2024.
	Election for the Company's 20th Term directors (including independent directors).	Election results: Directors – Chen Ho-Chia; representatives of the Veterans Affairs Council: Li Yi-Gang, Huang Kun-Tsung, Chan Kuang-Yu, Wu Yen-Chun, Chang Chih-Chiang, Tsai Chien-Ching; Representatives of The Great Taipei Gas	To be processed accordingly.

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Meeting date	Important resolution	Resolution and result	State of implementation
		<p>Corporation: Wu Hsin-Tung, Wu Hsin-Ju, Lin Po-Feng; Representative of Kindasaki Biochemical Technology Co., Ltd.: Chen Chien Pao-Kuei; Representative of Shin Hai Gas Corp.: Li Chen-Lung; Representative of Tong Chan Enterprise Co., Ltd.: Chuang Hung-Wen; Representative of Chuang Hung-Wen; Representative of Shin Kong Wu Foundation: Wu Chi-Hao; Huang Jung-Chun, Chen Wu Hui-Chun, Weng Cheng-Cheng, Chang Kuo-Tai and Li Ke-Tseng, and five independent directors – Li Ching-Kuo, Kuo Chin-Ming, Hsu Shu-Ping, Chen Ming-Hsiung, Tseng Han Lin.</p>	
	<p>Release of non-competition restriction on new directors and their representatives.</p>	<p>The Great Taipei Gas Corporation; Shin-Hai Gas Corp.; Veterans Affairs Council; Representatives of The Great Taipei Gas Corporation: Wu Hsin-Tung, Lin Po-Feng; Representative of Shin Hai Gas Corp.: Li Chen-Lung; Representative of Shin Kong Wu Foundation: Wu Chi-Hao; Representative of Tong Chan Enterprise Co., Ltd.: Representatives of Chuang Hung-Wen; and nine legal persons of their representatives of Veterans Affairs Council, including Li Yi-Gang.</p>	<p>To be processed accordingly.</p>

2. Company Governance Report

2. In the most recent year and as of the annual report publication date, major decisions of Board meetings

Meeting date	Motion content	Resolution and result	State of implementation
2024.03.12 (19th Term, 16th Meeting)	Review of the distribution of Directors and managers' remuneration of 2023.	Approved as proposed by all attending Directors.	Reported to the 2024 shareholders general meeting.
	Review the Company's 2023 "Business Report, Financial Statements, and Consolidated Financial Statements and so on."	Approved as proposed by all attending Directors.	Proposed in the 2024 shareholders general meeting.
	Review of the 2023 "Earnings Distribution."	Approved as proposed by all attending Directors.	Proposed in the 2024 shareholders general meeting.
	Convening 2024 shareholders meeting on June 21, 2024.	Approved as proposed by all attending Directors.	To be processed accordingly.
	Independent Director's opinion: None. Handling of the Independent Director's opinion by the company: None.		
2024.04.16 (1st extraordinary meeting of 19th term)	Review of the joint investment and construction contract with Han Huang Development Co., Ltd.	Approved as proposed by all attending Directors.	The contract was signed.
	Review of the plan to purchase the "Farglory Qingguang" Building from Farglory Land Development Co., Ltd.	The motion for amendment to the wording of "and lease" was approved by all attending directors upon the recommendation of the Audit Committee.	The contract was signed.
	The independent directors' opinion: The wording of "and lease" in the description of the purchase of buildings is deleted. The Company's handling of the opinions of the independent directors: Agreed to delete.		
2024.05.10 (19th Term, 17th Meeting)	Review the 2024Q1 (January to March) Consolidated Financial Statements.	Approved as proposed by all attending Directors.	Announced and filed according to regulations.
	Review nomination and review the qualifications of candidates for directors and independent directors.	Approved as proposed by all attending Directors.	For election at the 2024 "Shareholders General Meeting."
	Propose to agree the release of 20th directors and representatives from non-competition restrictions.	Approved as proposed by all attending Directors.	Proposed to the 2024 "Shareholders General Meeting."
	Confirmed the cash dividends distribution record date.	Approved as proposed by all attending Directors.	To be processed accordingly.

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Meeting date	Motion content	Resolution and result	State of implementation
	Independent Director's opinion: None. Handling of the Independent Director's opinion by the company: None.		
2024.06.21 (20th Term, 1st Meeting)	Election of the chairman for the 20th Board	The results of the election for the chairman of the 20th term were announced at the Board meeting attended by all directors.	To be processed accordingly.
	The 20th Board of Directors meeting established one executive director	Director Wu Hsin-Tung was elected as the managing director, approved by all attending directors.	To be processed accordingly.
	Independent Directors Kuo Chin-Ming, Tseng Han Lin, and Kuo Hsiang-Rui were appointed as the 6th Remuneration Committee members.	Approved as proposed by all attending Directors.	To be processed accordingly.
	Huang Kun-Tsung was appointed as the General Manager, while Chien Yi-Hsin and Lai Yi-Shen were appointed as Deputy General Managers.	Approved as proposed by all attending Directors.	To be processed accordingly.
	Independent Director's opinion: None. Handling of the Independent Director's opinion by the company: None.		
2024.08.12 (20th Term, 1st Meeting)	Review the 2024Q2 (January to June) Consolidated Financial Statements.	Approved as proposed by all attending Directors.	Announced and filed according to regulations.
	Independent Director's opinion: None. Handling of the Independent Director's opinion by the company: None.		
2024.11.11 (2nd Term, 2nd Meeting)	Review the 2025 "Operations Plan."	Approved as proposed by all attending Directors.	To be processed accordingly.
	Review the 2024Q3 (January to September) Consolidated Financial Statements.	Approved as proposed by all attending Directors.	To be processed accordingly.
	Authorizing the "Audit Committee" to supervise risk management.	Approved as proposed by all attending Directors.	To be processed accordingly.
	Review of the evaluation on the CPA's independence and suitability and continued appointment.	Approved as proposed by all attending Directors.	To be processed accordingly.
	Independent Director's opinion: None. Handling of the Independent Director's opinion by the company: None.		
2024.12.13	Review the 2025 "Operations	Approved as	To be processed

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Meeting date	Motion content	Resolution and result	State of implementation
(20th Term, 3rd Meeting)	Budget.”	proposed by all attending Directors.	accordingly.
	Independent Director’s opinion: None. Handling of the Independent Director’s opinion by the company: None.		
2025.03.12 (20th Term, 4th Meeting)	Review of the distribution of Directors and managers’ remuneration of 2024.	Approved as proposed by all attending Directors.	To be processed accordingly and reported to the (2025) shareholders’ general meeting.
	Review the Company’s 2024 “Business Report, Financial Statements, and Consolidated Financial Statements and so on.”	Approved as proposed by all attending Directors.	To be processed accordingly and raised to the (2025) shareholders’ general meeting for ratification.
	Review of the Company’s 2024 earnings distribution and cash dividend distribution.	Approved as proposed by all attending Directors.	To be processed accordingly and raised to the (2025) shareholders’ general meeting for ratification.
	Review the partial amendments to the Company’s “Company Articles of Association.”	Approved as proposed by all attending Directors.	The proposal is duly submitted for discussion at the 2025 general shareholders’ meeting.
	Review the Release of directors and representatives from non-competition restrictions.	Approved as proposed by all attending Directors.	To be processed accordingly. In addition, due to the change of director representatives by the legal person director, this proposal was amended at the 5th meeting of the 20 th term board of directors.
	Convening the 2025 shareholders general meeting on June 25, 2025.	Approved as proposed by all attending Directors.	To be processed accordingly. In addition, due to the death of an independent director, this case was proposed to amend the agenda at the 20th 2nd interim board meeting.
		Independent Director’s opinion: None.	

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Meeting date	Motion content	Resolution and result	State of implementation
Handling of the Independent Director's opinion by the company: None.			
2025.04.14 (20th Term, 2nd interim board of directors)	Review the proposed changes to the agenda of the 114th Annual General Meeting of Shareholders	Approved as proposed by all attending Directors.	To be processed accordingly
	Review the proposal of electing an independent director.	Approved as proposed by all attending Directors.	To be processed accordingly. The case will be separately nominated and the qualifications of independent director candidates will be reviewed at the 5th meeting of the 20 th term board of directors.
Independent Director's opinion: None. Handling of the Independent Director's opinion by the company: None.			
2025.05.12 (20th Term, 5th Meeting)	Review the 2025Q1 (January to March) Consolidated Financial Statements.	Approved as proposed by all attending Directors.	Announced and filed according to regulations.
	Review the Release of directors and representatives from non-competition restrictions.	Approved as proposed by all attending Directors.	To be processed accordingly and submitted to the (2025) shareholders' general meeting for a resolution.
	Review and nomination of independent director candidates	Approved as proposed by all attending Directors.	To be processed accordingly. The by-election was requested to be held at the 2025 Annual Shareholders Meeting.
	Appointment of members of the 6th Remuneration Committee.	Approved as proposed by all attending Directors.	To be processed accordingly
Independent Director's opinion: None. Handling of the Independent Director's opinion by the company: None.			

(XI) Contents of the objections for the records or with written statements of directors to important Board resolutions in the previous year and by the date of report publication: None.

IV. Information on CPA's professional fees

- (I) If the audit fee of the year is less than that of the previous years after changing CPA firm, then the audit fee before and after the change and the reason for change shall be disclosed: None.
- (II) If the audit fee is less than that of the previous year by over 10%, then the

2. Company Governance Report

less amount of audit fee, its proportion, and the reason shall be disclosed:
None.

(III) Information on CPA's professional fees in the most recent year:

Amount Unit: Thousands of NTD

CPA firm	CPA name		CPA audit period	Audit fee	Non-audit fee	Total	Remark
BDO Taiwan	Jiunn-huei Ko	Li-Yen Wang	January 1, 2024 to December 31, 2024	1,930	0	1,930	

V. Information on change of CPAs

(I) Former CPAs:

Date of change	February 3, 2023		
Reasons and Explanation of Changes	Internal rotation change of the CPA firm		
State Whether the Appointment is Terminated or Rejected by the Consignor or CPAs	The party		
	Situations	CPA	Consignor
	Appointment terminated automatically	None	None
	Appointment rejected (discontinued)	None	None
The Opinions Other than Unmodified Opinion Issued in the Last Two Years and the Reasons for the Said Opinions	None of such situation		
Is There Any Disagreement in Opinion with the Issuer	Yes		Accounting principle or practice
			Disclosure of financial statements
			Auditing scope or procedures
			Others
	None	V	
	Explanation	None of such situation	
Supplementary Disclosure (Disclosures Specified in Article 10.6.1.4~7 of the Regulations Governing Information to be Published in Annual Reports of Public Companies)	None of such situation		

(II) Successor CPAs:

Accounting Firm	BDO Taiwan
CPA name	Jiunn-huei Ko, Li-yen Wang
Date of Engagement	February 3, 2023
Prior to the Formal Engagement, Any Inquiry or Consultation on the Accounting Treatment or Accounting Principles for Specific Transactions, and the Type of Audit Opinion that Might be Rendered on the Financial Report	None of such situation
Written Opinions from the Successor CPAs that are Different from the Former CPA's Opinions	None of such situation

(III) The reply of former CPAs on Article 10 Paragraph 6 Subparagraph 1 and Article 10 Paragraph 6 Subparagraph 2 Point 3 of the Standards: None.

VI. Anyone among the Company's Chairman, president or any managerial officers in charge of finance or accounting affairs who have in the most recent year held a position at the accounting firm of the attesting CPA or an affiliate of the accounting firm: None.

VII. Any equity transfer or change in equity pledge by a director, managerial officer, or shareholder with 10% stake or more from the most recent year up to the date of publication of the annual report:

Changes in shareholdings of directors, managerial officers and major shareholders

Unit: Shares

Title	Name	2024		The current year as of April 27		Remark
		Net Change in Shareholding	Net Change in Shares Pledged	Net Change in Shareholding	Net Change in Shares Pledged	
Chairman	Ho-Chia Chen	0	0	0	0	
Director	Veterans Affairs Commission, Executive Yuan	0	0	0	0	Institutional representatives, 6 directors: Kun-chung Huang, Hsiao-i Lee, Yen-chun Wu, Tung-fa Tsao, Kuang-yu Chan, Ma-ko Lo Tao-Chung Ku.
Director	Shin Kong Wu Foundation	0	0	0	0	Institutional representatives: Chi-hao Wu
Director	Jung-Chun Huang	0	0	0	0	
Director	Kindasaki Biochemical Technology Co., Ltd.	0	0	0	0	Institutional representatives: Shi-shuenn Chen
Director and President	Veterans Affairs Commission, Executive Yuan	0	0	0	0	Institutional representatives: Kun-chung Huang
Director	THE GREAT TAIPEI GAS CORPORATION	0	0	0	0	Institutional representatives, 3 directors: Hsin-Ju Wu, Richard H Wu, Po-Fong Lin
Director	Shin-Hai Gas Co, Ltd.	0	0	0	0	Institutional representatives: Chen-lung Lee
Director	Cheng-Cheng Wong	0	0	0	0	
Director	Tung Chan Enterprise Co., Ltd.	0	0	0	0	Institutional Representative: Hung-Wen Chuang
Director	Kuo-Tai Chang	0	0	0	0	
Director	Ko-Tseng Li	0	0	0	0	
Independent Director	Ching-kuo Lee	0	0	0	0	
Independent	Chin-Ming Kuo	0	0	0	0	Passed away and

2. Company Governance Report

Title	Name	2024		The current year as of April 27		Remark
		Net Change in Shareholding	Net Change in Shares Pledged	Net Change in Shareholding	Net Change in Shares Pledged	
Director						was dismissed on April 5, 2025
Independent Director	Ming-Hsiung Chen	0	0	0	0	
Independent Director	Han-Lin Tseng	0	0	0	0	
Independent Director	Shu-Ping Hsu	0	0	0	0	
Vice President	Yi-Hsin Chien	0	0	0	0	
Vice President	Yi-shen Lai	0	0	0	0	
Corporate Governance Officer	Te-yin Wan	0	0	0	0	
Manager, Department of Finance	Yi-Yang Huang	0	0	0	0	

- Note: 1. Stock trade information: None for the Company's directors, managerial officers and major shareholders with shareholding at more than 10%, with related party.
2. Stock pledge information: None for the Company's directors, managerial officers and major shareholders with shareholding at more than 10%, with related party.

