



## ACTER GROUP CORPORATION LIMITED

### 2024 Annual Report

#### Notice to readers

*This English version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.*

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

2024 annual report is available at: <https://www.acter.com.tw>

Printed on February 28, 2025

**Spokesperson**

Name: Liang, Chun-Wei

Title: Special Assistant to the Chairman

Tel: 886-4-2258-1516

E-mail: [invest@acter.com.tw](mailto:invest@acter.com.tw)

**Deputy Spokesperson**

Name: Chen, Chung-Sheng

Title: Manager

Tel: 886-4-2261-5288 ex.212

E-mail: [invest@acter.com.tw](mailto:invest@acter.com.tw)

**Headquarters, Branches and Plant**

Headquarters

Address: 19F.-1, No.201, Sec. 2, Wenxin Rd., Xitun Dist., Taichung City, Taiwan (R.O.C.)

Tel: 886-4-2261-5288

**Stock Transfer Agent**

Firm : KGI Securities Registry and Transfer Department

Address: 5F., No.2, Sec. 1, Chongqing S. Rd., Zhongzheng Dist., Taipei City, Taiwan (R.O.C.)

Tel: 886-2-2389-2999

Website: [www.kgiworld.com.tw](http://www.kgiworld.com.tw)

**Auditors**

CPA Firm : KPMG

Auditors : Chen, Cheng-Hsueh and Lu, Chien-Hui

Address : 68F., No.7, Sec. 5, Xinyi Rd., Xinyi Dist., Taipei City, Taiwan (R.O.C.)

Tel: 886-2-8101-6666

Website: [www.kpmg.com.tw](http://www.kpmg.com.tw)

**Overseas Securities Exchange** : None.

**Corporate Website** : <https://www.acter.com.tw>

## **Contents**

I.	Letter to Shareholders .....	1
i.	Preface.....	1
ii.	Business Report.....	1
II.	Corporate Governance Report .....	7
i.	Directors and Management Team .....	7
ii.	Remuneration paid during the most recent fiscal year to directors, supervisors, president, and vice president.....	20
iii.	Implementation of Corporate Governance.....	26
iv.	Information on the professional fees of the attesting CPAs.....	80
v.	Information on replacement of certified public accountant within the last 2 fiscal years or any subsequent interim period .....	81
vi.	The company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm .....	81
vii.	Any transfer of equity interests and/or pledge of or change in equity interests (during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report) by a director, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report.....	81
viii.	Relationship information, if among the company's 10 largest shareholders any one is a related party or a relative within the second degree of kinship of another .....	83
ix.	The total number of shares and total equity stake held in any single enterprise by the company, its directors and managers, and any companies controlled either directly or indirectly by the company .....	84
x.	Status of the Continuing Education of Directors in 2024 .....	85
III.	Capital Overview .....	86
i.	Capital and Shares.....	86
ii.	List of Major Shareholders .....	86
iii.	Dividend Policy and Implementation Status.....	86
iv.	Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting.....	88
v.	Compensation of employees and directors .....	88
vi.	Buyback of Treasury Stock.....	89
vii.	Issuance of Corporate Bonds .....	89

viii. Issuance of Preferred Stock.....	89
ix. Issuance of Global Depository Receipts .....	89
x. Employee Stock Options.....	89
xi. New Restricted Employee Stocks .....	89
xii. Status of New Shares Issuance in Connection with Mergers and Acquisitions.....	89
xiii. Financing Plans and Implementation .....	89
IV. Operational Highlights .....	90
i. Business Activities .....	90
ii. Market and Sales Overview .....	97
iii. Human Resources .....	105
iv. Disbursements for Environmental Protection .....	106
v. Labor Relations .....	106
vi. Cyber security management.....	113
vii. Important Contracts.....	116
V. Review and Analysis of Financial Conditions, Financial Performance, and Risk Management.....	122
i. Financial Position.....	122
ii. Financial Performance .....	122
iii. Cash Flow .....	123
iv. Major Capital Expenditure Items .....	123
v. Investment Policy in Last Year, Main Causes for Profits or Losses, Improvement Plans and the Investment Plans for the Coming Year.....	123
vi. Analysis of Risk Management .....	124
vii. Other Important Matter .....	131
VI. Special Disclosure.....	131
i. Summary of Affiliated Companies .....	131
ii. Private Placement Securities in the Most Recent Years .....	131
iii. Other matters that require additional description.....	131
VII. Any situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report .....	131

# I. Letter to Shareholders

## i. Preface

Dear Shareholders,

Thanks to all shareholders’ support and encouragement during the past year. Acter develops its business through its Multi-Industries, Multi-Regions and Multi-type of Engineering Work strategic, adopts vertical division and horizontal integration and diversified talent cultivation, creates a competitive advantage. In 2024, revenue surpasses 30 billion milestone. Looking forward to 2025, the company’s management team will continue to actively face challenges and go all out to seek and contribute the greatest benefit to shareholders, employees and related parties of the company. The business performance in the previous year as well as this year’s operating prospects is as follows:

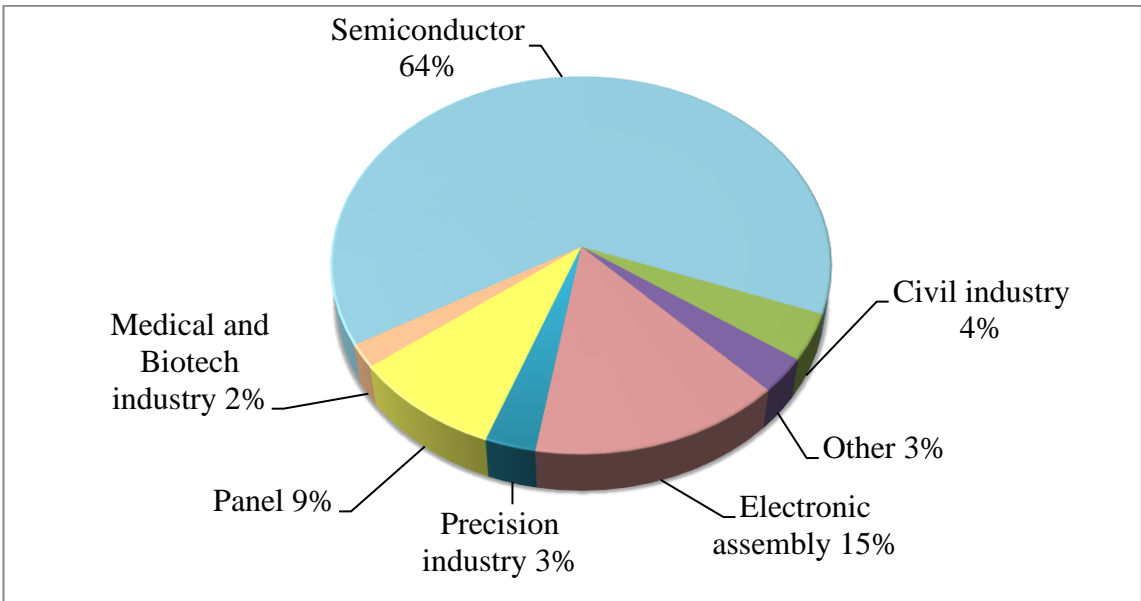
## ii. Business Report

### 1. 2024 Business results

#### (1)Business plan implementation results

Acter group’s multi-regions management strategy has proven effective, coupled with recent global supply chain restructuring and trends toward regionalization and localization, with total consolidated revenue reaching NT\$30.25 billion. In terms of profitability, the net profit after tax amounted to NT\$2.62 billion, which represents a 42.39% increase compared to last year.

【Figure 1】 Ratios of engineering turnover by the type



【Table 1】 Two-Year Comparative IS                      Unit : In thousands of New Taiwan Dollars

Items	2024	2023	Annual Change (%)
Operating revenue	30,253,853	25,060,741	20.72
Operating cost	23,676,006	20,142,993	17.54
Gross profit	6,577,847	4,917,748	33.76
Operating expenses	2,170,852	1,653,927	31.25
Operating income	4,406,995	3,263,821	35.03
Non-Operating income and expenses	450,224	252,180	78.53
Income before income taxes	4,857,219	3,516,001	38.15

Items	2024	2023	Annual Change (%)
Tax expense	1,269,208	916,428	38.50
Income after income taxes	3,588,011	2,599,573	38.02
Income after income taxes - attributable to owners of parent	2,617,188	1,838,104	42.39
Earnings per share (\$)	21.09	15.03	40.32

(2) State of budget implementation

This item is not applicable since Acter has not disclosed any financial forecasts.

(3) Financial structure and profitability

Items			2024
Financial structure	Ratio of liabilities to assets (%)		50.91
	Ratio of long-term capital to fixed assets (%)		2,153.32
Solvency	Current ratio (%)		185.67
	Quick ratio (%)		124.75
Profitability	Return on total assets (%)		11.70
	Return on stockholders' equity (%)		24.07
	Ratio to issued capital (%, Note1)	Operating income	40.17
		Pre-tax income	44.27
	Profit ratio (%)		11.85
	Earnings per share (\$, Note2)		21.09

Note1: In the case of shares issued by a company with no par value or a par value other than NT\$10 per share, the calculation of ratio of the paid-in capital shall be replaced by ratio of the equity attributable to owners of the parent.

Note2: The company's par value per share is NT\$5.

(4) Research and development

The department in charge of technology, research, and development continued to develop different innovative techniques for different industries and projects taking advantage of value-added engineering in order to strengthen our competitive advantages and innovative project management effectiveness. Descriptions are provided as follows:

I. Technology patent development

The group keeps acquiring patents; most of them relating to construction methods, applications and new materials, and software programming of a chemical equipment supply system. Analyze industry and technology trends in order to find R&D items that can facilitate corporate or industrial development and have market value. Make a strategic deployment to continuously obtain patents for engineering core technologies.

II. Talent cultivation and academia-industry cooperation

The company has comprehensive on-the-job training programs in place to help employees develop skills required, and works with scholars to explore new innovations. The company has been collaborating with Taipei Tech, Taiwan Tech, NCUT, NYUST, NKUST, FEU, and HKU in an internship program, and allying with Taipei Tech and NCUT, achieving excellent results in talent development and industry-university collaboration. In June 2024, a collaboration agreement was signed with the NCHU Academia-Industry Collaboration Center to jointly promote

innovation and talent development in the field of engineering technology.

### III. Energy-saving technologies

In light of rising global emphasis on energy-saving, green and low-carbon lifestyles, the group continues to conduct research into and develop environmental protection related engineering technology and products, develop high-efficiency eco-friendly facilities and energy management technologies, enhance the energy efficiency of energy consumption products, facilitate its integration with intelligent system, and optimize the control, optimize the application of energy-saving technology with our know-how in the field, and build a production environment with more efficient technologies to assist the industry in transformation to net zero emissions.

### IV. Continued Developments in Respective Engineering Aspects

- i. In utilization of the technical capability of established Building Information Modeling (BIM) - Revit of Company, take one step further into the Digital Twin application technology for air conditioning system which applies the digital computing and simulation technology in design and construction process so that the design efficiency, optimization design, construction efficiency and efficiency optimization of system energy is improved; the system balance and performance validation is assisted during the completion acceptance process so that the acceptance efficiency is improved; in the operation phase, the BIM, energy model, environmental control model, and monitoring system of physical and digital systems is integrated to perform the system operation management, system predictive maintenance diagnosis, faults diagnosis, operation optimization analysis, and artificial intelligence mechanical learning so that the risk of unanticipated faults is reduced, the operating costs is decreased, and the system energy efficiency is improved.
- ii. Import the 3D drawing and cooperate with the 3D online platform to improve the quality and efficiency of the project, reduce the correction and adjustment time required for the follow-up pipeline overlay conflicts, and import the ISOGEN software to save time costs, establish the pipeline ISO diagram, so that the pipeline can be factory preset to reduce waste and reduce carbon emissions.
- iii. Develop Dynamo program writing automation modeling to reduce repetitive modeling tasks. Decrease personnel's time spent on checking drawings repeatedly, and improve model output efficiency and drawing accuracy.