VIII. Information on the top ten shareholders in shareholding ratio and are related parties or with a relationship of being a spouse or a relative within the 2nd degree of kinship

Information of top ten shareholders who are related

Name	Shares held		Shareholding by spouse or dependents		Total shares held in the name of others		Related Party Relationship among the Company's 10 Largest Shareholders		Remark
	Number of shares (Shares)	Shareholding percentage (%)	Number of shares (Shares)	Shareholding percentage (%)	Number of shares (Shares)	Shareholding percentage (%)	Name	Relationship	
Veterans Affairs Commission, Executive Yuan	46,556,713	25.79	0	0	0	0	None	None	
Thousand Islands Investment Co., Ltd. Chairperson: Chiu Li-Chuan	14,203,712	7.87	0	0	0	0	THE GREAT TAIPEI GAS CORPORATION	Equity-method investees	
THE GREAT TAIPEI GAS CORPORATION Chairman: Tung-Chin Wu	10,534,066	5.83	0	0	0	0	Thousand Islands Investment Co., Ltd. Pai Hsun Investment Co., Ltd. Shin-Hai Gas Co, Ltd.	Equity-method investment company	
Pai Hsun Investment Co., Ltd. Chairperson: Hung Tzu-Ren	9,030,716	5.00	0	0	0	0	THE GREAT TAIPEI GAS CORPORATION	Equity-method investees	
Shunyi International Co., Ltd. Chairman: Cheng-Cheng Wong	6,945,984	3.85	0	0	0	0	None	None	
SHINTAO NATURAL GAS Chairman: Mao-Hung Fang	6,470,196	3.58	0	0	0	0	None	None	
Kindasaki Biochemical Technology Co., Ltd. Chairman: Ho-Chia Chen	6,031,011	3.34	0	0	0	0	None	None	
Shin-Hai Gas Co, Ltd. Chairperson: Lin Kun-Cheng	4,668,441	2.59	0	0	0	0	THE GREAT TAIPEI GAS CORPORATION Hsin Wa Investment Co., Ltd.	Equity-method investees Equity-method investment company	
Hsin Wa Investment Co., Ltd. Chairperson: Lin Kun-Cheng	3,744,000	2.07	0	0	0	0	Shin-Hai Gas Co, Ltd.	Equity-method investees	
EVFA INTERNATIONAL Chairman: Ho-Chia Chen	2,527,863	1.40	0	0	0	0	None	None	

IX. Investments jointly held by the company, the company's directors, managers, and enterprises directly or indirectly controlled by the company, with shareholdings disclosed in aggregate of the said parties:

Shareholding percentage

April 27, 2025
Unit: Shares; %

Non-consolidated (note)	Ownership by the Company		Ownership by Directors, Managers and Directly/Indirectly Owned Subsidiaries		Total Ownership	
	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage
EVFA INTERNATIONAL CO., LTD.	58,410,000	100	0	0	58,410,000	100

Note: The company's investments accounted for using equity method.

Three. Capital Overview

I. Processing of the company's capital, any issuance of shares, corporate bonds, preferred shares, global depository receipts, and employee stock warrants, new restricted employee shares, any merger and acquisition activities (including mergers, acquisitions, and demergers)

(I) Capital and share

1. Source of capital

Source of capital

May 16, 2025 Unit: Shares; NTD

Year Month	Issued price (NTD)	Authorized capital		Paid-in Capital		Source of capital	Remark	
		Number of shares (Shares)	Amount (NTD)	Number of shares (Shares)	Amount (NTD)		Substitution of capital stock with assets other than cash	Others
May 1971	10	6,000,000	60,000,000	6,000,000	60,000,000	Cash flow generated from operations	None	Original capital
August 1996	10	143,000,000	1,430,000,000	103,400,998	1,034,009,980	Employee bonus 3,646,680 and Increased capital from earnings of 134,395,210	None	(1996) Tai-Cai-Zheng (I) No. 36642 issued on June 25, 1996
September 1997	10	143,000,000	1,430,000,000	114,034,444	1,140,344,440	Employee bonus 2,933,470 and Increased capital from earnings of 103,400,990	None	(1997) Tai-Cai-Zheng (I) No.50639 issued on June 25, 1997
September 1998	10	143,000,000	1,430,000,000	134,533,592	1,345,335,920	Employee bonus 5,431,210 and Increased capital from earnings of 199,560,270	None	(1998) Tai-Cai-Zheng (I) No.58665 issued on July 7, 1998
September 1999	10	151,300,000	1,513,000,000	145,539,111	1,455,391,110	Employee bonus 2,428,320 and Increased capital from earnings of 107,626,870	None	(1999) Tai-Cai-Zheng (I) No.63751 issued on July 12, 1999
September 2000	10	185,800,000	1,858,000,000	161,221,204	1,612,212,040	Employee bonus 4,004,870 and Increased capital from earnings of 152,816,060	None	(2000) Tai-Cai-Zheng (I) No.59458 issued on July 11, 2000
September 2006	10	185,800,000	1,858,000,000	170,318,352	1,703,183,520	Employee bonus 2,299,820 and Increased capital from earnings of 88,671,660	None	On July 19th, 1996, FSC's Jin-Guan-Zheng-Yi-Zi No. 0950131511
October 2010	10	185,800,000	1,858,000,000	180,537,453	1,805,374,530	Increased capital from earnings of 102,191,010	None	On August 4th, 2010, FSC's Jin-Guan-Zheng-Fa-Zi No. 0990040779

May 16, 2025
Unit: Shares

Share Types	Authorized capital			Remark
	Outstanding shares (Note)	Unissued shares	Total	
Common stock	180,537,453	5,262,547	185,800,000	None

Note: All issued shares are listed stocks.

2. Major Shareholders (name, number of shares and stake held of each shareholder with a stake of 5 percent or greater or each shareholder who rank in the top 10 in shareholding percentage)

April 27, 2025

Name of Major Shareholder	Shares	Shareholding (Shares)	Shareholding percentage (%)
Veterans Affairs Commission, Executive Yuan		46,556,713	25.79
Thousand Islands Investment Co., Ltd.		14,203,712	7.87
THE GREAT TAIPEI GAS CORPORATION		10,534,066	5.83
Pai Hsun Investment Co., Ltd.		9,030,716	5.00
Shunyi International Co., Ltd.		6,945,984	3.85
SHINTAO NATURAL GAS		6,470,196	3.58
Kindasaki Biochemical Technology Co., Ltd.		6,031,011	3.34
Shin-Hai Gas Co, Ltd.		4,668,441	2.59
Hsin Wa Investment Co., Ltd.		3,744,000	2.07
EVFA INTERNATIONAL CO., LTD.		2,527,863	1.40

3. Dividends policy and implementation

(1) Dividends policy

The Company adopts the fixed cash dividend payout ratio policy, and depending on its current share capital, financial structure, future operational development needs and earnings, no less than 20% of the distributable surplus shall be allocated as dividends, and no less than 20% of the dividend shall be distributed in cash.

(2) Implementation of dividend distribution:

Pursuant to Article 33-1 of the Company's Articles of Association, in the event that dividends and bonuses are distributed in cash, the Board of Directors is authorized to adopt such a distribution by a majority vote at a meeting of the Board of Directors attended by two-thirds of the total number of Directors.

By a resolution made in the Company's Board of Directors' meeting on March 12, 2025, a total of NT\$288,859,925 from the distributable earnings of 2024 was allocated as shareholder bonus, approximately NT\$1.6 per share, and the Chairman was authorized to determine the ex-dividends date and other related matters.

(3) If a material change in dividend policy is expected, provide an explanation: None.

4. Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the shareholders' meeting:

There is no stock dividend proposed in the 2025 Annual General Meeting of Shareholders of the Company, so there is no influence on its business performance and earnings per share.

5. Remuneration for employees and for directors

(1) Information on employee and director's remuneration as stipulated in Article 33 of the Company's Articles of Incorporation:

The Company should appropriate employee compensation for an amount equivalent to 2.2% of the profits, if any, which is to be distributed in shares or cash by the resolution of the board of directors. The employees of subordinate companies who meet certain conditions are also entitled to such earnings distribution. The Company's board of directors may resolve to have directors' remuneration appropriated for an amount not more than 2.2% of the aforementioned profits.

The proposal for the distribution of employee compensation and directors' remuneration shall be reported to the shareholders' meeting.

However, when the Company has accumulated losses, an equivalent amount should be reserved in advance for making up such losses before appropriating the employee compensation and directors' remuneration in accordance with the ratio stated in the preceding paragraph.

3. Capital Overview

(2) The Board has approved the proposed distribution amount for employees and directors remuneration and the calculation for the earnings per share. Its information:

The Company 2024 employees and directors remuneration distribution proposal, has been approved by the Board on March 12, 2025. The approved earnings distribution is: ① Distribute cash compensation to employees for NTD 4,749,816 and to directors for NTD 10,614,703. If the actual distribution amount differs from the estimated amount in subsequent resolutions, the difference is treated as a change in accounting estimate. ② The calculation for the earnings per share at NTD 2.23 is based on considerations for after the employees and directors remuneration distribution.

(3) Distribution of remuneration to employees and directors from the earnings of 2023:

Items	<u>June 21, 2024</u>	<u>March 12, 2024</u>	Differences	Reasons for differences
	Actual distribution amount resolved by the shareholders' meeting	Proposed distribution amount resolved by the Board of Directors' meeting		
Employee cash compensation (in thousands of NTD)	9,472	9,472	—	—
Employees compensation in stocks				
Number of shares (Thousands of Shares)	—	—	—	—
Amount (In thousands of NTD)	—	—	—	—
% of 2024 outstanding shares	—	—	—	—
Profit sharing remuneration for directors (in thousands of NTD)	9,472	9,472	—	—

6. The company has in the most recent year and as of the annual report publication date, file for buyback of common stock: None.

(II) Processing of the company's capital, any issuance of shares, corporate bonds, preferred shares, global depository receipts, and employee stock warrants, new restricted employee shares, any merger and acquisition activities (including mergers, acquisitions, and demergers): None.

II. The status of implementation of capital allocation plans

(I) Contents of the Plan

1. The Company has none of such situation on issuance of securities beforehand, or private placement securities that have not yet completed or have achieved within most recent 3 years, of which the benefits of the plan has not shown yet.
2. No cash capital increase for the Company in the most recent three years.

(II) State of implementation

Not applicable.

Four. Operation Overview

I. Business activities

(I) Business scope

1. Principal business activities

- (1) D201011 Natural Gas Utility Enterprise
- (2) CR01010 Gas Apparatus and Parts Manufacturing
- (3) E502010 Fuel Catheter Installation Engineering
- (4) JE01010 Rental and Leasing
- (5) B102010 Extraction of Crude Petroleum and Natural Gas
- (6) E603130 Gas Water Heater Contractors
- (7) D401010 Thermal Energy Supply
- (8) E603040 Fire Safety Equipment Installation Engineering
- (9) E603050 Automatic Control Equipment Engineering
- (10) F401181 Measuring Instruments Import
- (11) F213050 Retail Sale of Measuring Instruments
- (12) F113060 Wholesale of Measuring Instruments
- (13) ID01010 Measuring Instruments Certification
- (14) D101050 Combined Heat and Power
- (15) F105050 Wholesale of Furniture, Bedding Kitchen Utensils and Fixtures
- (16) F205040 Retail Sale of Furniture, Bedding Kitchen Utensils and Fixtures
- (17) E801070 Kitchenware and Sanitary Fixtures Installation Engineering
- (18) F401010 International Trade
- (19) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

2. Revenue distribution (%)

Business activities	Operating revenues (in thousands of NTD)	Revenue distribution (%)
Gas sales revenue	1,543,325	78.23
Installation revenue	250,254	12.68
Other operating revenue	179,294	9.09
Total	1,972,873	100.00

3. Products and major services

The Company's major services are conducted within the business areas approved by the competent authorities for installation of pipes to supply natural gas as fuel to users, and to provide users natural gas pipeline equipment and emergency shut-off safety equipment design and construction.

4. Plans for new product (services) development: None.

(II) Industry Overview

1. The current status and development of the industry

There a total of 25 domestic public natural gas businesses providing natural gas as fuel to users through pipelines. The source of gas is supplied by CPC Corporation, Taiwan. In response to insufficient gas sources produced within Taiwan, CPC has since 1990 entered into long term gas procurement contract with overseas importing gas sources from overseas. With urban renewal, development of tourism industry and rising environmental awareness, natural gas has become an important fuel in the daily lives of modern urban city.

2. Correlation among the upstream, midstream and downstream aspects of the industry:

Natural gas is combustible gas produced underground with hydrocarbons as its main composition. All the domestic natural gas are produced by CPC Corporation, Taiwan or transported into Taiwan from overseas. The major import countries are Indonesia, Qatar, Malaysia, Papua New Guinea, Australia and USA. Besides supplying for electricity power and part of the industrial users, it is used for supplying to every public natural gas business. The gas source that the Company purchased from CPC Corporation, Taiwan, odorant is added and after the gas is compressed, it is transported via pipelines to the users within the operating districts for use as fuel.

3. Development trends and state of competition of the product

In response to the restrictions and regulations of the "Kyoto Protocol," "Paris Agreement" and previous global climate change agreements, the government established the "Greenhouse Gas Reduction and Management Act" to establish carbon reduction targets in 2015, and in 2023, the "Climate Change Response Act" was adopted to meet global trend and complete the corresponding regulations and guidelines, thereby leading to the launch and construction of the goal of zero greenhouse gas emission in the future. Amidst the carbon reduction

trends and energy policies, increasing the use of natural gas is already a future trend, and it will become more diverse. For example, using natural gas to power electricity, air conditioner and more. There are also active promotions to the hospitals, schools, factories within the operating areas on changing oil fuel to natural gas for the boilers. This can reduce air pollution. Diverse use of natural gas is beneficial to the company for promoting to its users and increase gas sales volume.

Due to the fact that natural gas business belongs to public business, its gas supply areas need to be approved by competent authorities before beginning the supplying of gas. The operating areas do not overlap with peer companies, thus, there are no situations of competition.

(III) Technology and R&D overview

1. In 1986, the Company established the “Research and Development Committee,” which formulates the R&D projects for the year at the beginning of each year based on industry characteristics. In 2024, the Committee initiated various research topics, such as the “Research on the Calculation of low pressure Natural Gas Pipeline Pressure Loss” and the “Promotion of Corporate Governance and Future Prospects,” which were passed on to relevant departments for research and implementation to aid the company’s operational management.
2. The Company’s top priority is safety. We have completed the monitoring and management of the supply system information for key equipment, such as storage tanks and compressor stations. We have also introduced advanced testing instruments and disaster prevention equipment to ensure safety. In addition, we have established a computer information management procedure for employees this year to replace traditional manual management. The automated system checks the status of the supply network across all business areas to prevent potential risks in advance and achieve the goal of supply safety management.

(IV) Business development plans for the long and short term

1. Short term development plan
 - (1) The main work is to promote cases and actively pursue complete installation for the new building constructions within the Service Districts, and to process main pipeline extension for existing users, and to seek after business users, non-user within the supply network, to expand the gas supply scope seeking after household users to apply for natural gas installation, and enhance the safety and maintenance work of existing users.
 - (2) In terms of gas supply safety, the company continues to enrich the equipment, upgrade anti-rust pipelines and maintenance skills

technologies, and fully utilize the gas supply segmentation built within the operation areas. All information on its gas-holder tanks, the automatic monitoring system among the various gas governor stations and constructions, maps and more are fully incorporated into the computer management, to assure the gas supply safety can be controlled more effectively.

- (3) In response to the government's energy-saving and carbon reduction policy: Employees and contractors are encouraged to actively promote electronic billing services, Slogans are displayed on the company websites and extend notices for continuous promotion the addition and revision of software are planned to improve hardware at the counters. Paperwork is gradually replaced with electronic files, aiming for paperless (less paper) services.

With regard to convenient service: Work with the mobile payment service providers in arrangement with the Company's contracted banks to add the natural gas fee collection service in order to provide users with diverse and convenient means of bill payment. In cooperation with the Land Office of New Taipei City and Taipei City, user name can be changed when processing property transfer. Respond to the Ministry of Finance's policy that requires public utilities to work with electronic payment institutions and convenient stores that collecting service charges on behalf of public utilities to echo the policy to link the electronic payment account with personal smartphone carriers, so as to improve the usage rate of personal smartphone carriers and prevent any miss of information about invoice lottery.

- (4) Complying to the natural gas business laws and regulations and conforming to government policies, actively promotes to users to install microcomputer gas meter. The microcomputer gas meter will be installed for all new users, raising the user gas safety.
- (5) To ensure just calculations for users, the Company is replacing "overdue meters" for over 10 years based on the annual replacement plan.

2. Long term development plan

- (1) The Company is committed to the management philosophy "Safety First and Superior Service" replacing old pipelines based on the annual plan to ensure gas supply safety.
- (2) Review the changes of current environment to grasp the urban development trends and dynamic, to expand new users.
- (3) Cooperating with the Taipei City and New Taipei City government's "underground sewerage," "MRT" and so forth major constructions and local governments' sewerage system improvements, carry out the moving of pipelines and renewal construction.

- (4) The Company acts according to the annual patrol inspection plan, continues to conduct inspections and maintenance for the small gas governor stations, cork, water dispenser and so on equipment within the operating areas.
- (5) Conforming to the environmental protection carbon reduction and air pollution policies, expands promotion to oil fuel boiler vendors to switch to using natural gas, a low polluting environmental-friendly energy source.

II. Market, production and sales overview:

(I) Market analysis

1. Sales and service areas for major products

The major business of the Company is providing natural gas to families, businesses and service sector and so on users to use as fuel. The operation areas are wide-ranging. The existing areas where there are gas supplies are Zhonghe District, Yonghe District, Xindian District, Shenkeng District in the New Taipei City, and Wenshan District in the Taipei City. Due to the rapid development of urban cities and towns, people's quality of life is improving constantly. Natural gas is a modernized fuel which is highly safe, low pollution, and abundance. Therefore, under the government's energy policy promotion, there are much potential for developments in the Company's existing operating areas and areas that are to be developed (Shiding, Pinglin, Wulai).

2. Market share

As of December 2024, the Company's number of users sharing gas supply is at a total of 375,043 users, ranking 4th in the public natural gas business out of the 25 companies nationwide, which accounts for 9.25% of the natural gas users in Taiwan. The penetration rate in the Company's operating areas in New Taipei City's Zhonghe, Yonghe, Xindian, Shenkeng and Taipei City's Songshan Districts is at 70.88%% by end of 2024.

3. State of supply demand and growth for the future market

The CPC Corporation, Taiwan is the only natural gas supplier in Taiwan. To stabilize supply for the market demand, CPC established long term procurement contract with overseas, and due to international abundance in shale gas and more energy sources of rich reserves and large-scale exploitations, domestic natural gas supply in the future seems to be in no shortage. The new users in the Company's operating areas can grow in moderation each year, future natural gas supply demands for use can be met with steady supply.

4. Competitive niche

4. Operation Overview

According to the “Natural Gas Enterprise Act” regulations, public natural gas business cannot provide gas services extending to outer areas beyond its existing operating areas without permission from central authority. Currently, the operating areas of the 25 public natural gas businesses as approved by the central government’s Ministry of Economic Affairs do not overlap. Thus, the Company has the advantage of exclusive supply within its approved operating areas.

5. Advantages and disadvantageous factors in development vision

Advantageous factors:

- (1) The natural gas possesses four major advantages, namely, safety, clean, economical, and convenient, which is a necessity for the public. Especially at this moment due to environmental protection policies, it has become an indispensable energy in modern cities. It can also relieve energy insufficiencies and adjust the country’s overall energy supply demand, is of significant importance.
- (2) The government has in 1990 imported large volumes of liquid natural gas from Indonesia and other countries and encourage the use of natural gas. Businesses actively invests in and constantly expands the transmission pipelines and gas storage equipment. Natural gas has become a major gas fuel of Taiwan’s city areas.
- (3) Under the government’s environmental protection policy promotion, the hospitals, restaurants, schools or government agencies and users of oil fuel boilers within the operating areas, all have plans to switch to natural gas. It is anticipated that it will increase the Company’s sales volumes.
- (4) The Company has already set up a complete natural gas supply system within the gas supply areas, maintaining a steady gas supply pressure, and to provide 24 hours emergency inspection and maintenance services, guaranteeing the safety of gas supply.

Disadvantageous factors:

- (1) Investment costs are huge for the gas storage equipment of the public natural gas business. The return period is longer as compared to other general sectors. Natural gas price adjustments needs to be approved by the competent authority, so it is not able to reflect the business management difficulties in a timely manner.
- (2) Legislations regulate the natural gas pipelines installation, the materials for the gas transmission and storage equipment, must all adopt to the national safety standards. Natural gas businesses bear responsibilities in the long term maintenance, after-sales services, personnel educational trainings and so forth, this in turn increases the personnel costs of management burdens.
- (3) Alternative energy and green energy research and development will impact the natural gas future growth in sales volume. In recent years,

the greenhouse effect leading to rising temperatures and the great use of microwaves and electric stoves, reduces the usage volume of household users.

6. Countermeasures:

- (1) Strengthen the expansion work to recruit more users within the gas supply areas where there are ready natural gas pipelines but potential users who have not yet applied for installations or meter use.
- (2) Continue to promote the sales of family use natural gas stove and high efficiency forced exhaust type safe instant gas water heater, to raise the market share.
- (3) Within the gas supply areas, actively make visits to the village chiefs or participate in the neighborhood residents activities and community management committees to jointly promote public safety. The company is committed to extending its services into the communities that were built in the earlier phases, and convert the users from using barreled liquefied petroleum gas (LPG) to using natural gas, enhancing the Company's user penetration rate.

(II) Important use and manufacturing process of major product

1. The natural gas supplied by the Company is bought from CPC Corporation, Taiwan, it is then transmitted through pipelines to the families, businesses and service industries users within the supply operating areas as fuel. Natural gas is safer, more economical and convenient than LPG or heavy oil, and it helps in raising environmental quality. Currently, source of gas is from CPC Corporation, Taiwan, the Company does not engage in receiving and manufacturing of natural gas.
2. According to the Natural Gas Enterprise Act on public safety regulations, we continue to introduce natural gas disaster prevention safety equipment, such as procurement of safety intercepting valves, microcomputer gas meter, gas alarm device, and emergency shutoff valves equipment, in guaranteeing safety for the users using natural gas.

(III) Supply situation of main raw resources

Gas source that the Company supplies is from the exclusive supply of CPC Corporation, Taiwan. Apart from the domestically produced natural gas, CPC imports partial natural gas from overseas. Gas source is not in shortage.

(IV) List of customers contributing to at least 10% of the total purchases and sales in any of the year within the past two years:

1. Major vendors for purchases:

As of current, CPC Corporation, Taiwan is the only supplier for gas source domestically. Differences to the gas purchase volume are due to factors such as economy, user quantity, climate temperature changes,

4. Operation Overview

which affect the changes to the purchase amount.

Major suppliers information in the most recent two years

Items	2023				2024				2024 as of Q1			
	Account	Amount (NTD)	Percentage in annual net procurement (%)	Relationship with the issuer	Account	Amount (NTD)	Percentage in annual net procurement (%)	Relationship with the issuer	Account	Amount (NTD)	Percentage in the year until previous quarter's net procurement (%)	Relationship with the issuer
1	CPC Corporation, Taiwan	853,818,261	87.35	None	CPC Corporation, Taiwan	845,839,391	85.60	None	CPC Corporation, Taiwan	290,189,909	83.87	None
	Others	123,657,019	12.65		Others	142,287,271	14.40		Others	55,801,872	16.13	
	Purchases Net amount	977,475,280	100		Purchases Net amount	988,126,662	100		Purchases Net amount	345,991,781	100	

2. Major sales vendors:

The Company is a public natural gas business, sales clients are family households, businesses and service sectors, and there has been no single user whose use amount accounts for 10% of the net sales.

III. Human resources

- (I) As of the most recent two years and as of the annual report publication date, human resources information

Distinguish		2023	2024	Up to the publication date of the annual report
Number of Employees	Employees	147	143	162
	Contract technicians	18	16	1
	Contract staff	5	2	2
	Total	170	161	165
Average Age		46.93	45.94	46.02
Average Years of Service		13 yrs 10 mths	13 yrs 3.5 mths	13 yrs 4 mths
Education (%)	Ph.D.	0.58%	0.61%	0.59%
	Masters	8.24%	9.82%	10.18%
	Bachelor's Degree	64.12%	66.87%	67.67%
	Senior High School	25.88%	21.47%	20.36%
	Below Senior High School	1.18%	1.23%	1.20%

- (II) Protection measures in work environment and employee personal safety:

1. Provide a safe and healthy work environment:

- (1) The Company purchases the “Laser Remote Gas Leak Detector,” XP720, HXG-3P Combustible Gas Leak Detector, microcomputer readout and Gas Detector 4 in 1, and conducts timely additional purchases for checks, leakage detection, immediate repairs machine tools, and so on devices. Detecting gas leaks spots immediately and making repairs, onsite employees performing the detection can proceed at a safe distance from the outside for ensuring gas supply safety.
- (2) Each year the Company purchases field clothing (fire preventive), construction safety helmets, safety shoes, reflective vests, and based on the nature of the work, purchase sufficient respiratory protective equipment (RPE) and firefighting suit and more safety and protective equipment, providing employees for use to avoid hazards and disasters at work.