## 2. Summary of business plan for 2025

### (1)Business strategy

This year, Acter has set up its growth goals for various divisions and subsidiaries and implemented action plans for each unit. It also implemented the following business policies:

- I. Strengthen corporate governance, enhance enterprise culture and sustainable development
- II. Rooting deeply in this industry, continuously optimize engineering capabilities, pursue a diverse, multi-project integrated engineering service, and strive to use core skills to help companies achieve carbon neutrality, pursue a better future
- III. Maintain constant contact with current customers from mainland China, Southeast Asia, and India develop new customers, create multi-regional business, improve

investment efficiency, and expand industrial integration

- IV. Collaborate with international partners to continually expand professional services in the biotechnology, pharmaceutical, and medical industries, as well as in green engineering and circular economy, while deepening expertise in green energy and environmental protection.
- V. Integrating gas and chemical supply systems with manufacturing wet process equipment and waste liquid and solvent systems to develop new generation engineering integration technology and eco-friendly solutions.
- VI. Recruiting more diverse talents and actively training management teams

(2) Expected sales volume and basis for estimates

Acter is a professional manufacturer that applies system integration. For over 40 years, it has provided services which cover cleanrooms, air conditioning, electrical machinery, chemical engineering as well as control and instrument, equipment installation, etc., with the support of its strong and reliable multi-disciplinary and elite engineering team. Aside from its strength and advantage, Acter aims to keep pace with the request of customers. It caters to the needs of clients through constant communication and by establishing brand value and competitive advantage via innovative technology and high quality services. In addition to serving its existing customers, Acter is aggressively expanding its domestic and overseas markets by identifying new industries and new customers, satisfying the demand for a cross-disciplinary project service with integration system, and expanding industrial integration. As for internal operations, managing the company's integral resources is vital in providing the best and efficient solutions for customers.

(3) Major production and sales policies

Acter provides rapid and flexible integration of services specializing in engineering and technology. It is a comprehensive turnkey service company that handles design and planning, construction, engineering supervision, maintenance after completion and transfer. Acter services offer vertical and horizontal integration and sustainable intensification of industry value-chain across various technologies that impact people's livelihood, biotechnology, green energy and the medical field as well as the photovoltaic industry, semiconductor industry, biotechnology industry, energy industry, energy engineering, railway stations, high-end housing, hotels, electromechanical solutions for air conditioning systems, biopharmaceutical, medical institutes, etc.

With respect to its manufacturing-retail policy, while considering the needs of its customers, the company shall maintain existing clients, acquire new ones, and enter new industries in order to maintain business volume and achieve stable growth and profit. With regard to engineering, the company shall continuously improve and manage all kinds of projects and energy-saving and green eco-friendly economical engineering in order to create value and provide comprehensive solutions for its customers. As for financial considerations, it shall apply proper financial risk control strategies in handling customers and accelerate the collection rate of accounts receivable.

3. Future development strategies

The company is deeply committed to every project which represents and embodies Acter. It has been a long time since the company focused on the improvement and development of engineering technology. Currently, it has become a diversified engineering technology company through vertical and horizontal integration and continuous development. The content of service and professional engineering method were improved to keep pace with progress. It has continued to expand its service stations given the increasing demand of



customers. In order to approach its customers and provide real-time service, Acter service stations are situated all over Taiwan, Mainland China and Southeast Asia.

Engineering system integration service is the core business of Acter. Therefore, when facing the challenges by climate change and industrial transformation, Acter will dedicate to the research and development of innovative green technology. Not only provides customers energy-saving and green eco-friendly economical engineering solutions from the technology end, but also integrates our professional skills, knowledge and experiences to, through cooperation with our subcontractors, build “high value, low power consumption and low pollution” quality spaces. We commit more effort to bring customers more general ideas of green sustainability and responsible services. In the global promotion of ESG and carbon neutrality, with the role of the driver of green project, Acter assists customers to achieve carbon neutrality and pursue a better future together.

#### 4. Effect of the external competitive environment, legal and regulatory environment, and overall business environment

Large-scale construction suppliers offered turnkey solutions that enabled them to gain control of the electricity and machine engineering market, which led to greater competition in the electricity, machine and cleanroom engineering industry. Acter creates value engineering for customers through various contracting opportunities, utilizing its expertise, innovative technologies, and specialized methods to effectively reduce the equipment life cycle costs for customers. In addition, it reduces overhead expense and engineering construction risks. It also forms a stable and cooperative relationship with suppliers, manages quality, strengthens cost control to enhance competitive advantage in bidding. Meanwhile, it develops related business of energy-saving which will not only provide better services for its customers but also contribute to the overall industry environment.

As far as the regulatory environment is concerned, the company periodically reviews changes made to laws and regulations to ensure compliance with requirements of the competent authority and adheres to its belief of legitimate management. Generally speaking, changes to the regulatory environment will not have a major impact on the company.

In the macro business environment, according to the latest research published by the Market Intelligence & Consulting Institute (MIC) regarding AI trends and green data center opportunities, it is estimated that there will be over 8,000 data centers worldwide by 2024, and this number is expected to grow to 16,000 by 2028, doubling from 2024. Given the high-power density of data centers and increasing awareness of electricity regulation among governments and sustainable carbon reduction, green data centers will become a key focus for future development. The wave of AI technology is driving investment opportunities in semiconductor, data center, and green energy sectors. Additionally, the semiconductor and electronic components industries are accelerating their “N+1” production base development plans. This growth in diverse expansion opportunities is beneficial for the performance of Acter.

#### 5. Sustainability

Oriented to “Implement ESG principles in our core business and develop green initiatives”, Acter is absorbed in the core skills and industrial innovation. By linking United Nation’s Sustainable Development Goals (SDGs), and our core competence, Acter has not only established a responsible supply chain and built a diverse and tolerant workplace, but also been promoting green low-carbon engineering, cultivating industrial talents, attentive to the disadvantaged minority. It is our aspiration to create shared value for the society and win more reputation points with an excellent and sustainable corporate governance approach.

In the future, we will continue to work hard on sustainable development and cooperate with

our partners and stakeholders to make the greatest contribution to the bring a positive development to the environment, society and economy.

It deeply appreciates the support of shareholders. Acter hopes to create greater value for the entire organization and its shareholders.

Sincerely yours,

Chairman: Liang, Chin-Li

General Manager: Lai, Ming-Kun & Wang, Chun-Sheng

Accounting Supervisor: Chen, Chung-Sheng

## II. Corporate Governance Report

### i. Directors and Management Team

#### 1. Directors

February 28, 2025

Title	Nationality / Country of Origin	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position (Those marked with * are non-public company.)	Executives or Directors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Director (Note1)	R.O.C.	Liang, Chin-Li	Male 61~70 years old	May 24, 2024	3	Jun. 19, 2008	4,609,734	3.72	4,609,734	3.72	239,810	0.19	0	0.00	<ul style="list-style-type: none"> <li>EMBA, National Chiao Tung University</li> <li>Department of Electrical Engineering - Refrigerating and Air-conditioning, Taipei Tech</li> </ul>	<ul style="list-style-type: none"> <li>CEO, ACTER GROUP CORPORATION LIMITED</li> <li>Chairman, Her Suo Eng., Co., Ltd.*</li> <li>Chairman, Nova Technology Corp.</li> <li>Chairman, Acter Technology Integration Group Co., Ltd.</li> <li>Director, Sheng Huei (Shenzhen) Engineering Co., Ltd.*</li> <li>Director, Shenzhen Dingmao Trade Co., Ltd.*</li> <li>Director, Sheng Huei International Co. Ltd.*</li> <li>Director, Acter International Limited*</li> <li>Director, New Point Group Limited*</li> <li>Director, Acter Technology Singapore Pte. Ltd.*</li> <li>Director, Acter Technology Malaysia Sdn. Bhd.*</li> <li>Chairman, Winmax Technology Corp.*</li> <li>Director and CEO, Enrich Tech Co., Ltd.*</li> <li>Chairman, Winmega Technology Corp.*</li> </ul>	None	None	None

Title	Nationality / Country of Origin	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position (Those marked with * are non-public company.)	Executives or Directors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
																<ul style="list-style-type: none"> <li>Chairman, Suzhou Winmax Technology Corp.*</li> <li>Director, Novatech Engineering &amp; Construction Pte. Ltd.*</li> <li>Director, Sheng Huei Engineering Technology Company Limited*</li> <li>Chairman, Acter Technology Co., Ltd.*</li> <li>Director, Waste Recovery Technology Inc.</li> <li>Chairman, Rayzher Industrial Co., Ltd.</li> <li>Director, PT Acter Integration Technology Indonesia*</li> <li>Director, Winmax Technology Malaysia Sdn. Bhd.*</li> </ul>			
Director	R.O.C.	Hu, Tai-Tsen	Male 71~80 years old	May 24, 2024	3	June 16, 2009	2,607,178	2.10	1,307,178	1.05	543,608	0.44	0	0.00	<ul style="list-style-type: none"> <li>EMBA, Tunghai University</li> <li>Department of Electrical Engineering - Refrigerating and Air-conditioning, Taipei Tech</li> <li>Honorary Member, The Phi Tau Phi Scholastic Honor Society of the Republic of China</li> <li>Lecturer, Department of Electrical Engineering, National Chin-Yi University of Technology</li> <li>Executive Director.</li> </ul>	<ul style="list-style-type: none"> <li>Director, Sheng Huei International Co. Ltd.*</li> <li>Director, New Point Group Limited*</li> <li>Director, Lishan Hotel Corporation*</li> </ul>	None	None	None

Title	Nationality / Country of Origin	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position (Those marked with * are non-public company.)	Executives or Directors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Director  (Representative of institutional shareholders)	R.O.C.	Xiang-Hui Developm ent Co., Ltd.	NA	May 24, 2024	3	Jun. 20, 2008 (Note2)	5,395,776	4.35	5,395,776	4.35	0	0.00	0	0.00	Not applicable	None	Not applicable		
		Representative Wu, Pi-Huei	Female 61~70 years old			Dec. 01, 2001 (Note3)	552,136	0.44	553,136	0.45	0	0.00	0	0.00	<div>■ Master of Management, National Chung Hsing University</div> <div>■ President, Linglu Composite Building Material (shanghai) Co., Ltd.</div> <div>■ Chairman, Denlie International Co., Ltd.</div> <div>■ Executive Director, TCGS Alumni Association</div>	<div>■ Director, TCGS Education Foundation</div> <div>■ Deputy Chairperson, TCGS Alumni Association</div>	None	None	None
Independent Director	R.O.C.	Huang, Tzu-Pei	Female 41~50 years old	May 24, 2024	3	Jul. 23, 2021	0	0.00	0	0.00	0	0.00	0	0.00	<div>■ Master, School of Law, National Chiao Tung University</div> <div>■ Bachelor of Financial Law, College of Law, National Taiwan University</div> <div>■ Consultant lawyer, Taipei City Government</div>	<div>■ Lawyer, Meridian Attorneys-at-Law</div>	None	None	None

Title	Nationality / Country of Origin	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position (Those marked with * are non-public company.)	Executives or Directors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
														<ul style="list-style-type: none"> <li>■ Consultant lawyer, Taiwan Union of Nurses Association</li> <li>■ Consultant lawyer, labor unions of Cheng Hsin General Hospital</li> <li>■ Arbitrator, Chinese Arbitration Association, Taipei</li> </ul>					
Independent Director	R.O.C.	Chi, Chih-Yi	Male 61~70 years old	May 24, 2024	3	May 24, 2024	0	0.00	0	0.00	0	0.00	0	0.00	<ul style="list-style-type: none"> <li>■ PhD, Harvard University Economics Department</li> <li>■ Associate Professor, Department of Finance, National Chung Hsing University</li> <li>■ Associate Professor, Department of Economics, National Chung Cheng University</li> </ul>	<ul style="list-style-type: none"> <li>■ Independent Director, Nova Technology Corp.</li> <li>■ Professor, Department of Finance, National Chung Hsing University</li> <li>■ Independent Director, Gourmet Master Co. Ltd.</li> </ul>	None	None	None
Independent Director	R.O.C.	Chiu, Hui-Yin	Female 51~60 years old	May 24, 2024	3	May 24, 2024	0	0.00	0	0.00	0	0.00	0	0.00	<ul style="list-style-type: none"> <li>■ Master in Accounting, National Taiwan University</li> <li>■ Bachelor of Accounting, National Chengchi University</li> <li>■ Partner CPA, Deloitte &amp; Touche</li> </ul>	<ul style="list-style-type: none"> <li>■ Independent Director, Nova Technology Corp.</li> <li>■ Person in Charge, Li Jung Investment Co., Ltd.*</li> <li>■ Director, Weiyu United Accounting Firm</li> </ul>	None	None	None
Independent Director	R.O.C.	Liang, Lien-Wen	Female 51~60 years old	May 24, 2024	3	May 24, 2024	0	0.00	0	0.00	0	0.00	0	0.00	<ul style="list-style-type: none"> <li>■ PhD in Agricultural Economics, Hokkaido University, Japan</li> <li>■ Master in Economics, National Tsing Hua University</li> <li>■ Associate Professor of Finance, Chinese Culture University</li> </ul>	<ul style="list-style-type: none"> <li>■ Professor of Finance, Chinese Culture University</li> <li>■ Adjunct Professor, Department of Finance and Cooperative Management, National Taipei University</li> <li>■ Director, International Cooperation and Development Fund</li> </ul>	None	None	None

Title	Nationality / Country of Origin	Name	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position (Those marked with * are non-public company.)	Executives or Directors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
														■ Assistant Professor of Finance, Chinese Culture University					

Note1: Based on the group's organizational integration and business needs, the company's chairman also serves as the chief executive officer, responsible for the promotion and execution of the group's operating plans. The President, on the other hand, will focus on managing the operations of Acter itself. The CEO and the President will exercise their respective responsibilities and roles, implementing a clear division of management and maximizing the functionality of the organization. The chairman's full understanding of the company's operation and development policies helps the board of directors quickly grasp the company's operating status. At the same time, in order to maintain the objectivity and independence of the board of directors, only one director concurrently serves as the company's officers; the directorship for independent directors is four-sevenths and none of the independent directors has served for more than three consecutive terms.