4. Operation Overview

- (3) The pre-construction trainings must be completed before the beginning of the construction for safety and alert deployment. The construction site shall be setup based on the traffic and maintenance plan and measures, and add traffic controllers (including electronic flag hand) to assure construction work safety.
 - (4) Shin Shin Main Building implements 2 times work environment detection for carbon dioxide and lighting each year to maintain workers' health.
 - (5) In accordance with the laws and regulations, the Company appoints one occupational safety and health affair director and two occupational safety and health management staff (better than the legal requirement of 1 personnel). Each year, the Company formulates occupational safety and health management plan and occupational safety and health automatic inspection plan in compliance with the law, which are distributed to all departments and offices for implementation accordingly.
 - (6) Request the contractors to abide to the "Contract" on safety processes regulations. Each year, the occupational safety and health outreaches will be conducted 2 times at the contractors meetings. Within the year, the occupational safety and health audit work for the construction sites has been conducted for a total of 139 times on a periodic basis. This is to monitor the contractors to see if they have been acting accordingly based on the regulations.
2. The Company defined its four major labor health protection plans (Workplace Maternal Health Protection Plan, Preventing and Managing Ergonomic Hazards Plan, Preventing and Managing Abnormal Workload-triggered Disorders Plan, Prevention and Management of Unlawful Infringement in the Performance of Duties Plan) based on the Ministry of Labor's four major plans for labor health protection and reference the professional opinions of the on-site health nurses, and listed it into the automatic inspection plan for execution.
 3. Conduct regular safety and health education for the employees, including:
 - (1) Each year, the Company regularly organizes the "General Emergency Life-Saving Training," and participates in the educational trainings by competent authority such as: "First Responder Training," "General Safety and Health Education and Training," "Occupational Safety and Health Managers On-the-Job Education and Training," "Safety and Health Promotion for Confined Space Operations" and various construction work related educational trainings.
 - (2) Encourage employees to actively apply for examinations for

obtaining related technical specialist licenses.

- (3) From October 28, 2009 to December 31, 2024 (a total of 15 years 2 months), the Company actively promotes zero hazards, zero incident activities, and no hazards work hours has been accumulated to a total of 5,664,948 hours. The Company has continuously won 11 award certificates “The No Hazards Work Hours Record” from the Occupational Safety and Health Administration, Ministry of Labor. Furthermore, none of the employees were injured nor disabled from 2021 to 2024.

(III) Employee behavior or ethical principles:

1. The Company has established the “Work Rules” to provide the employees a basis and rules to abide to when executing business and workplace ethics; There is the orientation training program for new employees to strengthen their understandings for their work, and for timely appraisal of related functions, summary as below:
 - (1) The Company’s “Work Rules” consists of 14 chapters, namely, the “General Principles,” “Service Principles,” “Employee Selection,” “Work Time,” “Salary,” “Rest, Holidays, Leave Application,” “Welfare and Benefits Matters,” “Appraisal, Performance Results, Pay Raise and Promotion,” “Rewards and Punishments,” “Calculation for Years of Service,” “Dismissal and Severance,” “Retirement,” “Employee Compensation for Occupational Accident and Pension,” and “Supplementary Provisions.” The provisions were agreed by the labor union, which were then reviewed and approved by the Board of Directors. Subsequently, it was sent for review and had been approved by the Taipei County government (1997) Letter No. Bei-Fu-Lao-Er-Zi-154701 for future reference on May 1, 1997.
 - (2) The Company’s “Employee Code,” “Company Songs” implies the company’s management and service philosophy, which will be read and sang together at the employee monthly meetings, to strengthen employees’ spirit of user service and to shape the company’s corporate culture.
2. Based on the “Regulations for the Prevention and Control of Sexual Harassment in Workplaces of New Taipei City,” the Company established the “Sexual Harassment Prevention Measures and Punishment Rules.” The Personnel Office has been appointed for the handling of sexual harassment complaint channels, and regulates the menstrual leave, family care leave, paternity leave, parental leave and so on based on the “Act of Gender Equality in Employment.” It is hoped to create a safe and equal work environment.

4. Operation Overview

3. To keep the Company's and its subsidiaries' businesses on the right track toward sustainability, it especially adopted the "Regulations for Filing Complaints and Whistleblowing" in protecting employees' rights and boosting its performance in corporate governance.

IV. Environmental protection expenditure

- (I) In the most recent year and as of the annual report publication date, losses incurred from polluting environment (including compensation) and total amount for penalties: None.
- (II) The Company's pollution prevention measures as below:
1. Natural gas is a clean fuel without colors, smell, and toxicity. The gas source of the natural gas supplied by the Company is provided by the CPC Corporation, Taiwan. After the goods delivery point, the underground pipelines equipment were used to transmit natural gas to the user end for use. In between, there have been no processes for general factory manufacturing, refining, filling, and so on handling. Hence, not resulting in risks of environmental pollution.
 2. To prevent the area gas governor stations from generating loud noises during compressing, sound insulation foams are used to reduce the level of noise, in compliance with the standards of environmental and labor safety and health laws and regulations.
 3. During construction of roads, under the "Urban Road Act" regulations, the waste soil needs to be removed and transported from the construction site after the pipelines are buried and installed. The CLSM materials are used for refilling, then needs to pave them with asphalt and sprinkle water to clean the road surface, and take note of the onsite safety and health at all times.

(III) Information on greenhouse gases emissions and reduction:

The Company actively responses to the government's energy saving and carbon reduction policy to lower greenhouse gases emissions by gradually replacing and installing energy saving equipment at public buildings. Concrete measures are as below:

1. The central air-conditioner of the Department of Engineering has been changed to an energy saving model. The office building air-conditioning equipment undergo regular maintenance. Complete replacement for the thermostatic switch was performed and the indoor temperature for the open switch is set at 26°C–28°C, and the air-conditioning time has been shortened to save electricity consumption.
2. Every level of the office switches to using LED high efficiency lightings.
3. To implement energy saving and carbon reduction measures, every level of the Company has a dedicated personnel to patrol inspect for unnecessary electricity power, air-conditioning, lighting each day before taking off from work; Meeting consecutive days of holidays, the Company will increase its announcements to remind on the practices of environmental protection in electricity saving, water saving, fire prevention, and hazards prevention.

(IV) Anticipated future environmental protection expenditure

The natural gas supplied by the Company is a modern fuel that is economical, safe, and clean. The process for its underground pipelines transmission to deliver to the user end does not create environmental pollution; on the pipelines construction, related equipment safety maintenance is in compliance with laws and regulations performed by professional personnel who possess the government approved licenses. Regular educational trainings are conducted. It is anticipated that there would not be significant environmental protection expenditures in the future.

V. Labor relations

The company's various employee welfare measures, advanced study, training, retirement systems and the implementation status, the agreements between labor and management, and labor rights protection measures:

(I) Employee welfare measures and major agreements

1. The Company enforces the employees labor insurance, employee insurance, and national health insurance for the employees, and they can enjoy related right to claim the insurance benefit. In the event the insured incident occurs to the employee, the Company will proceed to claim insurance payment procedures on their behalf in accordance with the law.
2. The Company has setup the Employee Welfare Committee based on the regulations of the "Employee Welfare Fund Act." The welfare money is allocated with 0.15% of the total operations on a monthly basis. Other employee welfare matters are organized. Employees can enjoy wedding and funeral subsidy, birthday gifts, educational grants, cultural and recreational activities (self-improvement activities), festival cash gifts, retirement condolences, and so forth welfare measures.
3. In consideration for the health of the employees, each year we will conduct employee health checkup on a regular basis, and provide allowance for advance checkup items.
4. To enhance employees' health, we organize the health exercises for employees each day at 10:30 and 15:30 (two sessions for a total of 30 minutes).
5. In creating a friendly work environment, we support employees in balancing between work and family responsibilities. Based on Article 23 of the "Act of Gender Equality in Employment," the Company has entered into agreement with the YoYo Kindergarten which is managed by the EASTERN BROADCASTING CO., LTD. for childcare service and has setup the breastfeeding (collection) room.
6. Each year, the Company distributes employee compensation, festival cash gifts and so on rewards. If there are profits for the year, distributes

2.2% as employee compensation according to Article 33 of the Company Articles of Incorporation. The Board of Directors will decide if the distribution is in dividends or in cash. The target employees of the payment include subordinate companies who meet certain criteria.

7. Every two years, based on the nature of work (internal and external), will distribute two sets of summer and winter uniforms. Uniforms for internal work is from well-known brand, which the material is comfortable and the style is new. Uniforms for external work are designed and manufactured using protective fabric which not only meet the work safety requirements but also greatly increased the company identity image receiving great reviews.
8. To advocate normal leisure activities, stimulate employee's health and well-being and to cohere team spirit, the Company adds funds to encourage employees to setup and participate in employee social activities. After much promotions, the company employees are showing active participation. At the moment, there are the choir, basketball, badminton, aerobic, yoga and so on clubs established.
9. The Company has established a corporate union for many years. The union organizes self-strengthening activities for domestic employees every year. The Company also sponsors activities every year, promoting harmonious interaction between the employer and employees. The union maintains a sound relationship with the Company, and no negotiations for a collective agreement have been proposed to date, nor has a collective agreement been signed.

(II) Employee pension system

1. To secure employees' retirement life, the Company has complied with the "Labor Pension Act," registered with the New Taipei City government for review and obtained approval of the registration on February 16th, 1981. After the approved registration, we have established the "Supervisory Committee of Labor Retirement Reserve." Each month will allocate 2% of the total paid salary as retirement fund on a regular basis and deposit into a special account with the Bank of Taiwan, in guaranteeing employee rights. As of March 31, 2025, the employee retirement fund has accumulated to NTD 192,962,394; Since July 1, 2005 adopts the new retirement system law in parallel. The Company will allocate 6% of the labor's total salary into the employee's individual retirement account; For those who voluntarily contributes to the pension, the Company will deduct the amount of the voluntary contribution from the employee's monthly salary and transfer to the individual retirement accounts managed by the Bureau of Labor Insurance.
2. The Company respects the employees career planning, mobilizing

human resources, and moderately encourages employees to retire. The “Rules Governing Labor Pension Preferential Terms” has been established separately. The preferential terms were approved by the Board of Directors and are undergoing review with the local competent authority (As of March 31, 2025). Apart from distributing profits based on the “Labor Standards Act” and the Company’s “Labor Pension Act,” a one-time extra award of 6 base units will be given by the Company additionally.

(III) Employee educational training

1. The Company encourages employees to participate in the government agency’s examinations to obtain national license required for carrying out the work. After obtaining the license, the application for examination will be paid by the company; Employees are also encouraged for on-the-job further education to obtain relevant degrees for performing of the job, and the company offers scholarships.
2. The Company invites experts and academics for lectures during the employee monthly meetings held once every two months. This can enhance general trainings for “professional, life education and team spirit.”
3. Every department will, based on the needs of the professional work, outsource the trainings organization work or they can develop and make the arrangements themselves.
4. Organize trainings according to government policy orders.
5. The Company’s 2024 employee further education and educational trainings results are as in the attached table:

Category	No.	Items	Class	Total number of persons	Total hours (hour)	Total fees (NTD)
Employee further education	1	Gas Fuel, Pipe and Piping Technician Certificate Level B technician certificate program	2	3	60	3,000
	Subtotal		2	3	60	3,000
Employee educational training	1	General training	18	121	380	29,000
	2	Professional training (outsourced)	31	144	619	44,800
		Professional training (organized by the Company)	47	1,515	2,152.5	467,300
	3	Organize trainings according to government policy orders.	16	50	297	22,525
Subtotal		112	1,830	3,454.5	563,625	

6. List of professional certifications and professional licenses held by employees:

Licensed professionals (technicians)		Professional license holders	
Class-2 Manager of Occupational Safety and Health Affairs	4	Class-1 Manager of Occupational Safety and Health Affairs	9
Class-2 Gas Piping	96	Class-3 Manager of Occupational Safety and Health Affairs	4
Class-3 Gas Piping	14	Director of Safety of High-pressure Gases Manufacturing	2
Gas Piping Technician (Equivalent to Class 3)	28	Supervisor of High-pressure Gas Supply and Consumption	8
Class-C Specified Gas Appliance Repairing	34	Supervisor of Safety of High-pressure Gases Manufacturing	5
Class-A Indoor Wiring (Interior Wiring Installation)	1	Operator of High-pressure Gas Equipment	46
Class-B Indoor Wiring (Interior Wiring Installation)	2	Supervisor of Open Cut Work	31
Class-C Indoor Wiring (Interior Wiring Installation)	1	Supervisor of Soil Retaining Support	21
General Hand Welding	2	Supervisor of Roofing Work	17
		Supervisor of Hypoxia Work	8
		First Aider	11
		Fire Prevention Administrator	8

(IV) Losses arising from labor disputes in the most recent year and as of the annual report publication date: None.

VI. Cyber Security Management

(I) Cyber security management strategy and structure:

1. Cyber security risk management structure

(1) Corporate information security governance organization

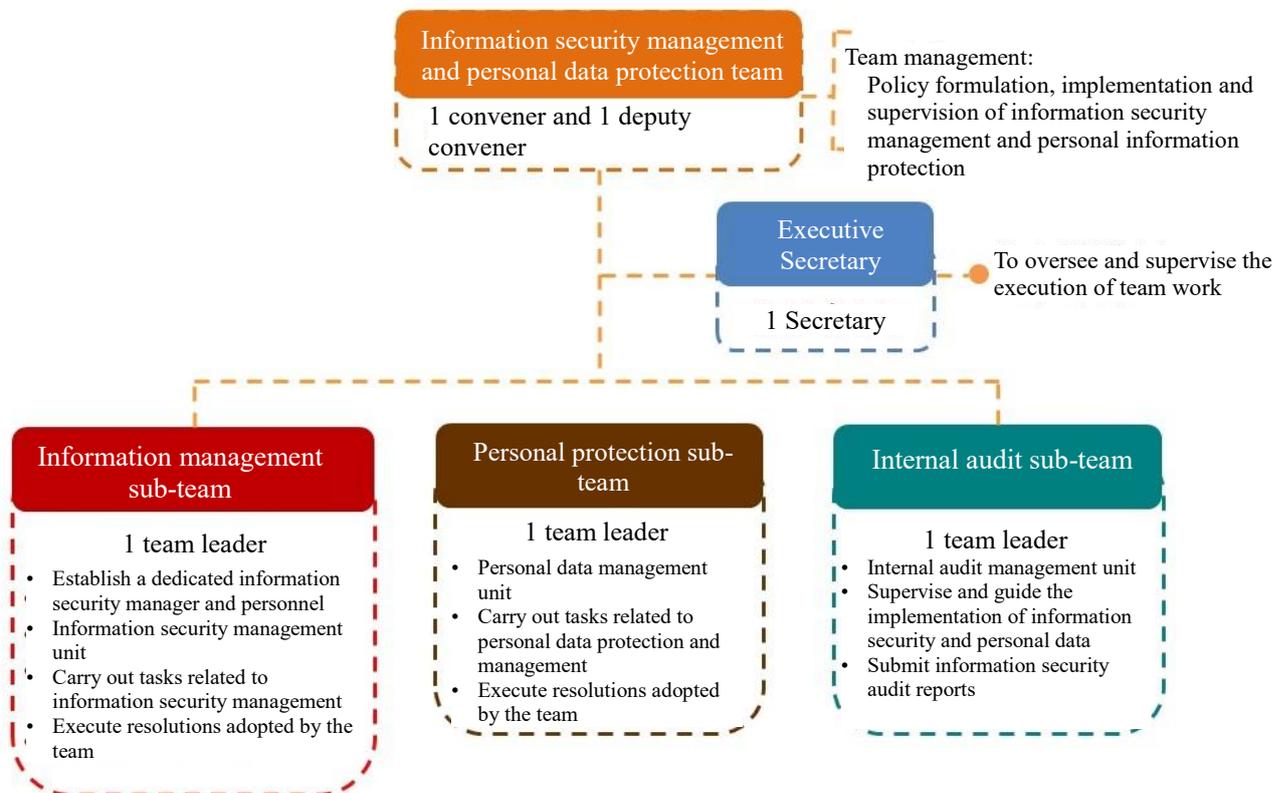
For the purpose of strengthening the Company's information security management, it has since November 2013 established the "Personal information protection response execution team," and in April 2016 amended its name to "Information security management and personal data protection team". The Vice President acts as the convener, and the convener appoints or invites the group members to be responsible for the planning, execution and control of the information security and personal information protection related work, organizes risk assessment, security classification, system security control measures and monitors information security management matters. In 2023, the dedicated Chief Information

4. Operation Overview

Security Officer and dedicated information security personnel were appointed in accordance with the “Regulations Governing Establishment of Internal Control Systems by Public Companies.”

Under the “Information security management and personal data protection team,” the “Information management sub-team,” “personal protection sub-team,” “Internal audit sub-team” have been created. They are responsible for the company’s information security and personal data protection supervision, promotion and audit, building a comprehensive information security defense capability and making sure there is a good level of awareness among the employees.

(2) The Company’s information security organization structure



2. Information security policy

(1) Information security management strategy and structure

For the effective implementation of information security management, the Company formulates its information security management related four-level documents based on the information security management system (ISMS) ISO/IEC 27001:2013 requirements.

For maintaining the confidentiality, completeness and availability of

the Company's information assets and to guarantee the safety of the users' privacy information, every information requires authorization for its obtaining and storage. This is to safeguard its confidentiality and to avoid revisions being made without authorization, retaining its accuracy and completeness.

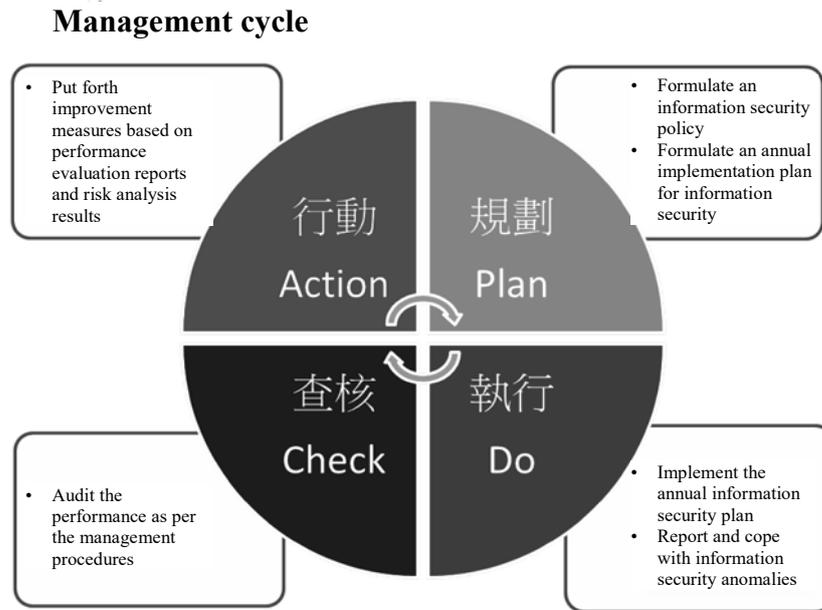
To keep the system service going without interruptions, the Company has defined the business sustainable operations plan, to ensure the continuous operations of its business services. To prevent information security attack incidents, the protection capability has been enhanced through firewalls, intrusive defense, spam mail filter, and anti-virus software, and conduct regular information security weakness scanning to understand the weakness of the information equipment and to make changes to fortify them.

To increase information security awareness of the employees, continue to organize information security case studies sharing, organize regular information security educational trainings, and implement social media engineering drills from time to time as the key emphasis for the Company's information security.

The personal data protection in the process of its collection, handling, use, storage, transmission, and destroy is in pursuant to requirements of the "Personal Data Protection Act," "Enforcement Rules of the Personal Data Protection Act," and "Regulations Governing Personal Information File Security Maintenance and Administration of the Electricity Enterprise, Natural Gas Industry and Gas Station industry."

The convener of the Company's "Information security management and personal data protection team" convenes the management review meeting at least once a year to review the implementation status of the annual information security plan and the unusual situations of information security. The information security plan for the subsequent year will also be defined based on the risk assessment report to achieve corporate sustainable operations targets.

- (2) Information security risk management and continuous framework improvement



(3) Resources invested in information security management

To strengthen the protection capability of the physical information equipment, the Company has in recent years continued to renew the protection tools and host hardware. The amount of resources invested in 2024 was around NTD 1,310,000:

- ① Construction of a sustainable business environment: The Company uses professional backup software to maintain and store its critical systems and create a practical exercise environment for “sustainable business” drills that is separated from the official environment.
- ② Information security fast screening and health examination: System testing is conducted on personal computers and servers to ensure that there is no potential crisis.
- ③ Personal computers renewal: Replace computers that cannot use Windows 11 operating system.
- ④ Drills on email social engineering: to enhance information security awareness, the Company continues to conduct social engineering drills and training for all employees.

(II) Information security risk and countermeasures

The information attacks techniques are changing rapidly. With limited resources, the Company will optimize the protection benefits. Except that, there is no guarantee that the computer systems can stay clear completely from internet attacks by any third parties attempting to paralyze the system. The Company has already built a firewall, anti-virus software and many

4. Operation Overview

software and hardware equipment, and continues to enhance information security awareness of the employees through trainings and promotions. Furthermore, will build a backup mechanism for major systems. When these internet attacks occur intruding the company's internal system illegally to cause damages, resulting in the systems failing completely, the recovery time will normally require between a few hours to a few days depending on the level of severity. It will affect the company's automated processes in the short term. During this time, one backup option is the use of paperwork. Evaluate its impacts to the company's short term operations and to the user services. Estimate that there will be small impact to revenue under the compensation measure to users.

The Company's natural gas supply system adopts encrypted internet connection and adopts physical network partition structure. It is not connected to the external internet, every system control needs to be controlled from inside the company or the storage tank personnel to perform the operation. It cannot be controlled by remote connection. As of evaluation, chances of the information security attacks can be lowered.

(III) Major information security incidents

There have not been any occurrences of major incidents in 2024.

VII. Material Contracts

May 16, 2025

Contract nature	The party	Contract start and end date	Main contents	Restricted terms and conditions
Gas purchase	CPC Corporation, Taiwan	2023.2.1~2026.1.31	Signed the “Contract for the Purchase of Natural Gas for Public Gas as Fuel Usage”	<ol style="list-style-type: none"> 1. Provide natural gas for the long term within the operating areas of the Company. 2. Shall not transfer the natural gas to users outside of the operating areas. 3. The gas bill shall be cleared before the 14th of the following month, the overdue days are limited to 15 days. 4. The gas price is based on the government announced price. 5. If there is a need for continuation of contract after the contract expires, it is mandatory to notify in writing 6 months before the contract expires.
Insurance	Fubon Insurance Co., Ltd.	2025.1.23~ 2026.1.23	<ol style="list-style-type: none"> 1. For the explosion, earthquake, typhoons, and floods insurance for the 11 gas governor stations, the insured amount is at NTD 3,000,000 for each of the station. 2. Public liability insurance (bodily injury liability for each person is at NTD 10,000,000, highest compensation amount during the insurance period is up to NTD 200,000,000). 3. Consolation money is applicable for the insurance amount (the highest paying amount for bodily injury for each person is up to NTD 50,000). Highest compensation amount during the insurance period is up to NTD 2,000,000). 4. Employer’s liability insurance (bodily injury liability for each person is at NTD 10,000,000, highest compensation amount during the insurance period is up to NTD 60,000,000). 	
Insurance	Fubon Insurance Co., Ltd.	2024.7.31~ 2025.7.31	<ol style="list-style-type: none"> 1. Purchased commercial fire insurance for Wanfang gas-holder tank, insured at NTD 60,000,000. 2. Purchased commercial fire insurance for Ankeng 	

4. Operation Overview

Contract nature	The party	Contract start and end date	Main contents	Restricted terms and conditions
			gas-holder tank, insured at NTD 95,200,000.	
Insurance	Shinkong Insurance Co., Ltd.	2024.6.4~2025.6.4	<ol style="list-style-type: none"> 1. Liability reserve for directors and managers NTD 96,000,000 2. The amount of the Company's compensation liability is included in the above 3. The amount of the Company's compensation liability for corporate securities included in the above item 4. The Company's employment compensation liability NTD 30,000,000 5. Coverage of Investigation and Defense Costs NTD 3,000,000 6. Defense expenses for pollution NTD 3,000,000 <p>The aggregate amount of claims paid during the insurance period was NTD 96 million.</p>	
Construction for the installation of user natural gas pipeline	<ol style="list-style-type: none"> 1. Hua Lung Construction 2. Tung Cheng Construction Co., Ltd. 3. IChiang Construction Co., Ltd. 4. Jung Chien Mechanical Engineering 5. Yung Ta Construction Co., Ltd. 6. EVFA INTERNATIONAL CO., LTD. 	<ol style="list-style-type: none"> 1. 2024.10.1~2025.9.30 2. 2025.4.1~2026.3.31 3. 2024.10.1~2025.9.30 4. 2025.4.1~2026.3.31 5. 2024.10.1~2025.9.30 6. 2025.4.1~2026.3.31 	Signed the "Construction for the Installation of User Natural Gas Pipeline" contract	<ol style="list-style-type: none"> 1. Meets relevant regulations of the "Natural Gas Enterprise Act." 2. Meets the qualification conditions of the "Regulations on Natural Gas User Pipeline Contractors." 3. Must not subcontract any parts of the construction project. 4. Changes cannot be made without agreement. 5. Warranty for 1 year after the work completion inspection. 6. To fulfill the Company's "Ethic Management" policy, the ethic management terms and conditions will be added to all contracts with external parties (new contracts, continuing contracts, or change of contracts) after approval.
	EVFA INTERNATIONAL CO., LTD.	2024.10.1~2025.9.30	Signed the "User Application for Changing Pipes Construction" contract	
Construction contract	<ol style="list-style-type: none"> 1. Jing Fung Enterprise Engineering Ltd. 2. Wen Feng Construction Co., Ltd. 3. TAK CHU ENGINEERING COMPANY LIMITED. 4. Yongfa Industrial Co., Ltd. 5. Hua Ta Construction Co., Ltd. 	<ol style="list-style-type: none"> 1. 2024.5.1~2025.4.30 2. 2024.5.1~2025.4.30 3. 2024.5.1~2025.4.30 4. 2024.1.1~2025.12.31 5. 2024.11.1~2025.4.30 	<ol style="list-style-type: none"> 1. Signed the "Natural Gas Miscellaneous Branch Pipes Construction" contract (Jing Fung, Wen Feng, Tak Chu and Hua Ta) 2. Signed the "Emergency Repairs Construction" contract (Jing Fung, Wen Feng and Tak Chu) 3. Signed the "Natural Gas Branch Pipes Replacement 	<ol style="list-style-type: none"> 1. Meets relevant regulations of the "Natural Gas Enterprise Act." 2. Meet the qualifications required by the government in the Management Measures for Natural Gas Branch Pipeline Project Contractors. 3. Must not subcontract any parts of the construction project.