Note2: Xiang-Hui Development Co., Ltd. served as a juristic person director of the company from June 20, 2008, to June 18, 2012.

Note3: Ms. Wu, Pi-Huei served as the company's supervisor from December 1, 2001, to May 28, 2015.

## 2. Major shareholders of the institutional shareholders :

February 28, 2025

Name of institutional shareholders	Major shareholders of the institutional shareholders
Xiang-Hui Development Co., Ltd.	Yang, Sin-Hao(30%) 、 Yang, Jung-Tang(26.1%) 、 Yang Wei, He-Jhih(26.1%) 、 Yang, Yu-Sian(8.9%) 、 Yang, Chai-Cih(8.9%)

### 3. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors

Qualification Name	Professional qualifications and experience (Note1)	Independence analysis					No. of other public companies at which the person concurrently serves as an independent director
		Did independent director or their spouse or any relative within the second degree serve as a director, supervisor, or employee of the Company or any of its affiliates?	The number and ratio of shares of the Company held by the independent director and their spouse and relatives within the second degree (or through nominees)		Do independent director serve as a director, supervisor, or employee of any company having a specified relationship with the Company (see Article 3, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies)?	The amount(s) of any pay received by the independent director for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years.	
			Shares	%			
Liang, Chin-Li	Possess working experience related to refrigeration and air-conditioning; Not been a person of any conditions defined in Article 30 of the Company Law.	Not applicable					None
Hu, Tai-Tsen	Possess working experience related to refrigeration and air-conditioning; Not been a person of any conditions defined in Article 30 of the Company Law.	Not applicable					None
Xiang-Hui Development Co., Ltd. Representative: Wu, Pi-Huei	Possess working experience related to management; Not been a person of any conditions defined in Article 30 of the Company Law.	Not applicable					None
Huang, Tzu-Pei	Possess an attorney's license; Not been a person of any conditions defined in Article 30 of the Company Law.	No	0	0.00	No	None	None



Qualification Name	Professional qualifications and experience (Note1)	Independence analysis					No. of other public companies at which the person concurrently serves as an independent director
		Did independent director or their spouse or any relative within the second degree serve as a director, supervisor, or employee of the Company or any of its affiliates?	The number and ratio of shares of the Company held by the independent director and their spouse and relatives within the second degree (or through nominees)		Do independent director serve as a director, supervisor, or employee of any company having a specified relationship with the Company (see Article 3, paragraph 1, subparagraphs 5 to 8 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies)?	The amount(s) of any pay received by the independent director for any services such as business, legal, financial, or accounting services provided to the Company or any affiliate thereof within the past 2 years.	
			Shares	%			
Chi, Chih-Yi	Have more than five years of work experience as a lecturer in colleges and universities; Not been a person of any conditions defined in Article 30 of the Company Law.	Note2	0	0.00	Note2	None	2
Chiu, Hui-Yin	Possess an accountant's license and is currently the person in charge of Li Jung Investment Co., Ltd.; Not been a person of any conditions defined in Article 30 of the Company Law.	Note2	0	0.00	Note2	None	1
Liang, Lien-Wen	Have more than five years of work experience as a lecturer in colleges and universities; Not been a person of any conditions defined in Article 30 of the Company Law.	No	0	0.00	No	None	None

Note1: Please refer to page 7~11 for each director's experience and education.

Note2: Although serving as an independent director of the subsidiary Nova Technology Corp., it meets the provisions of Article 3, paragraph 2 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

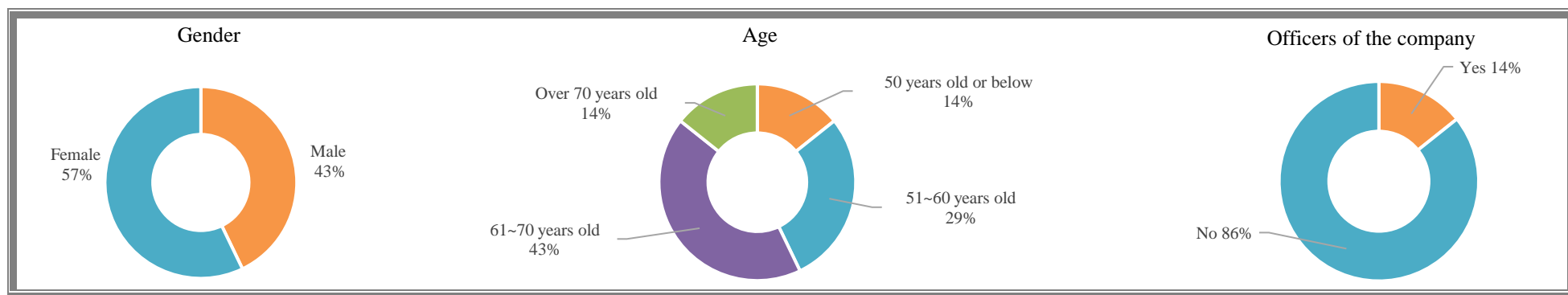
#### 4. Diversity and independence of the board of directors

##### (1) Diversity of the board of directors

The company has established “Corporate Governance Practical Rules” to formulate the composition of the board of directors. Diversity should be considered, and the board of directors shall possess ability to make operational judgments, ability to perform accounting and financial analysis, ability to conduct management administration, ability to conduct crisis management, knowledge of the industry, an international market perspective, ability to lead, ability to make policy decisions...etc. Besides, an appropriate policy on diversity based on the company’s business operations, operating dynamics, and development needs be formulated, including gender, age, professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience. In addition, the company has set up the Sustainability and Nominating Committee. Members of the committee will review the number and conditions of directors before the expiry of each term and will find, review, and nominate candidates based on standards of independence and a diversified background covering the expertise, skills, experience, gender, etc.

The company’s specific diversification goals and achievement status are as follows:

Policy on diversity	Goal	Achievement
Expertise, skills, experience	The board members shall possess professional background (e.g., law, accounting, industry, finance, marketing, technology), professional skills, and industry experience	Achieved, the board members are professionals in the fields of engineering, accounting, law and operation management, with professional capabilities and relevant experience
Gender	Increase the number of female directors by one directorship	Achieved, the company has four female directors, an increase of two female directors over the previous term.
Age	Average age of all directors not exceed 65 years old	Achieved, average age of all directors is 60 years old.
Standards of independence	Directors concurrently serve as company officers not exceed one-third of the total directorships, independent directors shall exceed one-third of the total directorships, and the consecutive terms for independent directors shall not exceed three terms.	Achieved, only one director concurrently serves as the company’s officers; the directorship for independent directors is four-sevenths and none of the independent directors has served for more than three consecutive terms.



Item Name	Gender	The session of independent director	Officers of the company	Age	Experience				Ability					
					management administration	Financial accounting	Industry experience	Corporate Governance	Knowledge of the industry	Knowledge of Financial accounting	Knowledge of law	Ability to lead and make policy decisions	Ability to conduct management administration	Corporate Governance
Liang, Chin-Li	Male	-	✓	61~70 years old	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
Hu, Tai-Tsen	Male	-	-	Over 70 years old	✓	-	✓	✓	✓	-	-	✓	✓	✓
Xiang-Hui Development Co., Ltd. Representative: Wu, Pi-Huei	Female	-	-	61~70 years old	✓	-	✓	✓	✓	-	-	✓	✓	✓
Huang, Tzu-Pei (Independent director)	Female	2	-	50 years old or below	-	-	✓	✓	✓	-	✓	✓	-	✓
Chi, Chih-Yi (Independent director)	Male	1	-	61~70 years old	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
Chiu, Hui-Yin (Independent director)	Female	1	-	51~60 years old	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
Liang, Lien-Wen (Independent director)	Female	1	-	51~60 years old	-	✓	✓	✓	✓	✓	-	✓	-	✓

The board is comprised of members from a variety of backgrounds, genders and skills. Members have been chosen based on the development needs of the company. All directors have the academic background and experience necessary to enable the board's decision and supervisory capacity. Please refer to page 7~11 for their experience and education.

(2) Independence of the board of directors

The company has four independent directors, accounting for four-sevenths of the total directorships. None of the independent directors has served for more than three consecutive terms, and none of them violated the independence norms in the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." In addition, the company's board of directors has only one director concurrently serving as the company's officers. After checking the written declarations and identity documents of each director, there is no kinship within the spouse and second relatives among the directors, reflecting the independence of the overall board of directors.

5. Management Team

February 28, 2025

Title	Nationality / Country of Origin	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
CEO (Note1)	R.O.C.	Liang, Chin-Li	Male	Jul. 01, 2011	4,609,734	3.72	239,810	0.19	0	0.00	<ul style="list-style-type: none"> <li>■ EMBA, National Chiao Tung University</li> <li>■ Department of Electrical Engineering - Refrigerating and Air-conditioning, Taipei Tech</li> </ul>	<ul style="list-style-type: none"> <li>■ Chairman, Her Suo Eng., Co., Ltd.</li> <li>■ Chairman, Nova Technology Corp.</li> <li>■ Chairman, Acter Technology Integration Group Co., Ltd.</li> <li>■ Director, Sheng Huei (Shenzhen) Engineering Co., Ltd.</li> <li>■ Director, Shenzhen Dingmao Trade Co., Ltd.</li> <li>■ Director, Sheng Huei International Co. Ltd.</li> <li>■ Director, Acter International Limited</li> <li>■ Director, New Point Group Limited</li> <li>■ Director, Acter Technology Singapore Pte. Ltd.</li> <li>■ Director, Acter Technology Malaysia Sdn. Bhd.</li> <li>■ Chairman, Winmax Technology Corp.</li> <li>■ Director and CEO, Enrich Tech Co., Ltd.</li> </ul>	None	None	None

Title	Nationality / Country of Origin	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
												<ul style="list-style-type: none"> <li>■ Chairman, Winmega Technology Corp.</li> <li>■ Chairman, Suzhou Winmax Technology Corp.</li> <li>■ Director, Novatech Engineering &amp; Construction Pte. Ltd.</li> <li>■ Director, Sheng Hwei Engineering Technology Company Limited</li> <li>■ Chairman, Acter Technology Co., Ltd.</li> <li>■ Director, Waste Recovery Technology Inc.</li> <li>■ Chairman, Rayzher Industrial Co., Ltd.</li> <li>■ Director, PT Acter Integration Technology Indonesia</li> <li>■ Director, Winmax Technology Malaysia Sdn. Bhd.</li> </ul>			
President	R.O.C.	Lai, Ming-Kun	Male	Sep. 28, 2018	461,982	0.37	38,006	0.03	0	0.00	<ul style="list-style-type: none"> <li>● EMBA, National Taiwan University of Science and Technology</li> <li>■ Department of Electrical Engineering - Refrigerating and Air-conditioning, Taipei Tech</li> <li>■ Vice President, Hao-Han Chung-Hsiao Engineering Co., Ltd.</li> </ul>	None	None	None	None
President	R.O.C.	Wang, Chun-Sheng	Male	Sep. 28, 2018	112,000	0.09	0	0.00	0	0.00	<ul style="list-style-type: none"> <li>■ EMBA, Feng Chia University</li> <li>■ Department of Electrical Engineering, Taipei Tech</li> <li>■ Engineer, San-Chun Engineering Limited</li> </ul>	<ul style="list-style-type: none"> <li>■ Director, Enrich Tech Co., Ltd.</li> <li>■ Supervisor, Her Suo Eng., Co., Ltd.</li> </ul>	None	None	None