4. Operation Overview

Contract nature	The party	Contract start and end date	Main contents	Restricted terms and conditions
			Construction” contract (Jing Fung, Wen Feng and Tak Chu) 4. Signed contracts for "Emergency Shutdown and Detection System Engineering" and "Emergency Shutdown and Detection System Engineering Equipment and Materials"	4. Liable for compensation for the delay in construction. 5. Warranty for 1 year after the work completion inspection. 6. To fulfill the Company’s “Ethic Management” policy, the ethic management terms and conditions will be added to all contracts with external parties (new contracts, continuing contracts, or change of contracts) after approval.
	1. Fengye Industrial Co., Ltd. 2. Pan Asia (Engineers & Constructors) Corporation	1. 2024.4.1~2026.3.31 2. 2023.6.1~2025.5.31	1. Signed the contract for “Scaffold Project in Conjunction with Pipeline Construction” 2. Signed the “Non-destructive Inspection Engineering Contract for Pipeline” Construction	
	1. CUNDID ENTERPRISE CO., LTD. 2. Shin Feng International Construction Co., Ltd.	2025.1.1~ 2025.12.31	1. Signed the “Natural Gas Pipelines Emergency Interruption and Detection System Construction” contract 2. Signed the “Maintenance of the Natural Gas Automatic Intercepting Valve Safety Management System” contract	
	1. Hua Lung Construction 2. Tung Cheng Construction Co., Ltd. 3. IChiang Construction Co., Ltd. 4. Jung Chien Mechanical Engineering 5. Yung Ta Construction Co., Ltd.	2024.10.1 ~ 2025.9.30	Signed the “Sewer Changing Pipes and Replacement Construction” contract	
	GREAT LIGHTING TECHNOLOGIES INC.	2024.1.1 ~ 2024.12.31	Ankeng, Wanfang gas-holder tank, gas governor stations computer monitoring equipment maintenance contract	
	Taiwan Electromechanical Consultants Co., Ltd.	2024.1.1 ~ 2024.12.31	Ankeng, Wanfang gas-holder tank, electricity and gas equipment maintenance contract	
	Hua Ta Construction Co., Ltd.	2024.1.1 ~ 2024.12.31	Manhole Cover Repair and Replacement Construction Contract	
Materials Contract	EVFA INTERNATIONAL CO., LTD.	2024.12.21 ~ 2025.12.20	“NS4S, NS6S type meter” procurement contract	1. Meets relevant regulations of the “Natural Gas Enterprise Act.” 2. The supplier must be registered with the national government and is a registered vendor possessing the legal license.
	SWAN SPORTS INDUSTRIAL CO., LTD.	2024.05.26 ~ 2025.05.25	“PVC Coated Pipe” procurement contract	
Contract for regular inspections of users	Huan Yuan Co., Ltd.	2025.1.1 ~ 2025.12.31	Signed the “Regular Inspections of User Internal Pipes, Equipment” contract	
Renewal work of expired meters	EVFA INTERNATIONAL CO., LTD.	2025.1.1 ~ 2025.12.31	Signed the “Renewal Work of Expired Meters” contract	Conducted according to “The Weights and Measures Act,” “Regulations Governing Type Approval of

4. Operation Overview

Contract nature	The party	Contract start and end date	Main contents	Restricted terms and conditions
contract				Measuring Instruments”
Meter reading contract	EVFA INTERNATIONAL CO., LTD.	2025.1.1~ 2025.12.31	Signed the “Meter Reading Work” contract	

5. Review of Financial Conditions, Financial Performance, and Risk Management

FIVE. Review of Financial Conditions, Financial Performance, and Risk Management

I. Financial Status

Unit: In thousands of NTD

Distinguish	December 31, 2024	December 31, 2023	Differences		Explanation
			Amount	%	
Current assets	2,278,706	2,755,563	(476,857)	(17.31%)	1
Non-current assets	3,694,718	2,994,060	700,658	23.40%	2
Total assets	5,973,424	5,749,623	223,801	3.89%	
Current liabilities	1,179,690	1,169,391	10,299	0.88%	
Non-current liabilities	1,485,977	1,414,079	71,898	5.08%	
Total liabilities	2,665,667	2,583,470	82,197	3.18%	
Capital stock	1,805,375	1,805,375	0	0.00%	
Capital surplus	83,381	79,589	3,792	4.76%	
Retained earnings	1,465,829	1,328,017	137,812	10.38%	3
Other equity	0	0	0	0.00%	
Treasury stock	(46,828)	(46,828)	0	0.00%	
Equity attributable to shareholders of the parent company	3,307,757	3,166,153	141,604	4.47%	
Total equity	3,307,757	3,166,153	141,604	4.47%	

Main reasons and impacts for any material change in assets, liabilities and equity (an increased or lower change ratio for over 10% before and after the period and the amount reaches NTD 10,000,000), and future countermeasures.

Explanations:

1. The decrease in current assets is mainly due to the purchase of Zhonghe Farglory Qingguang for office use, which has resulted in a decrease in mid- to long-term fixed deposits.
2. The increase in non-current assets is mainly due to the purchase of Zhonghe Farglory Qingguang for office use, which has resulted in an increase in property, plant and equipment.
3. Retain earnings increased mainly due to the outstanding performance in profit in the period.
4. Future countermeasures: Not applicable.

5. Review of Financial Conditions, Financial Performance, and Risk Management

II. Financial Performance

(I) Main reasons for any material change in operating revenues, operating income, or income before tax during the past two years.

Items	2024	2023	Unit: In thousands of NTD		
			Increasing or decreasing amount	Change Ratio	Analyses
Net operating revenue	\$1,992,727	\$1,932,392	60,335	3.12%	
Operating costs	(1,401,206)	(1,367,465)	33,741	2.47%	
Operating gross profit (loss)	591,521	564,927	26,594	4.71%	
Operating expenses	(270,786)	(269,034)	1,752	0.65%	
Income from Operations (net loss)	320,735	295,893	24,842	8.40%	
Total of non-operating income and expenses	147,173	121,037	26,136	21.59%	1
Profit before tax	467,908	416,930	50,978	12.23%	
Income tax (expense)/benefit	(70,496)	(61,045)	9,451	15.48%	
Net income for the period from continuing operations (net loss)	397,412	355,885	41,527	11.67%	
Net profit (net loss) for the period	397,412	355,885	41,527	11.67%	
Other comprehensive income (net)	11,206	1,539	9,667	628.14%	
Total comprehensive income for the period	\$408,618	\$357,424	51,194	14.32%	

As for change that happened before and after the period for over 20% and the amount reaches more than NTD 10,000,000, the analysis as below:

1. The increase in non-operating income and expenses is mainly due to the Company's prudent investments following the booming global financial market, resulting in a higher gain on financial assets.

(II) Sales volume forecast for the coming year and the basis therefore

Unit: m3

Year	Estimated sales volume	Basis for the estimation	Main reason for the declined sales
2025	110,753,721	The projection referenced the actual average gas volume usage between September 2023 to August 2024.	The global warming leads to a decrease in the average annual volume used per household.

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III. Cash Flow

(I) Liquidity analysis (for an increasing or decreasing rate of over 20%, its explanation of change) for the most recent two years.

Distinguish	2024	2023	Increase or decrease in ratio
Cash Flow Ratio (%)	50.73	42.66	18.92%
Cash Flow Adequacy Ratio (%)	76.53	84.60	(9.54%)
Cash Flow Reinvestment Ratio (%)	3.75	3.79	(1.06%)
Not within analysis standard.			

(II) Analysis of Cash Liquidity for the next year

Unit: In thousands of NTD

Cash, Beginning of Period (1)	Projected Net Cash Flow from the Year's Operation (2)	Projected Cash Outflow for the Entire Year (3)	Projected Cash Balance (1)+(2)-(3)	Contingency Plans for Projected Insufficient Cash Position	
531,608	629,687	844,448	316,847	—	—

1. Analysis of Cash Flow for Current Year

(1) Operating activities: The net cash flow from the year's operation of NTD 629,687 thousand was mainly due to inflow of cash of the parent company's earnings and advance sales receipts.

(2) Investing activities: Mainly due to the increase in capital expenditure for gas transmission equipment and gas-sale equipment, and urban renewal construction projects.

(3) Financing activities: No significant changes.

2. Contingency Plans for Projected Insufficient Cash Position: None.

IV. Effects of Major Capital Expenditures During the Most Recent Fiscal Year on Financial and Business

(I) Major Capital Expenditures - Its Use and Source of Capital

Unit: In thousands of NTD

Plan	Actual or Planned Source of Capital	Actual or Planned Date of Completion	The Required Funds Amount
Urban Renewal by Commissioned Construction	Cash flow generated from operations	2030	116,000
Procurement and renovation of Zhonghe Farglory Qingguang office	Cash flow generated from operations	2025	46,610
Shuanhe District project, the replacement of low pressure cast iron pipe by PE pipes network establishment project	Cash flow generated from operations	2025	166,154
Installing new branch pipes and pipes above ground	Cash flow generated from operations	2025	43,050
Replacing and installing newly purchased gas meters	Cash flow generated from operations	2025	97,570

(II) Expected Benefits

1. The Company takes part in renewal construction projects and meets the requirements for multiple capacity incentives, which are beneficial to the economic effects of real estate activation.
2. In response to the Company's involvement in the urban renewal construction project at the original site, the Company bought new office in the Zhonghe Farglory Qingguang. The office is near Zhongyuan Station on the Circular Line, providing convenient transportation. The new building provides a high-quality office environment that can improve service quality and offer sustainable development prospects.
3. The main reason for the Shuanhe District project to construct PE pipes network establishment for the replacement of low pressure cast iron pipes, is for maintaining the safety and increasing the quality in the supply of gas. It can also reduce damages from gas leakages and pipelines repair and maintenance fees.
4. Main pipelines and pipelines before the meter are installed due to the increase of new users. To raise residents' willingness for installation, the expansion of main pipelines network in old communities invested previously due to the promotional benefits they will bring. The operations promotion goals would then be achievable with enhanced

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safety of gas supply.

5. The changing of gas meters over 10 years and the promotion of microcomputer gas meters is based on the regulation requirements of the Energy Administration, Ministry of Economic Affairs.

V. The Major Causes for Profits or Losses Incurred by Investments During the Most Recent Year, Rectifications and Investment Plans for the Next Year:

- (I) The Company did not invest in any other entity in 2024. The idle funds are used for short-term purpose and mainly invested in conservative financial products such as bank time deposits, monetary funds, financial debentures and blue-chip stocks. The non-operating income for 2024 consisted of the interest income of NT\$24.78 million, the rental income of NT\$3.96 million, the gain on valuation of financial assets of NT\$31.48 million and the net investment income or loss on subsidiaries accounted for using equity method of NT\$113.52 million, and there was no non-operating loss.
- (II) The Company has no investment plan for 2025. The idle fund will still be used for short-term purposes and in conservative financial products such as time deposits, money market funds, bank debentures and blue chip stocks.

VI. Analysis and Evaluation of Risk Management

Organization structure of the Company's risk management:

- (I) Board of Directors: The highest responsible unit for the Company's risk management, responsible for approving risk management policies and related regulations, supervising the overall implementation of risk management, and ensuring effective risk management.
- (II) Audit Committee: Assist the Board of Directors in the supervision of the risk management related mechanisms.
- (III) Risk Management Team:
1. Comprehensive assess operation risks and emerging risks to make sure that all departments implement risk management procedures and report the status of risk management to the Audit Committee and the Board of Directors.
 2. The Risk Management Team is convened by the General Manager, and the Deputy General Manager serves as the deputy convener. The Corporate Governance Officer serves as the Executive Secretary, responsible for handling matters requested by the Risk Management Team's convener and helping the team in the establishment, promotion, maintenance, and review of the risk management mechanism. The Team is made up by Level 1 managers of each

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department.

Assessment of risks and future countermeasures:

- (I) In the most recent year and as of the annual report publication date, the impact of interest rate, exchange rate changes, and inflation on the company's profit and loss and future response measures:

The Company is a regional public natural gas business. Its operations are growing steadily and the impacts from interest rate, exchange rate changes and inflation factors have been small.

- (II) In the most recent year and as of the annual report publication date, policies on high-risk and highly leveraged investments, loaning of funds, endorsements/guarantees, and trading of derivatives; the main causes of any profit or loss incurred and future response measures:

The Company has not engaged in high-risk and highly leveraged investments, loaning of funds, endorsements/guarantees, and trading of derivatives. Should the need arise, the matters will be processed under the Company's "Regulations for Acquisition or Disposal of Assets," "Regulations Governing Loaning of Funds," and "Endorsement/guarantee review procedure,"

- (III) In the most recent year and as of the annual report publication date, future research and development plans, and the projected expenses: None.

- (IV) In the most recent year and as of the annual report publication date, influence of major policies and legal changes at home or abroad on finance, operations, and countermeasures:

The newly issued, changed and revised standards and interpretations of International Financial Reporting Standards (IFRS) endorsed by the FSC for the year ended December 31, 2024 are listed below.

1. Amendments to IAS 1 "Classifying Liabilities with Covenants as Current or Non-current" were released on January 1, 2024.
2. Amendments to IAS 1 "Non-current Liabilities with Covenants" were released on January 1, 2024.
3. Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements" were released on January 1, 2024.
4. Amendments to IFRS 16, "Lease Liability of After-sale and Leaseback" were released on January 1, 2024.

The Company has evaluated that the amendments to the above standards and interpretations will not have a material impact on the financial position and financial performance.

- (V) In the most recent year and as of the annual report publication date, influence of changes in technology (including cyber security risks) and the industry on finance, operations, and countermeasures:

- (VI) In the most recent year and as of the annual report publication date, the impact of corporate image change on corporate crisis management and

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countermeasures:

The Company is committed to professional and ethical management principles, and values its corporate image and risk control management. At this moment, there have been no foreseeable crisis matters.

(VII) In the most recent year and as of the annual report publication date, expected benefits and potential risks of mergers and acquisitions, and countermeasures: None.

(VIII) In the most recent year and as of the annual report publication date, expected benefits and potential risks of factory expansion and countermeasures:

The Company has built a comprehensive gas supply pipe network and facilities within the jurisdiction of its operating areas. There are no plans for large funds expansion in recent period.

(IX) In the most recent year and as of the annual report publication date, potential risks of procurement or sales centralization and acquisitions, and countermeasures:

1. The CPC Corporation, Taiwan is the sole operator for natural gas industry now. As natural gas is the upstream sector to the electricity and gas public utility businesses, it has a huge impacts to the overall national economy and livelihoods. The government imposes strict control on the company's gas source supply and price stability.

2. The Company is a public natural gas business, sales clients are family households, businesses and service sectors, and there has been no single user whose use amount accounts for over 10% of the net sales.

(X) In the most recent year and as of the annual report publication date, influence and potential risks of the massive transaction or conversion of shares by directors, supervisors, or dominant shareholders holding over 10% of the stake of the Company and countermeasures: None.

(XI) In the most recent year and as of the annual report publication date, influence and risks of management change and countermeasures:

The Company's management team consists of mainly professional managers. There are various regulations created internally according to the laws and regulations to abide with. Even in the event of management change, there would not be material impacts and risks.

(XII) In the most recent year and as of the annual report publication date, major litigation, non-litigation, or administrative disputes of the company and the directors, supervisors, President, substantive people in charge, major shareholders with over 10% shareholdings, and subsidiaries that are closed or in pending with a result possibly influential to the shareholders' equity or the securities prices: None.

(XIII) Other material risks and countermeasures:

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1. Information security risk assessment and analysis:

There are around 370,000 natural gas user customers within the operating areas of Shin Shin Natural Gas Co. LTD. Any incidents of information security or personal information leaks will damage customers’ rights and the company may be subject to judgement and penalties affecting its image.

2. Information security countermeasures:

The Company has established an Information Security Management and Personal Information Protection Working Group and adopted the international standards ISO 27001, along with related information security laws and regulations. According to the information security policy, in cooperation with the internal control system and four level documentation regulations, the Company will, annually conduct information security risk identification and assessment, perform regular or random audits on information security and personal information, and convene the Working Group's audit meetings. We also continue to refine our information security intrusion detection methods and regularly perform information recovery drills. In 2024, we organized employee safety seminars, conducted email social engineering drills and tests, continued to upgrade network firewall equipment to strengthen our external network defense capabilities, and arranged for employees to take part in external seminars on information security. By achieving information security and protecting personal information, the Company can lower its information security risks.

3. Implementation of risk management

The Company’s risk identification covers these aspects: operational, financial, engineering, and information. The implementation in 2024 is:

Types of risks	Focus of risk management	Work plan	State of implementation
Operation risk	Corporate image	Formulate the annual business plan	<ol style="list-style-type: none"> 1. Convene an annual review meeting to assess the operating performance of the previous year, formulate new operating strategies and goals for the upcoming year, and submit them to the Board of Directors for review. 2. Convene a business expansion meeting monthly to review business performance and prospects. Present business performance results to the Board of Directors regularly.
		Ethical Corporate Management	<ol style="list-style-type: none"> 1. The “Ethical Corporate Management Best-Practice Principles” have been published on the Company’s official website and the “Ethical Corporate Management Terms” have been added to the outsourced contract. The importance of ethical management is emphasized in business meetings and monthly employee meetings. Repeated

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Types of risks	Focus of risk management	Work plan	State of implementation
			<p>training is carried out under an outsourced contract to shape the corporate culture.</p> <p>2. The “Ethical Corporate Management Best-Practice Principles” stipulate that directors, managers, employees, mandators, and substantial controllers of the Company shall not offer, promise, request, or accept any form of improper benefits, seek business interests, trading advantages, or offer bribes from customers, agents, contractors, suppliers, public officials, or other stakeholders while performing their business. In addition, the contracts for the procurement of various projects and services outline the terms of the ethical management agreement, and we also require suppliers to meet the requirements discussed in the contractor meeting. To date, the operations have been normal.</p> <p>3. The Company has a rigorous accounting system and a dedicated accounting unit. All financial reports are audited by CPAs to ensure fairness. All board members follow important rules such as recusal for conflicts of interest. The Audit Office is subordinate to the Board of Directors, and exercises its powers independently. Internal auditors also perform audits under the audit plan to ensure the effective operation of the Company’s internal control system.</p>
		Investor conference	<p>To enhance communication between the Company and its stakeholders, improve investors' understanding of the Company’s business overview and future industrial development, and enhance the corporate image and transparency in the capital market. In 2024, two investor conferences were held on March 29 and August 30, respectively.</p>
		Community relations, charity, donations and awards	<p>1. The Company upholds the principle of “giving back to society” and does its utmost to promote social welfare, community services, and safety and health. The Company cares for low- and middle-income users, as well as solitary elderly living alone in the business area, by offering them discounts on gas bills. The Company also organizes internships for the Institute for the Blind of Taiwan, regularly hosts English speech competitions under the Chen Ken-Tu Foundation, and</p>

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Types of risks	Focus of risk management	Work plan	State of implementation
			<p>distributes scholarship funds. The Company also try to help the women’s association in Yonghe District arrange the “charity activities for haircuts, perms, and clinics” to look after veterans, their dependents, and orphans. Occasionally, we donate to public welfare activities, such as the Andrew Charity Association.</p> <p>2. In support of the government’s policy, the Company has actively promoted the installation of microcomputer gas meters for users and gave them with safety awareness and instructions on how to use these meters. With the efforts of all parties, the Company was awarded the “Microcomputer Gas Surveying Award” by the Bureau of Energy, Ministry of Economic Affairs, this year, showing our continued improvement and excellence in the promotion of service quality and user safety.</p>
	Concentration risk of imports and exports	Natural gas import and export	<p>1. After the gas receivable is confirmed every day and the amount received is confirmed to be correct, the “Daily Statement of Revenues” is prepared and submitted to the Finance Department for confirmation, which is then sent to the Vice President for approval.</p> <p>2. The Company reviews the purchase and sale of gas with CPC’s “Payment Notice and Billing Statement” and the “Daily Gas Measurement Statistics” provided by the Gas Supply Section, Engineering Department. After the review, the Company signs the document followed by the Finance Department paying for the gas purchase.</p> <p>3. The data on the number of suppliers and the number of households are signed monthly basis and reported to the Bureau of Energy, Ministry of Economic Affairs, on schedule.</p>
		Raw material procurement	<p>1. The Company keeps abreast of the international situation and evaluates the safety stock of imported materials to prevent material shortages. Meanwhile, the Company consults the material usage of industry peers, explores multiple vendors, implements an inquiry mechanism, and understands the bargaining chips. By doing</p>

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Types of risks	Focus of risk management	Work plan	State of implementation
			<p>so, we avoid a situation where a single vendor increases the price and choose the most favorable solution.</p> <p>2. The procurement of new materials is carefully evaluated and processed under the procurement procedures. Where a trial is required, procurement is evaluated based on the test results to ensure gas supply safety.</p>
	Management risk	Professional management team	<p>1. Stable shareholding of major shareholders: The shareholding of Board members accounts for 40.79% of the total shareholding. As the shareholding is concentrated, there is no significant change in the management.</p> <p>2. Long-term stable stock price: The Company's operations are stable and profitable, with a low stock price volatility and volume. The Company has been distributing cash dividends for 26 consecutive years, and the average cash yield over the past decade has reached 3.44%, which has effectively supported the Company's operations and shareholders' equity.</p>
	Supplier management risk		<p>1. The Company has established the "Quality Assurance Certificate," "Ethical Corporate Management Clause" and "Outsourcing Supplier Confidentiality Agreement" to be included in the procurement contract. The contract specifies that "the seller must pay attention to the rights and interests of the user, environmental protection and public welfare issues, and fulfill its corporate social responsibility. If there is any violation that leads to a significant impact on the environment and society, the buyer may terminate or rescind the contract at any time."</p> <p>2. The Company shall review the operations and supply of the suppliers yearly. For each delivery, the shipping country and the certificate of inspection shall be attached.</p> <p>3. Supplier's risk to information security: (1) Network connection risk Suppliers must use a VPN when connecting to the Company's information system. The information system lets suppliers to use the applications related to their business based</p>

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Types of risks	Focus of risk management	Work plan	State of implementation
			<p>on the permission management mechanism, while others are not allowed.</p> <p>(2) Corporate information risk The supplier must have access to the Company’s user data for business needs:</p> <ul style="list-style-type: none"> ⊙ Sign the “Non-Disclosure Agreement” with the suppliers. ⊙ Continue to promote personal information protection matters at the supplier meeting. ⊙ Suppliers must formulate their “Personal Information Management Procedures” and complete the personal information inventory and risk assessment every year. They must also fill in the Personal Information Self-inspection Form. ⊙ The Company may audit on suppliers to review their implementation of personal information protection.
	Shortage of human resources Risks		<ol style="list-style-type: none"> 1. The establishment of manpower is regularly reported to the Board of Directors. The establishment ratio is on par with the needs. 2. Through the counseling service office, the Company works with the Gas Association of the Republic of China to organize industrial training classes to supplement the normal professional workforce. 3. The individual workforce requirement is reported separately.
	Climate change and environmental risks	GHG inventory	As requested by the competent authority, the Company completed its GHG inventory in 2024 early, and will complete the report in 2025. Improvement plans are formulated based on the results of the inventory to reduce the risks of climate change.
	Compliance with laws and regulations		<ol style="list-style-type: none"> 1. Each unit reviews the external legal/regulatory status on a quarterly basis (February, May, August, and mid-November each year), and prepares a checklist accordingly. The supervisor of each unit reviews compliance with the regulations and the legitimacy of the management and business activities promptly 2. The audit staff review the implementation of regulatory requirements for each unit sometimes and help with the addition and revision of operating procedures.

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Types of risks	Focus of risk management	Work plan	State of implementation
Financial risk	Market system risk	Interest rate, exchange rate, and inflation	<ol style="list-style-type: none"> 1. Interest rate: Interest rate risk mainly arises from bank borrowings with interest accrued at floating interest rates. However, as the Company had no borrowing facilities in 2024, so there was no significant interest rate risk. 2. Exchange rate: The Company is engaged in the public natural gas business, and mainly supplies natural gas through pipelines to domestic users in specific areas, such as households, businesses and services. So, there is no foreign sales business, and the exchange rate changes do not significantly impact the Company. 3. Inflation: Gas prices are determined based on the market price announced by CPC. Prices for installation work and materials are adjusted with the billing standards for pipeline equipment and installations of public natural gas utilities. The Company keeps a close eye on fluctuations in market prices and maintains good interaction with suppliers and customers to stabilize prices. 4. The Company's equity instruments exposed to price risk are financial assets at fair value through profit or loss and available-for-sale financial assets. To manage the price risk of equity instrument investments, the Company diversifies its portfolio under the investment limits approved by the Board of Directors.
	Credit risk	High leverage investment, endorsements and guarantees, loaning of funds to others, etc.	<ol style="list-style-type: none"> 1. The Company does not engage in high leverage investments and derivatives. 2. No endorsements and guarantees or loaning of funds to others were made. 3. Accounts receivable: The Company is a private natural gas business, and its main customers are general users and business users. To effectively manage the default risk caused by abnormal customer credit, the Company adopts the method of paying natural gas bills after use. For installation projects, fees are paid upfront to protect the Company's interests. For natural gas tariffs, we have an assessment and control procedure in place for doubtful accounts, which are regularly evaluated and reviewed. We also have a fee collection project for managing overdue accounts.