Title	Nationality / Country of Origin	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Vice President	R.O.C.	Chang, Ri-Dong	Male	Sep. 28, 2018	228,750	0.18	111,145	0.09	0	0.00	<ul style="list-style-type: none"> <li>Department of Electrical Engineering - Refrigerating and Air-conditioning, Taipei Tech</li> <li>Assistant Vice President, Chin Chan Air-conditioning Co., Ltd.</li> </ul>	Director, Her Suo Eng., Co., Ltd.	None	None	None
Vice President	R.O.C.	Chen, Yuan-Pi	Male	Sep. 28, 2018	95,734	0.08	658	0.00	0	0.00	<ul style="list-style-type: none"> <li>EMBA, Feng Chia University</li> <li>Department of Electrical Engineering - Refrigerating and Air-conditioning, Taipei Tech</li> </ul>	None	None	None	None
Vice President	R.O.C.	Lee, Ming-Chih	Male	Sep. 28, 2018	28,000	0.02	37,419	0.03	0	0.00	<ul style="list-style-type: none"> <li>Master Degree in Refrigeration, Air Conditioning and Energy Engineering, National Chin-Yi University of Technology</li> <li>Department of Electrical Engineering - Refrigerating and Air-conditioning, Taipei Tech</li> <li>Technician for freezing &amp; air condition engineering</li> <li>Assistant Vice President, Chin Chan Air-conditioning Co., Ltd.</li> </ul>	None	None	None	None
Assistant Vice President	R.O.C.	Li, Po-Sheng	Male	Sep. 24, 2009	868,534	0.70	0	0.00	0	0.00	<ul style="list-style-type: none"> <li>Department of Refrigerating and Air-conditioning, Fu-Hwa Senior High School</li> <li>Vice Section Manager, Gongshan Air-conditioning and Refrigerating Co., Ltd.</li> </ul>	None	None	None	None
Assistant Vice President	R.O.C.	Yang, Hui-Bao	Female	Sep. 28, 2018	103,634	0.08	0	0.00	0	0.00	<ul style="list-style-type: none"> <li>Master Degree in Business &amp; Management, National Chiao Tung University</li> </ul>	Director, Sheng Huei Technology India Private Limited	None	None	None
Assistant Vice President	R.O.C.	Tung, San-Chi	Male	Apr. 12, 2022	6,000	0.00	0	0.00	0	0.00	<ul style="list-style-type: none"> <li>EMBA, National Taiwan University of Science and Technology</li> </ul>	None	None	None	None

Title	Nationality / Country of Origin	Name	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience ( Education )	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
Assistant Vice President	R.O.C.	Lin, Ching-Yi	Female	Apr. 12, 2022	19,456	0.02	0	0.00	0	0.00	<ul style="list-style-type: none"> <li>Master Degree, National Chin-Yi University of Technology</li> <li>Refrigeration and air-conditioning engineer (Senior Examinations)</li> </ul>	None	None	None	None
Assistant Vice President	R.O.C.	Chi, Chia-Chin	Male	Jun. 15, 2022	7,108	0.01	0	0.00	0	0.00	<ul style="list-style-type: none"> <li>Department of Electrical Engineering, National Taitung Junior College</li> <li>RPTI International Ltd.</li> <li>Tai-Ping-Yang Chung-Hsiao Engineering Co., Ltd.</li> <li>Hao-Han Chung-Hsiao Engineering Co., Ltd.</li> </ul>	None	None	None	None
Assistant Vice President	R.O.C.	Tseng, Huei-Shiung	Male	Nov. 09, 2023	5,082	0.00	0	0.00	0	0.00	<ul style="list-style-type: none"> <li>Master of Electrical Engineering, National Kaohsiung University of Applied Sciences</li> <li>Vice Manager, Kaohsiung Branch of CHEM</li> </ul>	None	None	None	None
Financial/Accounting/ Chief Corporate Governance Officer	R.O.C.	Chen, Chung-Sheng	Male	Nov. 09, 2023	100,000	0.01	0	0.00	0	0.00	<ul style="list-style-type: none"> <li>Master Degree in Accounting, Feng Chia University</li> <li>Deputy Leader, Deloitte</li> </ul>	Supervisor, Enrich Tech Co., Ltd.	None	None	None

Note1: Based on the group's organizational integration and business needs, the company's chairman also serves as the chief executive officer, responsible for the promotion and execution of the group's operating plans. The President, on the other hand, will focus on managing the operations of Acter itself. The CEO and the President will exercise their respective responsibilities and roles, implementing a clear division of management and maximizing the functionality of the organization. The chairman's full understanding of the company's operation and development policies helps the board of directors quickly grasp the company's operating status. At the same time, in order to maintain the objectivity and independence of the board of directors, only one director concurrently serves as the company's officers; the directorship for independent directors is four-sevenths and none of the independent directors has served for more than three consecutive terms.

**ii. Remuneration paid during the most recent fiscal year to directors, supervisors, president, and vice president**

**1. Remuneration of Directors and Independent Director**

Unit: NT\$ thousand, Thousand Shares

Title	Name	Remuneration								Sum of A+B+C+D and ratio to net income (Note10)				Relevant remuneration received by directors who are also employees								Sum of A+B+C+D+E+F+G and ratio to net income (Note10)				Compensation paid to directors from an invested company other than the company's subsidiary (Note11)
		(A) (Note2 & Note3)		(B) (Note2 & Note4)		(C) (Note2)		(D) (Note2 & Note6)						(E) (Note2 & Note7)		(F) (Note2 & Note4)		(G) (Note2 & Note8)								
		The company	(Note1 & Note9)	The company	(Note1 & Note9)	The company (Note5)	(Note1 & Note9)	The company	(Note1 & Note9)	The company		(Note1 & Note9)		The company	(Note1 & Note9)	The company	(Note1 & Note9)	The company		(Note1 & Note9)		The company	(Note1 & Note9)			
										Sum	%	Sum	%					Cash	Stock	Cash	Stock			Sum	%	
Chairman	Liang, Chin-Li	3,446	11,178	0	0	56,021	56,021	96	238	59,563	2.28	67,437	2.58	16,823	19,908	0	0	5,000	0	5,000	0	81,386	3.11	92,345	3.53	30
Director	Yang, Jung-Tang (Note12)	0	0	0	0	0	0	60	60	60	0.00	60	0.00	0	0	0	0	0	0	0	0	60	0.00	60	0.00	None
Director	Hu, Tai-Tsen	0	199	0	0	22,409	22,409	90	90	22,499	0.86	22,698	0.87	0	0	0	0	0	0	0	0	22,499	0.86	22,698	0.87	None
Director	Xiang-Hui Development Co., Ltd.(Note12)	0	0	0	0	22,409	22,409	0	0	22,409	0.86	22,409	0.86	0	0	0	0	0	0	0	0	22,409	0.86	22,409	0.86	None
	Representative: Wu, Pi-Huei (Note12)	378	378	0	0	0	0	42	42	420	0.02	420	0.02	0	0	0	0	0	0	0	0	420	0.02	420	0.02	None
Independent Director	Yeh, Hui-Hsin (Note12)	400	400	0	0	0	0	60	60	460	0.02	460	0.02	0	0	0	0	0	0	0	0	460	0.02	460	0.02	None
Independent Director	Yang, Qian (Note12)	400	400	0	0	0	0	42	42	442	0.02	442	0.02	0	0	0	0	0	0	0	0	442	0.02	442	0.02	None
Independent Director	Wang, Mao-Rong (Note12)	400	400	0	0	0	0	48	48	448	0.02	448	0.02	0	0	0	0	0	0	0	0	448	0.02	448	0.02	None
Independent Director	Huang, Tzu-Pei	960	960	0	0	0	0	78	78	1,038	0.04	1,038	0.04	0	0	0	0	0	0	0	0	1,038	0.04	1,038	0.04	None
Independent Director	Chi, Chih-Yi (Note12)	560	1,120	0	0	0	0	48	72	608	0.02	1,192	0.05	0	0	0	0	0	0	0	0	608	0.02	1,192	0.05	None
Independent Director	Chiu, Hui-Yin (Note12)	560	1,120	0	0	0	0	42	66	602	0.02	1,186	0.05	0	0	0	0	0	0	0	0	602	0.02	1,186	0.05	None
Independent Director	Liang, Lien-Wen (Note12)	560	560	0	0	0	0	42	42	602	0.02	602	0.02	0	0	0	0	0	0	0	0	602	0.02	602	0.02	None
1. Please describe the policy, system, standards and structure in place for paying remuneration to directors and describe the relationship of factors such as the duties and risks undertaken and time invested by the directors to the amount of remuneration paid: According to the “Regulations governing remuneration paid to directors and functional committee,” independent directors receive a fixed remuneration of NT\$50,000 per month and do not participate in the distribution of annual remuneration for directors. Independent directors that be appointed to be any member of functional committee by the board meeting can gain extra remuneration. The aforementioned fixed remuneration is recommended by the company’s Remuneration Committee with reference to the market averages, taking into account the time invested and the responsibilities assumed by																										



Title	Name	Remuneration								Sum of A+B+C+D and ratio to net income (Note10)				Relevant remuneration received by directors who are also employees								Sum of A+B+C+D+E+F+G and ratio to net income (Note10)				Compensation paid to directors from an invested company other than the company's subsidiary (Note11)
		(A) (Note2 & Note3)		(B) (Note2 & Note4)		(C) (Note2)		(D) (Note2 & Note6)						(E) (Note2 & Note7)		(F) (Note2 & Note4)		(G) (Note2 & Note8)								
		The company	(Note1 & Note9)	The company	(Note1 & Note9)	The company	(Note1 & Note9)	The company	(Note1 & Note9)	The company		(Note1 & Note9)		The company	(Note1 & Note9)	The company	(Note1 & Note9)	The company		(Note1 & Note9)		The company		(Note1 & Note9)		
										Sum	%	Sum	%					Cash	Stock	Cash	Stock	Sum	%	Sum	%	

the independent directors, and approved by the board of directors.

2. In addition to what is disclosed in the above table, please specify the amount of remuneration received by directors in the most recent fiscal year for providing services (e.g., for serving as a non-employee consultant to the parent company /any consolidated entities / invested enterprises): NT\$0

Note1: Refers to all companies in the consolidated financial statements

Note2: (A)Base Compensation (B)Severance Pay (C)Compensation to Directors (D)Allowances (E)Salary, Bonuses, and Allowances (F)Severance Pay (G)Employee Compensation.

Note3: This refers to director base compensation in the most recent fiscal year (including director salary, duty allowances, severance pay, and various rewards and incentives, etc.).

Note4: Includes the contribution and real disbursement of the pension. In 2024, under the new system of labor pension act, total amount contributed by the company for director listed in the table is NT\$0.

Note5: Board of directors resolved on Feb. 27, 2025.

Note6: This refers to director expenses and perquisites in the most recent fiscal year (including travel expenses, special disbursements, stipends of any kind, and provision of facilities such as accommodations or vehicles, etc.). If housing, car or other form of transportation, or personalized expenses are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base compensation paid by the company to the driver, but do not include it in the calculation of the director remuneration.

Note7: This includes any remuneration received by a director for concurrent service as an employee in the most recent year (including concurrent service as general manager, assistant general manager, other managerial officer, or non-managerial employee) including salary, duty allowances, severance pay, rewards, incentives, travel expenses, special disbursements, stipends of any kind, and provision of facilities such as accommodations or vehicles, etc. If housing, car or other form of transportation, or personalized expenses are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base compensation paid by the company to the driver, but do not include it in the calculation of the director remuneration. Additionally, salary expenses recognized as share-based payment under IFRS 2—including employee share subscription warrants, new restricted employee shares, and participation in share subscription under a rights offering, etc.—should be included in the calculation of remuneration.

Note8: This refers to employee profit-sharing compensation (including stocks and cash) received by a director for concurrent service as an employee in the most recent fiscal year (including concurrent service as general manager, assistant general manager, other managerial officer, or non-managerial employee). Disclose the amount of profit-sharing compensation approved or expected to be approved by the board of directors for distribution for the most recent fiscal year. If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata to the amount that was actually distributed in the preceding fiscal year.

Note9: Disclose the total amount of remuneration in each category paid to the directors of the company by all companies in the consolidated financial report (including the company).

Note10: Net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note11: a. In this column, specifically disclose the amount of remuneration received by the directors of the company from investee enterprises other than subsidiaries or from the parent company (if none, state “None”).  
b. Remuneration means remuneration received by directors of the company for serving in capacities such as director, supervisor, or managerial officer at investee companies other than subsidiaries or at the parent company, including base compensation, profit-sharing compensation (including employee, director, and supervisor profit-sharing compensation) and expenses and perquisites.

Note12: The company held a re-election on May 24, 2024. Following the re-election, director Yang, Jung-Tang and independent directors Yeh, Hui-Hsin, Yang, Qian, and Wang, Mao-Rong did not continue their terms. At the same time, Wu, Pi-Huei, the representative of Xiang-Hui Development Co., Ltd., and independent directors Chi, Chih-Yi, Chiu, Hui-Yin, and Liang, Lien-Wen were newly elected.

\*This table is for information disclosure purposes only and is not intended to be used for tax purposes, as the remuneration disclosed in this table differs from the concept of income under the Income Tax Act.