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Types of risks	Focus of risk management	Work plan	State of implementation
			<p>4. All business applications for reinvestment is established by the investment team to manage credit risk, and only corporate bonds issued by companies rated by the rating agency as equivalent to grade “BBB” or above can be included as trading counterparties.</p> <p>5. User’s failure to pay for gas</p> <p>(1) “General user”: The user is reminded of their bill payment using voicemail (SMS) before the deadline every month. For users who have missed payments for three or more periods, we send a payment collector to urge them to pay. If they continue to fail to pay, a request will be submitted to the district office to obtain a household registration transcript to identify the landlord’s address for mailing payment notices and communication. When users fail to pay their gas bills for multiple periods, we will plan to remove their gas meters.</p> <p>(2) “Business user”: The user is reminded of their bill payment via voicemail. For those with one missed payment, we send a payment collector to elicit payment or remove their gas meters.</p>
	Policy risk	Impact of important policy and regulatory changes	<p>1. Risk of financial statement preparation: The organization’s financial statement preparation team can complete the preparation of financial statements on time.</p> <p>2. Overall “asset allocation”: There is no significant change in the existing assets, liabilities, and shareholders’ equity structure. The total liability only accounts for 47.2% of the total assets, and long-term capital accounts for 158.68% of property, plant and equipment, suggesting a healthy and stable financial structure.</p> <p>3. Fixed assets of the office building investment: the “Shin Shin Building Self-Land Commissioned Construction Project” and the “Farglory Qingguang office purchase project” were carried out under the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies,” with reference to the market conditions and the appraisal reports of professional real estate appraisers. The chairman and the general manager were</p>

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Types of risks	Focus of risk management	Work plan	State of implementation
	Liquidity risk		<p>allowed by a resolution of the Board of Directors on March 12, 2024 to handle the planning of the underlying property.</p> <p>4. Adequate capital structure: By planning the operating budget, the Company tries to generate cash inflow from business operations in 2025, which will be enough to support the capital needed for future business expansion. Any deficiency can be compensated for through the loan turnover of Yuanta Bank.</p> <p>1. Current ratio: The current ratio of 198.76% in Q2 2024 is better than the average in the same industry.</p> <p>2. Quick ratio: With the quick ratio of 195.79% in Q2 2024, the short-term solvency is not a concern.</p> <p>3. Debt ratio: With the debt ratio of 47.26% in Q2 2024, liquid assets to debt ratio is high and liquidity risk is low.</p>
Engineering risks	Disaster risks		<p>1. The Company has established a disaster prevention business plan under Article 19, Paragraph 1 of the “Disaster Prevention and Protection Act” and with reference to the “Disaster Prevention and Response Basic Plan,” “Public Works Gas and Oil Pipeline Disaster Prevention and Control Business Plan of the Ministry of Economic Affairs,” “Disaster Prevention and Control Plan for New Taipei City,” “Disaster Prevention and Control Plan for Taipei City Area,” and “Natural Gas Enterprise Act.” The Company’s disaster prevention business plan encompasses disaster prevention, pre-disaster preparation, emergency response and recovery and reconstruction measures, to enhance awareness of disaster prevention, reduce disaster losses and ensure the safety of life and property.</p> <p>2. Before contracting construction projects, the Company shall convene a hazard notice meeting under Article 26 of the Occupational Safety and Health Act, and shall inform the contractor of the working environment, hazardous factors, and measures to be taken under safety and health regulations.</p> <p>3. At Shin Shin, we strictly require that the Company’s inspectors be present when</p>

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Types of risks	Focus of risk management	Work plan	State of implementation
			<p>performing fire-related constructions or gas connection, which must be carried out under the “Construction and Supervision Management Procedures” and the relevant standard operating procedures.</p>
	<p>Gas risk</p>		<ol style="list-style-type: none"> 1. The Company supplies gas to densely populated urban areas. To fulfill the responsibility of ensuring the supply of gas and safety, the Company has established the “Enhancement of the Management of Public Natural Gas Supply Equipment,” which has been approved by the Energy Administration, Ministry of Economic Affairs. 2. Annual strengthening measures are formulated based on the results of network risk assessments conducted each year, with replacement plans put into practice. 3. The engineering operations shall be conducted under the “Public Natural Gas Utility Gas Distribution Equipment Construction Specification” to ensure the safety of air.
	<p>Risk of workplace hazards</p>		<ol style="list-style-type: none"> 1. Formulate the “Occupational Disaster and Accident Handling and Investigation Management Procedures” to complete the accident occurrence investigation report, implement the investigation, review, make improvements, track progress, and establish preventive controls. 2. At the end of each year, the automatic inspection and management plan are adjusted, implementing the annual maintenance and regular maintenance of the machinery and equipment. 3. Each year, 2 fire drills are held (for 171 employees) and occupational safety education training (general occupational safety and health for 35 employees, 29 employees engaged in dangerous and hazardous work, and 3 sessions of training for general first-aid staff, with 209 participants). Emergency response training is organized for employees and contractors to develop self-safety management skills. 4. Commercial insurance (including public liability, employer liability insurance and commercial fire insurance) is taken out each year to reduce the risk of occupational injuries or losses to third parties due to

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Types of risks	Focus of risk management	Work plan	State of implementation
			<p>operations or products. Property fire insurance and car insurance are also taken out to transfer the risk of natural and man-made disasters.</p> <p>5. On August 7, 2020, the Company announced its “Human-Factor Hazard Prevention Plan,” “Maternal Health Protection Plan for the Workplace,” “Prevention Plan for Unlawful Assaults in Performing Duties,” and “Prevention Plan for Abnormal Workloads.” In doing so, we protect our employees from physical or mental assaults while performing their duties.</p> <p>6. Formulate the Contractor’s Safety and Health Management Measures and the Safety Violations of Contractor’s On-site Work Measures to implement contractor management.</p> <p>7. Conduct safety and environmental audits as required, and ensure compliance with laws and regulations about occupational safety, environmental protection, and firefighting by making necessary improvements.</p> <p>8. According to the Company’s Measures for the Implementation of Labor Work Environment Monitoring and Management, the Company inspects illumination and carbon dioxide concentration every six months to protect the physical and mental health of employees.</p> <p>9. The “Occupational Safety and Health Management Measures,” “Prevention Plan for Confined Space Hazards,” “Management Measures for False Alarms, Potential Hazards, and Safety and Health Incidents” have been formulated.</p> <p>10. Since 2020, the Company has promoted on-site health services and deployed medical staff for on-site labor health services under the requirements to take part in promoting occupational safety and health in the workplace. In addition to helping prevent occupational disasters and diseases, this can also enhance the physical and mental health and work capacity of workers.</p>
	Contractor management risk		<p>1. In addition to the annual contract, the Company updates its measures with the requirements of the competent authorities</p>

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Types of risks	Focus of risk management	Work plan	State of implementation
			<p>promptly and tell the contractors to cooperate. A contractor meeting is held every six months to review, communicate, coordinate, and promote the cases of the business unit, strengthen safety protection, implement work procedures, and reinforce the awareness of staff in each engineering project.</p> <ol style="list-style-type: none"> 2. The Company evaluates and discusses the issues raised during the contractor meetings and understands the current operations of the contractor. 3. The confidentiality clause and duty are explicitly in the contract to enhance its content, and the contractor must fulfill this duty. When two or more contractors work together, the “Occupational Safety and Health Act” is followed to hold an occupational safety meeting before the start of each workday. Contractors must implement safety and health education and hazard awareness among their workers to prevent occupational hazards. 4. To strengthen the performance of the contractor, the Company has crated standard operating procedures and formulated relevant contract clauses and penalties for practical and personal information protection measures, ensuring the interests of the Company. Meanwhile, through monthly inspections, the Company tracks for any breaches of contract and assesses process management progress to eliminate potential hidden hazards and improve risk control capabilities.
Information risk	Personal information protection		<ol style="list-style-type: none"> 1. To strengthen the Company’s information security management, it has since November 2013 established the “Personal information protection response execution team,” and in April 2016 changed its name to “Information security management and personal data protection team”. The Vice President acts as the convener and the convener appoints or invites the group members to be responsible for the planning, execution and control of the information security and personal information protection related work, organizes risk assessment, security classification, system security control

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Types of risks	Focus of risk management	Work plan	State of implementation
			<p>measures and tracks information security management matters.</p> <ol style="list-style-type: none"> 2. One personal information inventory and risk assessment. 3. One education and training session totaling three hours for all 190 employees.
	Cyber Security		<ol style="list-style-type: none"> 1. One review meeting of the information security management and personal information protection team. 2. 12 personal information seminars, totaling 348 participants. 3. One email social engineering exercise and one refresher training session on clicking on links, totaling 26 employees. 4. One scan of vulnerabilities.
	Internet access control		<ol style="list-style-type: none"> 1. Establish software and hardware security facilities and mechanisms, such as firewalls, antivirus software, and email filtering, while continuing to strengthen employees' information security awareness through training and promotion. 2. Properly establish the backup mechanism of major systems. 3. The Company's natural gas supply system uses an encrypted internet connection and uses a physically partitioned network structure. It is not connected to the external internet; every system control must be managed from within the company or by the storage tank staff to perform the operation. It cannot be controlled via a remote connection. As of the evaluation, the chances of information security attacks can be lowered. 4. Three system recovery drills. 5. System privileges were cleared right after use.
	Intellectual property management		<ol style="list-style-type: none"> 1. Copyright: According to the needs of the project development, the Company specifies in the contracts with the vendors that the ownership of the software or documents after the development of the system belongs to the Company and may not be resold, copied or referenced by others. In addition, if the software provided is subject to infringement the vendor will be held accountable for any compensation and liabilities incurred. 2. Patent:

5. Review of Financial Conditions, Financial Performance, and Risk Management

Types of risks	Focus of risk management	Work plan	State of implementation
			<p>The “manufacturing substrates for optoelectronic switching components (epitaxial formation)” developed and executed by National Central University and the method of “forming virtual germanium substrates by laser formation” developed by the University of New South Wales, Australia, are both maintained yearly.</p> <p>3. Trademarks: The Company’s trademarks were registered with the Intellectual Property Office, Ministry of Economic Affairs on January 16, 1996 as registered trademarks and have obtained trademark rights under the Trademark Act. Patent renewal is expected in August 2025.</p> <p>4. Trade secrets: The Company takes these protective measures for confidential files:</p> <p>(1) Internal management All employees must sign confidentiality agreements. Data is automatically and regularly backed up and encrypted to make sure that it is not misused. Confidential data is controlled and used under authority. Using personal email and mobile storage devices is prohibited, and education and training on information security seminars and social engineering drills are organized regularly.</p> <p>(2) One internal information security and personal information audit</p> <p>(3) Contractor information security and personal information awareness is promoted. The contractor must establish “Personal Information File Security Maintenance Management Measures.”</p>

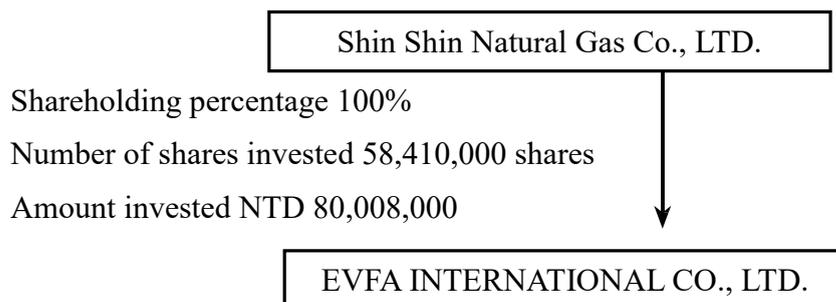
VII. Other Important Matters: None.

SIX. Special Notes

I. Subsidiaries

Consolidated business report of affiliates

(I) Affiliates organization chart



(II) Basic Information of Affiliated Companies

Unit: In thousands of NTD

Company name	Date of establishment	Address	Paid-in capital	Main business or production item
EVFA INTERNATIONAL CO., LTD.	1995.10.20	6F, No. 100, Section 1, Yonghe Road, Yonghe District, New Taipei City	584,100	1. CR01010 Gas Apparatus and Parts Manufacturing 2. E502010 Fuel Catheter Installation Engineering 3. F113030 Wholesale of Precision Instruments 4. F213040 Retail Sale of Precision Instruments 5. IZ99990 Other Industrial and Commercial Services 6. IG01010 Biotechnology Services 7. F102170 Wholesale of Foods and Groceries 8. F102040 Wholesale of Nonalcoholic Beverages 9. F203010 Retail Sale of Food, Grocery and Beverage 10. F401181 Measuring Instruments Import 11. F113070 Wholesale of Telecommunication Apparatus 12. F213060 Retail Sale of Telecommunication Apparatus 13. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import 14. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

6. Special Notes

(III) Shareholders in Common of the Company and Its Subsidiaries with Deemed Control and Subordination: None.

(IV) The coverage of the business scope by all affiliates: As shown in the basic profile table.

(V) Profiles of directors, supervisors, and presidents of affiliates

Unit: Shares %

Company name	Title	Name or representative	Shareholding	
			Number of shares	Shareholding percentage
EVFA INTERNATIONAL CO., LTD.	Chairman	Shin Shin Natural Gas Co., Ltd. Representative: Ho-Chia Chen	58,410,000	100
	Director and President	Shin Shin Natural Gas Co., Ltd. Representative: Kun-chung Huang	(58,410,000)	(100)
	Director	Shin Shin Natural Gas Co., Ltd. Representative: Ko-Tseng Li	(58,410,000)	(100)
	Supervisor	Shin Shin Natural Gas Co., Ltd. Representative: Richard H Wu	(58,410,000)	(100)

(VI) Operational Highlights of Subsidiaries

Unit: In thousands of NTD

Company name	Capital stock	Assets	Total liabilities	Net Worth	Operating revenue	Income from operation	Net profit (loss) (net of tax)	Basic earnings (loss) per share (NT\$) (net of tax)
EVFA INTERNATIONAL CO., LTD.	584,100	889,948	43,325	846,623	284,657	34,654	107,979	1.85

Time of information: 2024.12.31

(VII) Affiliate's Consolidated Financial Statements:

Declaration

The entities to be included in the consolidated financial statements of affiliated enterprises in 2024 (from January 1, 2023 to December 31, 2024) under the "Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises" are the same as those to be included in the consolidated financial statements of the parent company and subsidiaries under the IAS No. 10. Further, the related information to be disclosed in the consolidated financial statement of affiliated enterprises has been disclosed in the consolidated financial statements of parent company and subsidiaries. It is unnecessary for the Company to prepare the consolidated financial statements of affiliated enterprises separately.

Declared by

Company name: Shin Shin Natural Gas Co., LTD.

Person in charge: Ho-Chia Chen



March 12, 2025

8. Special

(VIII) Affiliate's Report: Not applicable.

II. Private placement of marketable securities for the most recent year and as of publication date of the annual report: None.

III. Other Necessary Supplement: None.

IV. As of the recent year until the annual report publication date, any matter which has had a significant impact on shareholders rights or the price for the securities referred to in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act: None.