## 2. Remuneration of Supervisors : Not applicable

### 3. Remuneration of President and Vice President

Unit: NT\$ thousand, Thousand Shares

Unit: 100 thousand, thousand shares

Title	Name	Salary(A) (Note1)		Severance Pay (B) (Note2)		Bonuses and Allowances (C) (Note3)		Employee Compensation (D) (Note4)				Sum of A+B+C+D and ratio to net income (Note6)				Compensation paid to the president and vice president from an invested company other than the company's subsidiary (Note7)
		The company	Companies in the consolidated financial statements (Note5)	The company	Companies in the consolidated financial statements (Note5)	The company	Companies in the consolidated financial statements (Note5)	The company		Companies in the consolidated financial statements (Note5)		The company		Companies in the consolidated financial statements (Note5)		
								Cash	Stock	Cash	Stock	Sum	%	Sum	%	
CEO	Liang, Chin-Li	3,899	6,984	0	0	12,924	12,924	5,000	0	5,000	0	21,823	0.83	24,908	0.95	30
President	Lai, Ming-Kun	3,659	3,659	108	108	10,984	10,984	5,000	0	5,000	0	19,751	0.75	19,751	0.75	None
President	Wang, Chun-Sheng	3,659	3,659	108	108	12,915	12,915	5,000	0	5,000	0	21,682	0.83	21,682	0.83	None
Vice President	Chang, Ri-Dong	2,704	2,704	108	108	5,874	5,874	3,500	0	3,500	0	12,186	0.47	12,186	0.47	None
Vice President	Chen, Yuan-Pi	2,331	2,331	108	108	4,984	4,984	3,500	0	3,500	0	10,923	0.42	10,923	0.42	None
Vice President	Lee, Ming-Chih	2,331	2,331	108	108	4,777	4,777	3,500	0	3,500	0	10,716	0.41	10,716	0.41	None

In addition to the disclosure of the table above, there are remunerations to presidents and vice presidents provided service (e.g. serve as independent consultant rather than employee) in the most recent year for all companies: NT\$ 610 thousands

Note1: This includes salary, duty allowances, and severance pay to the president and vice president in the most recent fiscal year.

Note2: Includes the contribution and real disbursement of the pension. In 2024, pensions contributed to the pension account at Bank of Taiwan by the company for employees applying old system of labor standards act are NT\$1,200 thousand and disbursement from that account is NT\$0, while under the new system of labor pension act, total amount contributed by the company for managers listed in the table are NT\$540 thousand, which has been fully paid into their individual pension account at Bureau of Labor Insurance.

Note3: This includes the amounts of all types of rewards, incentives, travel expenses, special disbursements, stipends of any kind, provision of facilities such as accommodations or vehicle, and other compensation to the president and vice president in the most recent fiscal year. If housing, car or other form of transportation, or personalized expenses are provided, disclose the nature and cost of the property provided, the actual or fair market rent, fuel expenses, and any other amounts paid. Additionally, if a driver is provided, please add a note explaining the relevant base compensation paid by the company to the driver, but do not include it in the calculation of the director remuneration. Additionally, salary expenses recognized as share-based payment under IFRS 2—including employee share subscription warrants, new restricted employee shares, and participation in share subscription under a rights offering, etc.—should be included in the calculation of remuneration.

Note4: This refers to employee profit-sharing compensation (including stocks and cash) received by the president and vice president as approved or expected to be approved by the board of directors for the most recent fiscal year (including concurrent service as general manager, assistant general manager, other managerial officer, or non-managerial employee). If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata to the amount that was actually distributed in the preceding fiscal year.

Note5: Disclose the total amount of remuneration in each category paid to the president and vice president by all companies in the consolidated financial report (including the company).

Note6: Net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

Note7: a. In this column, specifically disclose the amount of remuneration received by the president and vice president of the company from investee enterprises other than subsidiaries or from the parent company (if none, state "None").

b. Remuneration means remuneration received by the president and vice president of the company for serving in capacities such as director, supervisor, or managerial officer at investee companies other than subsidiaries or at the parent company, including base compensation, profit-sharing compensation (including employee, director, and supervisor profit-sharing compensation) and expenses and perquisites.

\*This table is for information disclosure purposes only and is not intended to be used for tax purposes, as the remuneration disclosed in this table differs from the concept of income under the Income Tax Act.

#### 4. Employee Compensation Granted to Management Team

February 28, 2025, Unit: NT\$ thousand

	Title	Name	Employee Compensation - in Stock (Fair Market Value)	Employee Compensation - in Cash	Total	Ratio of Total Amount to Net Income
Executive Officers	Chairman/CEO	Liang, Chin-Li	0	60,663	60,663	2.32%
	President	Lai, Ming-Kun				
	President	Wang, Chun-Sheng				
	Vice President	Chang, Ri-Dong				
	Vice President	Chen, Yuan-Pi				
	Vice President	Lee, Ming-Chih				
	Assistant Vice President	Li, Po-Sheng				
	Assistant Vice President	Yang, Hui-Bao				
	Assistant Vice President	Tung, San-Chi				
	Assistant Vice President	Lin, Ching-Yi				
	Assistant Vice President	Chi, Chia-Chin				
	Assistant Vice President	Tseng, Huei-Shiung				
	Financial/Accounting/ Chief Corporate Governance Officer	Chen, Chung-Sheng				

Note1: Fill in the amount of employee profit-sharing compensation (including stocks and cash) received by the managerial officers as approved or expected to be approved by the board of directors for the most recent fiscal year. If the amount cannot be forecasted, disclose the amount expected to be distributed by calculating pro-rata to the amount that was actually distributed in the preceding fiscal year. Net income means the net income after tax on the parent company only or individual financial report for the most recent fiscal year.

5. Comparison of Remuneration for Directors, Presidents and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Presidents and Vice Presidents

(1)The ratio of total remuneration paid by the company and by all companies included in the consolidated financial statements for the most recent two fiscal years to directors, presidents and vice presidents of the Company, to the net income.

Unit : NT\$ thousand

Title	2023				2024			
	Total Remuneration paid to directors, presidents and vice presidents		Ratio of total remuneration paid to directors, presidents and vice presidents to net income		Total Remuneration paid to directors, presidents and vice presidents		Ratio of total remuneration paid to directors, presidents and vice presidents to net income	
	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements	The company	Companies in the consolidated financial statements
Directors	155,696	165,361	8.47%	9.00%	206,432	219,168	7.89%	8.37%
CEO								
Presidents								
Vice Presidents								

(2)The policies, standards, and portfolios for the payment of remuneration, the procedures for determining remuneration, and the correlation with business performance and future risk exposure.

A. Directors

Remuneration for directors includes the transportation and attendance fare for directors attending the board meetings, attendance fare for members of functional committee attending the committee, executive business expense, and the annual compensation for directors in accordance with the Articles of Incorporation. According to Article 26-1 of the Articles of Incorporation, when distributing the surplus profits for each fiscal year, the company shall first offset its losses of previous years and set not more than five percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to directors. The "surplus profits" here refers to the balance of pre-tax profit before deducting the employees' and directors' compensation. Total compensation paid to directors are reviewed by the Remuneration Committee in consideration of the company's business performance, the general pay levels in the industry and be submitted to the board of directors for approval. Compensation for individual director is determined in accordance with the "Regulations governing remuneration paid to directors and functional committee." The company takes into account the results of the performance evaluation of directors to calculate the points of each director. Such as the degree of participation in the company's operations, the attendance rate for the year, whether to serve as the chairman and other items. Then distributes the total amount approved by the board of directors according to the proportion.

Independent directors receive a fixed amount of remuneration per month and do not participate in the distribution of annual remuneration for directors. If an independent director is appointed as a member of any functional committee by the

board of directors of the company, he/she will receive additional remuneration paid to members of functional committee.

**B. Presidents and Vice Presidents**

The remuneration for presidents and vice presidents includes fixed salary and variable salary. The fixed salary is the monthly salary; the variable salary includes the employee compensation and performance bonus, which is measured based on their personal annual appraisal performance and is closely linked to the company's operational and sustainable performance results. The content of the annual appraisal includes qualitative indicators (such as the key core competence of the job, future development potential... etc.) and quantitative indicators (such as the status of achievement of the personal goal, including financial performance indicators, comprehensive management indicators, and sustainability practice indicators, as well as the achievement rate... etc.) as shown in <Table 1>. The total amount of employee compensation is in accordance with the company's articles of association, when distributing the surplus profits for each fiscal year, the company shall first offset its losses of previous years and set not less than three percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to employees. The total amount of performance bonus payout is determined based on the company's annual operating performance. Both are reviewed by the company and the Remuneration Committee and submitted to the board of directors for approval. In addition, if the presidents and vice presidents serve as directors or supervisors of subsidiaries, they can also receive remuneration in accordance with the "Regulations governing the representative of a juristic person director or supervisor appointed to the group companies."

**C. The company's procedure for determining remuneration of all employees** (including all executives) is in accordance with the performance evaluation and salary regulations approved by the board of directors. After the overall consideration of the individual's participation in the company's operations and performance evaluation, reasonable remuneration will be given. The measurement aspects are listed in <Table 1>. The Remuneration Committee and the Board of Directors also regularly review the fairness of salary and remuneration of directors and executives, and review the regulations in a timely manner based on actual operating conditions and relevant laws and regulations. There is no incentive for the directors and executives to pursue compensation by engaging in activities that exceed the tolerable risk level.

<Table 1>

Aspect	Items and proportions	Explanation
Core	Practice and management of core values	Company recognition, commitment and ethics are necessary conditions, as well as the ability to practice business philosophy, vision and strategic goals, and demonstrate leadership and management skills.
Index	Financial Performance (40%)	Business side, execution side, contribution, value output, etc.
	Comprehensive Management (30%)	Including innovation, integration, quality management, human resource management and cultivation, risk management, legal compliance and the practice of corporate social responsibility.
	Sustainable Practice (30%)	Proposals for environmentally friendly value projects, the proportion of energy-saving materials and equipment, the proportion of participation in social welfare activities, etc.

#### D. Linking executive compensation to ESG performance

To align the performance of senior executives with the company's sustainable vision and strategic goals, the company has established long-term value contribution bonus regulations. These regulations incorporate sustainability strategy goals into the evaluation criteria, linking them to variable compensation. This encourages senior executives to prioritize and achieve the company's vision and goals. The long-term value contribution bonus focuses not only on performance but also on contributions to long-term value, including talent development, green innovation technologies, greenhouse gas reduction goals, and climate action. Senior executives are required to report regularly to the board on the content and results of their long-term value contributions, with assessment factors approved by the Remuneration Committee and submitted to the board for final approval before disbursement.

### iii. Implementation of Corporate Governance

#### 1. Board of Directors

A total of 8(A) meetings of the board of directors were held in 2024. The attendance of director was as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance rate(B/A)	Remarks
Chairman	Liang, Chin-Li	8	0	100%	Was re-elected on May 24, 2024
Director	Yang, Jung-Tang	4	0	100%	Term expired on May 24, 2024
Director	Hu, Tai-Tsen	8	0	100%	Was re-elected on May 24, 2024
Director	Xiang-Hui Development Co., Ltd. Representative: Wu, Pi-Huei	4	0	100%	Was newly elected May 24, 2024
Independent Director	Yeh, Hui-Hsin	4	0	100%	Term expired on May 24, 2024
Independent Director	Yang, Qian	4	0	100%	Term expired on May 24, 2024
Independent Director	Wang, Mao-Rong	4	0	100%	Term expired on May 24, 2024
Independent Director	Huang, Tzu-Pei	7	1	87.5%	Was re-elected on May 24, 2024
Independent Director	Chi, Chih-Yi	4	0	100%	Was newly elected May 24, 2024
Independent Director	Chiu, Hui-Yin	4	0	100%	Was newly elected May 24, 2024
Independent Director	Liang, Lien-Wen	4	0	100%	Was newly elected May 24, 2024

#### ■ Other mentionable items:

(1) If there are any of the following circumstances applies, the dates of meetings, sessions, contents of motions, all independents' opinion and the Company's response to independent directors' opinion

should be specified:

A. Circumstances referred to in Article 14-3 of Securities and Exchange Act.: Since the company has set up its Audit Committee, the provisions of Article 14-3 shall not apply according to Article 14-5 of the Securities and Exchange Act.

B. Resolutions of the directors' meetings objected to by Independent Directors or subject to qualified opinion and recorded or declared in writing.: None.

(2) If there is Directors' avoidance of motions in conflict of interest, the Directors' names, contents of motions, causes for avoidance and voting should be specified:

Directors' names	Contents of motions	Causes for avoidance	Voting
Liang, Chin-Li	The 2023 performance bonus for executives.	He concurrently served as the Company's chief officers.	He did not participate in the voting.
Liang, Chin-Li	To loan funds to subsidiary - Enrich Tech Co., Ltd.	He is a shareholder of the subsidiary.	He did not participate in the voting.
Liang, Chin-Li	The company's 2024 remuneration for executives.	He concurrently served as the Company's chief officers.	He did not participate in the voting.
Liang, Chin-Li Hu, Tai-Tsen Huang, Tzu-Pei	The directors (including independent directors) nomination proposed from both shareholder(s) holding above one percent (1%) of the total number of outstanding shares of a company and the company	They are nominees.	They did not participate in the voting.
Liang, Chin-Li Hu, Tai-Tsen Huang, Tzu-Pei	To release the directors and their representatives from non-competition restrictions	They are people who have been released from non-competition restrictions.	They did not participate in the voting.
Liang, Chin-Li	The allocation of incentive funds of the employee stock ownership trust to executives	He concurrently served as the Company's chief officers.	He did not participate in the voting.
Liang, Chin-Li Hu, Tai-Tsen	The distribution of 2023 directors' compensation.	They are an interested party in relation to the motion.	They did not participate in the voting.
Liang, Chin-Li	The distribution of 2023 employee's compensation for executives.	He concurrently served as the Company's chief officers.	He did not participate in the voting.
Liang, Chin-Li Hu, Tai-Tsen	The company's 2024 remuneration policy to directors and employees.	They are an interested party in relation to the motion.	They did not participate in the voting.
Liang, Chin-Li	The company's 2024 compensation policy for executives.	He concurrently served as the Company's chief officers.	He did not participate in the voting.

### (3) Performance Evaluation of the Board of Directors

Circle	Conducted once a year
Period	From Jan. 1 to Dec. 31 of the evaluation year
Range	The board as a whole, individual directors, and functional committees (Including Remuneration Committee, Audit Committee and Sustainability and Nominating Committee)
Method	Internal evaluation by the board, self-evaluation by the board members of themselves, and evaluation by an appointed external professional institution and experts once every three years
Content	<ul style="list-style-type: none"><li>■ Evaluation of the board of directors: At least include participation in the operation of the company, improvement of the quality of the board of directors' decision making, composition and structure of the board of directors, election and continuing education of the directors, and internal control.</li><li>■ Evaluation of the board members on themselves: At least include familiarity with the goals and missions of the company, awareness of the duties of a director, participation in the operation of the company, management of internal relationship and communication, the director's professionalism and continuing education, and internal control.</li><li>■ Evaluation of the functional committees: At least include participation in the operation of the company, awareness of the duties of the functional committee, improvement of quality of decisions made by the functional committee, makeup of the functional committee and election of its members, and internal control.</li></ul>

The Board has approved to establish the company's "Rules for Performance Evaluation of Board of Directors and Functional Committees" on Feb. 26, 2015. The company conducts internal evaluation at the end of each year through questionnaire. Directors and members of Functional Committees shall fill out questionnaires such as the Questionnaire of Self-Performance Evaluation of the Board, the Questionnaire of Self-Performance Evaluation of Board Members, and the Questionnaire of Self-Performance Evaluation of the Functional Committee. According to Article 3, the company also conducts external evaluation at least every three years. The criteria for evaluating the performance of the board of directors is regularly reviewed by the Sustainability and Nominating Committee and results of the evaluation will serve as a reference for the calculation of individual directors' remuneration and the selection or nomination of directors by the company.

After all questionnaires are completed, the Financial Division will then collect it and calculate the score. The internal evaluation in 2024 has been conducted in January 2025. All participants including the entire Board, individual members of Board, and each functional committee (Remuneration Committee, Audit Committee and Sustainability and Nominating Committee) have scored more than 90 points (out of 100 points). The performance is evaluated as excellent and there is no need to improve. The above result of the internal evaluation has been reported to the Board meeting after approval by the Sustainability and Nominating Committee on Feb. 27, 2025 and has been revealed on the website of the company.

The company commissioned the "Taiwan Corporate Governance Association" to carry out an external evaluation of Board performance in October 2023. It is confirmed that the Taiwan Corporate Governance Association and evaluating experts have no financial interest and business relations with the company, and they do not violate the requirement of professional and independence. All the evaluation processes were completed with the evaluation report available by Jan. 3, 2024. The result of the external evaluation has been reported to the Board meeting after



approval by the Nominating Committee on Feb. 26, 2024 and has been disclosed on the company's website. The content is summarized as follows.

- Evaluation duration: From November 1, 2022 to October 31, 2023.
- Evaluation standards and method: Evaluate the eight aspects of the Board, including the composition, leadership, authority, supervision, communication, internal control and risk management, self-discipline and others, through an online questionnaire and site visits.
- Overall evaluation results: Board members understand the implementation of sustainable management in the company. The company fully implements environmental, safety, and health management and reports to the board to strengthen its supervisory function. The company voluntarily establishes a Nominating Committee to actively implement corporate governance systems, enhance the effectiveness of the Board of Directors and create corporate value. The company provides orientation training for new directors to assist them in assuming their roles and complying with laws and regulations, which is highly appreciated.
- Evaluation recommendations:
  - A. Establish board term objectives and incorporate them into performance evaluation indicators to effectively assess the board's effectiveness;
  - B. Upgrade the existing "corporate sustainability committee" at the management level to a functional committee under the board of directors, to effectively fulfill the board's supervisory responsibilities;
  - C. Further develop the company's overall risk management policy.
- Improvement status: The company has reorganized the existing "Corporate Sustainability Committee" and the "Nominating Committee" into the "Sustainability and Nominating Committee," which will report to the board of directors and is responsible for implementing the company's sustainability goals and enhancing sustainability governance.

(4) Measures taken to strengthen the functionality of the Board:

In addition to implementing the "Board of Directors Meeting Rules" in accordance with the "Regulations Governing Procedure for Board of Directors Meetings of Public Companies," the company also has an independent director system to complement its board. Independent directors perform their roles in accordance with the relevant laws and instructions of the competent authority, and serve both executive and supervisory purposes.

A. Board structure

The board is comprised of members from a variety of backgrounds, who have been chosen based on the development needs of the company. All directors and independent directors have the academic background and experience necessary to enable the board's decision and supervisory capacity. "Directors Election Procedures" that stipulate a cumulative voting system and nomination system for director and independent director elections. Shareholders who hold above a certain number of shares are given the right to nominate candidates. The nomination process is fair and transparent; it increases minority shareholders' chances to participate, protects the interests of investors, and prevents the nomination from becoming monopolized or excessive. Furthermore, a set of by-election procedures was also introduced to avoid disruption to the company's business operations if some or all directors and independent directors are dismissed. To ensure the independence of the board, the company has rules that each director and independent director are required to exercise their authorities independently. The company also establishes a performance evaluation system for the board of directors in order to improve the operation efficiency and enhance the board functions. According to the "Rules for Performance Evaluation of Board of Directors and Functional Committees," the company not only conducts internal evaluation of the board and self-evaluation by the board members of themselves once a year but also commissions an external evaluation institution or panel of

external experts and scholars to conduct external evaluation of the board at least every three years. Information such as directors' shareholding positions, transfer restrictions, and collateralized shares are fully disclosed on the Market Observation Post System, which investors are welcome to make inquiries on.

**B. The independent director system**

The company has clearly outlined the availability, eligibility, and authorities of its independent directors in the "Articles of Incorporation" and "Independent Director Authorities and Responsibilities." Currently, the company has established four independent director positions with the power to be involved in decision making and to express opinions according to the Securities and Exchange Act.

**C. Establishment of an Audit Committee**

The company established an Audit Committee, which replaced supervisors according to Article 14-4 of the Securities and Exchange Act. The committee is composed of four independent directors. All of them are chosen from persons with sufficient financial knowledge or business experience. "Audit Committee Charter" outlines the level of independence expected from the Audit Committee and the role they play in the company's operations. The Audit Committee ensures that the company's internal control system is effectively implemented and financial statements are properly prepared.

The company has created a mailbox exclusively for communication with the Audit Committee on its website (under the "Investors" section), which enables investors, stakeholders and employees to communicate with the Audit Committee directly by e-mail.

**D. Establishment of a Remuneration Committee**

The company established the "Remuneration Committee Charter" in accordance with Article 14-6 of the Securities and Exchange Act and completed the recruitment of committee members. The Committee evaluates matters relating to the compensation of the directors and managerial officers of the company in a professional and objective way, and submits recommendations to the board of directors for its reference in decision making.

**E. Establishment of Sustainability and Nominating Committee**

On May 24, 2024, the company's board of directors resolved to reorganize the existing "Nominating Committee" into the "Sustainability and Nominating Committee." The previously established "Nominating Committee Charter" has also been revised into "Sustainability and Nominating Committee Charter" to implement the company's sustainability goals and strengthen sustainable governance and management mechanisms, while enhancing the functions of the board of directors. The 1<sup>st</sup> Sustainability and Nominating Committee is composed of four independent directors and one director, and its main responsibilities include exercising corporate governance, fostering a sustainable environment, preserving public welfare, enhancing disclosure of corporate sustainable development information, etc.

**F. Improving information transparency**

Financial information, resolutions on material issues, board meeting participation, and director ongoing education information are published on the Market Observation Post System as required by law. The company's financial and business performance is also made accessible to the public on its website.

- (5) Independent directors' attendance of board in 2024: A total of 8 board meetings were held in 2024, except for Huang, Tzu-Pei, an independent director who entrusted others to attend once, all other independent directors attended each meeting in person.

(6) In 2025, 2 board meetings were held up to the date of printing of this annual report and all directors and independent directors attended in person.

## 2. Audit Committee

A total of 7 (A) Audit Committee meetings were held in 2024. The attendance of the independent directors was as follows:

Title (Note)	Name	Attendance in Person(B)	By Proxy	Attendance rate (B/A)	Remarks
Convener	Yeh, Hui-Hsin	4	0	100%	Term expired on May 24, 2024
Convener	Chiu, Hui-Yin	3	0	100%	Was newly elected May 24, 2024
Member	Yang, Qian	4	0	100%	Term expired on May 24, 2024
Member	Wang, Mao-Rong	4	0	100%	Term expired on May 24, 2024
Member	Huang, Tzu-Pei	6	1	85.7%	Was re-elected on May 24, 2024
Member	Chi, Chih-Yi	3	0	100%	Was newly elected May 24, 2024
Member	Liang, Lien-Wen	3	0	100%	Was newly elected May 24, 2024

Note : All audit committee members are independent directors. Please refer to page 7~13 for their professional qualification and experience.

### ■ Other mentionable items:

(1) Audit Committee's main responsibilities is to review the following matters:

- A. The adoption of or amendments to the internal control system in accordance with Article 14-1 of the Securities and Exchange Act.
- B. Assessment of the effectiveness of the internal control system.
- C. The procedures for handling financial or business activities of a material nature, such as acquisition or disposal of assets, derivatives trading, loaning of funds to others, and endorsements or guarantees for others in accordance with Article 36-1 of the Securities and Exchange Act.
- D. Matters in which a director is an interested party.
- E. Asset transactions or derivatives trading of a material nature.
- F. Loans of funds, endorsements, or provision of guarantees of a material nature.
- G. The offering, issuance, or private placement of equity-type securities.
- H. The hiring or dismissal of a certified public accountant, or their compensation.
- I. The appointment or discharge of a financial, accounting, or internal audit officer.
- J. Annual financial reports and second quarter financial reports that must be audited and attested by a CPA, which are signed or sealed by the chairperson, managerial officer, and accounting officer.
- K. Business report and proposal for earnings distribution or offsetting of deficit.
- L. Other material matters as may be required by the company or by the competent authority.

(2) Audit Committee's work of 2024 :

- A. Review the financial reports.
- B. Review the amendments to the internal control system and assessment of the effectiveness of

the internal control system.

C. Review the endorsements or guarantees for others.

D. Review the subscription of securities.

E. Review the loans of funds.

F. Review the amendments to the “Procedure for Acquisition or Disposal of Assets.”

G. Review the hiring of a certified public accountant and conduct assessments of CPA independence and competence based on a written statement issued by a CPA and AQIs. For specific indicators, please refer to page 43 <Table 1>.

H. Review the amendment of the commitment undertaken by the company due to the listing of subsidiary Acter Technology Integration Group Co., Ltd. and enter into a supplemental agreement on non-competition agreement.

(3) If any of the following circumstances exists, specify the Audit Committee meeting date, meeting session number, content of the motion(s), the content of any dissenting or qualified opinion or significant recommendation of the independent directors, the outcomes of Audit Committee resolutions, and the measures taken by the company based on the opinions of the Audit Committee:

A. Circumstances referred to in Article 14-5 of the Securities and Exchange Act.

B. Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors.

Audit Committee Meetings	Major resolutions	Circumstances referred to in Article 14-5 of the Securities and Exchange Act	Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors
Jan. 25, 2024	1. Approved to loan funds to subsidiary - Enrich Tech Co., Ltd.	✓	None
	Independent director's dissenting or qualified opinion or significant recommendation: None.		
	Resolutions of the Audit Committee: Approved by all attending members without objection.		
	Measures taken by the company based on the opinions of the Audit Committee: None.		
Feb. 26, 2024	1. Resolved to approve the company's 2023 business report and financial statements.	✓	None
	2. Resolved to approve the company's 2023 statement of internal control system.	✓	None
	3. Resolved to approve the evaluation of qualification and independence, and remuneration of the Certified Public Accountants.	✓	None
	4. Approved to amend the company's "Procedures for Acquisition and Disposal of Assets."	✓	None
	Independent director's dissenting or qualified opinion or significant recommendation: None.		
	Resolutions of the Audit Committee: Approved by all attending members without objection.		
	Measures taken by the company based on the opinions of the Audit Committee: None.		
Apr. 11, 2024	1. Approved to release the directors and their representatives from non-competition restrictions.	✓	None
	Independent director's dissenting or qualified opinion or significant recommendation: None.		
	Resolutions of the Audit Committee: Approved by all attending members without objection.		
	Measures taken by the company based on the opinions of the Audit Committee: None.		

Audit Committee Meetings	Major resolutions	Circumstances referred to in Article 14-5 of the Securities and Exchange Act	Resolutions which were not approved by the Audit Committee but were approved by two thirds or more of all directors
Aug. 27, 2024	1.Resolved to approve the amendment of the non-competition commitment provided for subsidiary Acter Technology Integration Group Co., Ltd. due to its listing.	✓	None
	2.Resolved to approve the supplementary agreement for the non-competition agreement with subsidiary Sheng Huei International Co. Ltd. and Acter Technology Integration Group Co., Ltd.	✓	None
	Independent director's dissenting or qualified opinion or significant recommendation: None.		
	Resolutions of the Audit Committee: Approved by all attending members without objection.		
	Measures taken by the company based on the opinions of the Audit Committee: None.		
Nov. 08, 2024	1.Approved to amend the company's "Other Management Control Activities."	✓	None
	Independent director's dissenting or qualified opinion or significant recommendation: None.		
	Resolutions of the Audit Committee: Approved by all attending members without objection.		
	Measures taken by the company based on the opinions of the Audit Committee: None.		

(4)If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None.

(5)Communications between the independent directors, the Company's chief internal auditor and CPAs (shall include the material items, methods and results of audits of corporate finance or operations, etc.)

CPAs and internal auditors report to the independent directors the results of the annual, quarterly, or semi-annual audited (reviewed) financial statements, or the functioning of internal controls through the Audit Committee meetings. In the meetings, independent directors are given sufficient opportunities to communicate with the CPAs and internal auditors face to face, which provides independent directors with sufficient overview of the company's operations and helps them to supervise appropriately. In addition to holding Audit Committee meetings quarterly, the independent directors also maintain regular e-mail contact with the CPAs and internal auditors in order to stay informed of the company's operations. The company holds a Closed-door meeting between the chief internal auditor and the independent directors at least once a year. Results of communication between the independent directors, the internal auditors and the CPAs in 2024 are listed in the table below and have been revealed on the company's website.

A. Communications between the independent directors and the internal auditors

Date	Communication matters	Execution results
Jan. 25, 2024 Closed-door Meeting	<ul style="list-style-type: none"> <li>■ 2023 self-assessment of the internal control system</li> <li>■ 2023 special audit implementation status</li> <li>■ 2024 Annual work plan</li> </ul>	■ No comments

Date	Communication matters	Execution results
Feb. 26, 2024 Audit committee meeting	<ul style="list-style-type: none"> <li>Internal audit activities report (2023/10~2023/12)</li> <li>2023 Statement of the internal control system</li> </ul>	<ul style="list-style-type: none"> <li>No comments</li> <li>Submit to the board of directors after approval</li> </ul>
May 09, 2024 Audit committee meeting	<ul style="list-style-type: none"> <li>Internal audit activities report (2024/01~2024/03)</li> </ul>	<ul style="list-style-type: none"> <li>No comments</li> </ul>
Aug. 08, 2024 Audit committee meeting	<ul style="list-style-type: none"> <li>Internal audit activities report (2024/04~2024/06)</li> </ul>	<ul style="list-style-type: none"> <li>No comments</li> </ul>
Nov. 08, 2024 Audit committee meeting	<ul style="list-style-type: none"> <li>Internal audit activities report (2024/07~2024/09)</li> <li>2024 Risk management reports</li> <li>2025 Annual audit plans</li> <li>To amend the company's "Other Management Control Activities - Management of Sustainable Information."</li> </ul>	<ul style="list-style-type: none"> <li>No comments</li> <li>Submit to the board of directors after approval</li> </ul>
Oct. 01, 2024 Communication via e-mail or phone call	<ul style="list-style-type: none"> <li>In the points of personal data protection management and execution testing steps, it is mentioned that "personnel entering and exiting the data center must register for control." Is there electronic access control in place that requires a card swipe to enter, or is registration alone sufficient? If someone enters without registering or forgets to register, how can we know someone has entered?</li> </ul>	<ul style="list-style-type: none"> <li>The data center is equipped with electronic access control, and entry requires card swiping (only IT staff have cards). Non-IT personnel (e.g., vendors performing system maintenance or repairs) must be accompanied by IT staff and fill out a "Data Center Access Log." The data center is also monitored by a surveillance system.</li> </ul>
Nov. 01, 2024 Communication via e-mail or phone call	<ul style="list-style-type: none"> <li>Subsidiary (Thailand): The abnormal ratio of procurement indicators (purchase request date &gt; delivery deadline) seems high. What improvement measures can be taken? Regarding issue 3, the phenomenon may extend the company's warranty period by 8 months. Is it possible to maintain the original acceptance date?</li> </ul>	<ul style="list-style-type: none"> <li>Out of 18 anomalies, 14 are concentrated in four projects (which share the same delivery deadlines, causing a higher anomaly rate). After reviewing recent purchase orders, the delivery deadlines have been adjusted based on actual execution needs.</li> <li>The warranty period starts from the "date of acceptance" and is based on the duration specified in the contract. For projects of similar scale, clients typically complete the acceptance process about 3 to 6 months after completion and start the warranty period from the date of acceptance. In this case, the client</li> </ul>

Date	Communication matters	Execution results
		intentionally delayed the acceptance process by requesting further modifications, prolonging the payment and the issuance of the warranty. The subsidiary in Thailand has since stopped taking projects from this client.
Nov. 29, 2024 Communication via e-mail or phone call	<ul style="list-style-type: none"> <li>■ The internal control deficiency tracking report in Thailand mentions that it's expected to apply for the remaining 5% warranty payment from the client in early November 2024. How did it turn out?</li> </ul>	<ul style="list-style-type: none"> <li>■ The warranty claim was submitted to the client on November 22, 2024, and we are currently awaiting their reply for confirmation. Related billing information is attached.</li> </ul>

B. Communications between the independent directors and the CPAs

Date	Communication matters	Execution results
Jan. 25, 2024 Closed-door Meeting	<ul style="list-style-type: none"> <li>■ Closed door meeting between the CPAs and the independent directors</li> </ul>	No comments
Jan. 25, 2024 KAM Meeting	<ul style="list-style-type: none"> <li>■ 2023 Key Audit Matters of the financial report</li> </ul>	No comments
Feb. 26, 2024 Audit Committee Meeting	<ul style="list-style-type: none"> <li>■ Consolidated financial reports of 2023</li> </ul>	No comments
May 09, 2024 Audit Committee Meeting	<ul style="list-style-type: none"> <li>■ Consolidated financial statements for three months ended March 31, 2024</li> </ul>	No comments
Aug. 08, 2024 Audit Committee Meeting	<ul style="list-style-type: none"> <li>■ Consolidated financial statements for six months ended June 30, 2024</li> </ul>	No comments
Nov. 08, 2024 Audit Committee Meeting	<ul style="list-style-type: none"> <li>■ Consolidated financial statements for nine months ended September 30, 2024</li> </ul>	No comments

3. Corporate Governance Implementation Status and Deviations from “the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Illustration	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	✓		The company has established “Corporate Governance Practical Rules” based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies. These practices are being implemented in compliance with laws with information properly disclosed in the best interests of investors, stakeholders and employees.	None
2. Shareholding structure & shareholders’ rights (1) Does the company establish an internal operating procedure to deal with shareholders’ suggestions, doubts, disputes and litigations, and implement based on the procedure? (2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares? (3) Does the company establish and execute the risk management and firewall system within its conglomerate structure? (4) Does the company establish internal rules against insiders trading with undisclosed information?	✓		(1) The company has appointed a spokesperson and a deputy spokesperson to handle shareholders’ suggestions, doubts and disputes according to the “Corporate Governance Practical Rules” and “Procedures for Handling Investor Relationship.”  (2) The company’s major shareholders are mostly comprised of the management team and long-term shareholders. The company constantly monitors shareholding positions of its directors and major shareholders. Changes in shareholding positions among directors, managers and shareholders with more than a 10% holding are reported regularly to the competent authority.  (3) The company and each of its affiliated enterprises operate independently from each other. The subsidiaries are governed by the internal control system and the “Subsidiary Management Policy.”  (4) The company has established “Procedures for Handling Material Inside Information and Avoiding Insiders Trading” to avoid insiders trading with undisclosed information and revealed the procedures on the company’s website. In 2017, the company introduced the integrity standards into the E-learning system and included it as the annual required course since 2018 to enhance the attentions of all the employees constantly. In 2024, a course was opened as follows: ■ Course name: “Ethical Corporate Management and Sexual Harassment Prevention”	None



Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Illustration	
			<ul style="list-style-type: none"> <li>■ Course outline: The ethical corporate management and sexual harassment prevention promotion, the explanation of employee ethics (including the prohibition of insider trading), and the compliance of code of ethics.</li> <li>■ Number of trainees: A total of 367 employees completed the training, the completion ratio is 89%</li> <li>■ Education hours: 241 hours</li> </ul> <p>Besides, the company provides information of insider trading, including laws and regulations and case analysis to its insider (directors and managerial officers) by E-mail semiannually. For new insiders, information will be provided for six consecutive months since their appointment. Information has been sent on Mar. 5, 2024 and Oct. 4, 2024, respectively. Directors of the company also irregularly participate in external training courses such as corporate governance and insider trading policies organized by external organizations.</p> <p>The amendment to the “Corporate Governance Practical Rules” was approved by board resolution on February 24, 2022. The amended provisions stipulate the adoption of stock trading control measures from the date insiders of the Company become aware of the contents of the company’s financial reports or relevant business results. Such measures include, but are not limited to, the prohibition of stock trading by directors during closure periods 30 days and 15 days prior to the release of annual and quarterly financial reports, respectively. We notified our insiders of the aforementioned closure periods by e-mail on the date the amendment took effect. In the future, insiders will be reminded of upcoming closure periods by e-mail 5 days in advance. In 2024, e-mail was sent out on Jan. 19, Apr. 18, Jul. 18 and Oct. 18, respectively.</p>	
3. Composition and Responsibilities of the Board of Directors (1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented? (2) Does the company voluntarily establish other functional committees in addition	✓		(1) The company has established “Corporate Governance Practical Rules” to formulate the diversification of the Board members and revealed it on the company’s website and MOPS. Please refer to page 14~16 for the content of the diversified policy, specific management goals and implementation. (2) The company originally established a Nominating Committee on May 30, 2018, which was reorganized into the Sustainability and Nominating Committee following a board	None

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Illustration	
<p>to the Remuneration Committee and the Audit Committee?</p> <p>(3) Whether the company formulates the regulations and method for the performance evaluation of the board of directors, conducts evaluation regularly every year, reports the results to the board of directors, and takes it as a reference for the remuneration, nomination and re-appointment of each director?</p> <p>(4) Does the company regularly evaluate the independence of CPAs?</p>			<p>resolution on May 24, 2024. For information on the composition, responsibilities, and operations of the Sustainability and Nominating Committee, please refer to page 46~47.</p> <p>(3) The Board has approved to establish the company's "Rules for Performance Evaluation of Board of Directors and Functional Committees" on Feb. 26, 2015. The company conducts internal evaluation at the end of each year through questionnaire. According to Article 3, the company also conducts external evaluation at least every three years. Results of the evaluation will serve as a reference for the calculation of individual directors' remuneration and the selection or nomination of directors by the company. The 2024 internal evaluation has been conducted. In addition, the company commissioned the "Taiwan Corporate Governance Association" to carry out an external evaluation of Board performance in October 2023. Please refer to page 28~29 for more information regarding content and results of evaluations.</p> <p>(4) The company evaluates the independence and competence of the CPA annually based on the "Regulations governing the CPA's performance evaluation" approved by the Board of Directors. The evaluation results are then submitted to the Audit Committee and the Board of Directors for resolution. The company completes the evaluation based on the "Assessment Form," referencing the written statement issued by a CPA for financial reporting and AQIs. The assessment form consists of three dimensions: Independence Indicators, Performance Indicators, and Audit Quality Indicators. Please refer to page 43 &lt;Table 1&gt; for specific indicator items.</p> <p>The average compliance rate for 2024 met the criteria for renewal of 80% or above. Therefore, upon approval by the Audit Committee and the Board of Directors on February 27, 2025, the company has renewed its contract with the CPA.</p>	
4. Whether TWSE/TPEX listed companies have deployed appropriate numbers of suitable corporate governance personnel, and designated a chief corporate governance officer responsible for cooperate governance affairs (including but not limited to providing provision of information required for performance of	✓		<p>Upon approval by the board on Nov. 8, 2023, the company has appointed manager of financial division, Chen, Chung-Sheng, as the chief corporate governance officer to be in charge of corporate governance affairs and designated Chairman and Board of Directors to be in charge of supervision. Mr. Chen is the managerial officer of the company and has been in a managerial position for at least three years in a public company in handling financial affairs, meeting the requirements of the chief corporate governance officer.</p> <p>The chief corporate governance officer performs its business according to the duties. In 2024, the main duties and business execution are shown as follows.</p>	None

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Illustration	
duties by the directors and supervisors, assistance to the directors in complying with laws and regulations, handling of matters relating to board of directors meetings and shareholders meetings in compliance with law, and preparation of minutes of board of directors meetings and shareholders meetings) ?			<p>(1) Furnishing information required for business execution by directors and arranging continuing education for directors.</p> <p>(2) Updating the developments of laws and regulations relating to the operation of the company in order to assist directors with legal compliance.</p> <p>(3) Plans to scheme proper corporate system as well as organizational frame to accelerate the independency of Board of Directors, transparency of company and compliance of decree.</p> <p>(4) Before directors' meeting, it will inquiry the opinion of every director to scheme and formulate agenda, inform to all directors for attendance at least 7 days prior to the meeting, and provide sufficient meeting materials and explain the proposals for directors' understanding about the content of relevant proposal as well as complete meeting minutes within 20 days after the board meetings.</p> <p>(5) Registers date of shareholders' meeting every year according to the deadline of law, produces and declares meeting notice, handbook for agenda and proceeding by deadline, and handles amendment registration after revision of Article of Incorporation or re-election of directors.</p> <p>(6) Improves relevant information of corporate governance in compliance with the indicator of the corporate governance evaluation system.</p> <p>(7) Pay attention to the transparency and symmetry of information to protect shareholders' rights.</p>	
5. Does the company establish a communication channel and build a designated section on its website for stakeholders(e.g., including but not limited to shareholders, employees, customers and suppliers, etc.), as well as handle all the issues they care for in terms of corporate social responsibilities?	✓		The company sets up stakeholder zones of official sites including employee, client, supplier, investor with respective specific contact windows respectively by category of stakeholder, continuously listens to feedback from stakeholders, understands their concerns, and reports relevant communication mechanisms and implementation results to the board of directors every year. The result of 2024 has been reported to the Board meeting on Nov. 8, 2024 and revealed on the company's website.	None
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	✓		The Company designates KGI Securities Registry and Transfer Department to deal with shareholder affairs.	None

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Illustration	
<p>7. Information Disclosure</p> <p>(1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?</p> <p>(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?</p> <p>(3) Does the company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?</p>	✓		<p>(1) The company has an official website (<a href="http://www.acter.com.tw">http://www.acter.com.tw</a>) that regularly updates the company's financial performance and discloses corporate governance information.</p> <p>(2) The company has adopted "Procedures for Handling Investor Relationship" to ensure the effective communication of systematically integrated information pertaining to financial and operational status, future development, and corporate governance to different target audiences in accordance with their individual needs based on the principles of fairness and transparency. The company has appointed dedicated personnel to gather and disclose information in a timely and appropriate manner.</p> <p>A. The company has implemented a spokesperson and a deputy spokesperson system, and disclosed their names and contact methods on the company's website.</p> <p>B. Information on investor seminars is disclosed on the company's website as it becomes available.</p> <p>C. The Company has already set up its English website to keep foreign investors informed of its financial and business standings.</p> <p>(3) In order to enable investors to obtain sufficient and accurate information in a timely manner, the company has announced and reported its 2024 financial report on February 27, 2025 and the financial reports for each quarter of 2024 as well as the operating status for each month of 2024 have been announced and reported before the specified deadline.</p>	None
<p>8. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors)?</p> <p>Below is a summary of steps taken by the management to ensure sound corporate governance:</p> <p>(1) The company has a set of work rules in place that protect employees' interests. Under these rules, employees, irrespective of rank, gender or nationality, are provided with benefits such as insurance, training, health checkups and retirement plans superior to legal requirements. In addition, the company's Employee</p>				

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Illustration	
<p>Welfare Committee introduces welfare packages that aim to create a harmonious workplace and to enrich employees’ lifestyles. The company is ISO 14001:2015 and ISO45001:2018-certified for the purpose of ensuring proper management over workplace safety and health. It has a Quality Insurance &amp; safety Department that is dedicated to promoting and supervising workplace safety; meanwhile, the company has established different kinds of meetings to encourage an open exchange of opinions between employees and management. An employee mailbox and whistle-blower system has also been made available on the company’s website (under the HR section), through which employees may reflect their opinions and offer suggestions.</p> <p>(2) Investor relations, supplier relations and stakeholders’ rights: as part of its goal of information transparency, the company discloses financial and business information in a timely and appropriate manner in compliance with related laws. It has contact windows and mailboxes that investors, suppliers and stakeholders can use to leave messages and give opinions. The company has also created a corporate governance section on its website in both Chinese and English to protect the interests of local and foreign investors and provide them with diversified information.</p> <p>The company establishes trade arrangements and issues purchase orders to suppliers in compliance with the principle of equality. These agreements clearly outline the rights and obligations between the two parties, and work to secure both parties’ legal interests.</p> <p>(3) Status of the Continuing Education of Directors: all directors of the company have completed the mandatory courses stipulated under “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies.” For status of the continuing education of directors in 2024, please refer to page 85 of the annual report.</p> <p>(4) Risk management policy and risk assessment standards: the company is focused on its primary business. We have risk and crisis management rules and policies, and set up a “risk management team” in charged by management personnel of related departments and divisions as the first line of defense for risk control, the President serves as the convener, and the audit office is the promotion and execution unit of the team (executive secretary). They identify, assess, confirm and classify all types of risks faced by the company by convening regular meetings every year and whenever necessary. We negotiate a feasible plan, report the implementation of risk management to the Audit Committee and the board of directors in a timely manner, and put forward necessary improvement suggestions to avoid or minimize risks that may jeopardize the company’s interests, and emphasis on employee safety. All major operating policies, investments, asset acquisitions and disposals, corporate guarantees and endorsements are subjected to thorough analysis before they are proposed for the board’s resolution. The Auditing Office develops annual audit plans based on assessed risks and executes accordingly as a means of risk supervision and reports to the Audit Committee and the board of directors on risk management once a year. The company’s risk management scope, organization and performance of 2024 have been disclosed on the company’s website.</p> <p>(5) Customer policy: The company has a Business Department and an Engineering Department responsible for engaging customers in timely communications, responding to customization needs, providing excellent services and resolving any issues that might arise. Besides, the General Administration Division conducts customer satisfaction survey from time to time and keeps all channels open for bilateral communication with customers.</p> <p>(6) Insurance against directors’ liabilities: the company has taken out liabilities insurance for its directors. Information about the insured amount, coverage and premium rate has been reported in the Board meeting on Jan. 16, 2025 and revealed on the MOPS.</p> <p>(7) Succession planning and execution of board members and key management levels of the company: At present, the succession planning of the company is</p>				

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Illustration	
<p>under way, and presidents of the company and its subsidiaries are the successor of the chairman, who shall cultivate succession ability through experience in operating the company or its subsidiaries. The operating directors of each company of the group agree with the company’s culture and their values are consistent with those of the company. They have already served the group for a certain period of time. They have gained recognition for their integrity, customer service and operating ability. At present, the successors are already members of the board of directors of each company. They are expected to learn about the operations of the board of directors in the next 8-10 years and take over from the board of directors in the future 10-15 years.</p> <p>The succession of senior executives in the company is mainly hierarchical, so it does not only focus on a few high-level executives. First, the departmental executives must have agents and prepare them as successors to the senior executives of each department. Subsequently, there will be an agent system for the executives of divisions and staff. Through work rotation training and functional development, mentorship, education, training, self-study, teaching and work experience, and the company’s existing performance appraisal system, the company’s future successors are assessed and cultivated for the company’s future development. The company recruits excellent talents, internally and externally to increase the width and depth of the company’s successors.</p>				
<p>9. The improvement status for the result of Corporate Governance Evaluation announced by Taiwan Stock Exchange</p> <p>The company is ranked in top 5% in 10th Corporate Governance Evaluation of Listed Companies. The company reviews items not achieving evaluation standard every year after the result of evaluation be announced, makes adjustment and improvement successively and carries out step by step. Among the indicators that did not meet the standards this year, the company has improved such as revising the “Rules Governing Financial and Business Matters Among the Group Enterprises, Specified Companies and Affiliated Enterprises” and investing in sustainable financial products. As for other advanced indicators, the company will review and discuss continuously.</p>				

<Table 1>

Independence Indicators	Performance Indicators	Audit Quality Indicators
The CPA has no direct or material financial interest in the Company	Financial reports for the first three quarters must be completed within 45 days of the end of the quarter, and annual financial reports must be completed within three months of the end of the year.	Experience, training hours, turnover, professional support
The CPA has no improper interest in the Company	Time to complete the audit and draft the report for the first three quarters	CPA's load, input, EQCR review situation, quality control support ability
Has the CPA provided relevant services for the Company within the past two years?	Time to complete the annual audit and draft the report	Non-audit service fees, client familiarity
The CPA's name is not used by other companies	Does the CPA frequently interact with the company's management team (including internal audit) and keep records?	Lack of external inspection and punishment, competent authority issued a letter to improve
Do auditing service task force members utilize undisclosed information they have become privy to in the performance of their duties for the trading of securities held by customers?	Do the CPA has appropriate interaction with independent directors and keep records?	Innovative planning or initiative
No debtor–creditor relationship exists between the CPA and the Company	Does the CPA actively make recommendations on the company's system and internal control for auditing purposes and keep records?	
No joint investment or profit sharing relationship exists between the CPA and the Company	Regularly update the company on tax and securities regulations and revised IFRS accounting standards.	
The CPA holds no concurrent appointment with fixed compensation at the Company	Stability of audit service team case manager and lead auditor.	
The CPA receives no business-related commissions from the Company	Assist in communication and coordination with regulatory authorities when necessary.	
Has the CPA served consecutive terms in excess of seven years?	Notify management or the governance unit regardless of the presence of anomalies when auditing internal fraud.	

#### 4. Composition and Operations of Remuneration Committee or Nominating Committee

##### (1) Remuneration Committee

##### A. Professional Qualifications and Independence Analysis of Remuneration Committee Members

February 28, 2025

Title	Qualifications Name	Professional qualifications and experience	Independence analysis	Number of other public companies at which the person concurrently serves as Remuneration Committee member
Independent Director (Convener)	Chi, Chih-Yi	Please refer to page 12~13 for the professional qualifications and experience of directors and the independence of independent directors		2
Independent Director	Huang, Tzu-Pei			None
Independent Director	Chiu, Hui-Yin			1
Independent Director	Liang, Lien-Wen			None

##### B. Attendance of Members at Remuneration Committee Meetings

a. There are four members in the Remuneration Committee.

b. The tenure of the 6th Remuneration Committee is from May 24, 2024 to May 23, 2027. A total of 6(A) meetings of the Remuneration Committee were held in 2024. The attendance record of the Remuneration Committee members was as follows:

Title	Name	Attendance in Person(B)	By proxy	Attendance Rate in Person (B/A)	Remark
Convener	Yang, Qian	4	0	100%	Term expired on May 24, 2024
Convener	Chi, Chih-Yi	2	0	100%	Was newly appointed on May 24, 2024
Member	Yeh, Hui-Hsin	4	0	100%	Term expired on May 24, 2024
Member	Wang, Mao-Rong	4	0	100%	Term expired on May 24, 2024
Member	Huang, Tzu-Pei	6	0	100%	Was appointed on May 24, 2024
Member	Chiu, Hui-Yin	2	0	100%	Was newly appointed on May 24, 2024
Member	Liang, Lien-Wen	2	0	100%	Was newly appointed on May 24, 2024

Other matters to be disclosed :

1. If the board of directors declines to adopt, or modifies a recommendation of the Remuneration Committee, the date of the Board of Directors meeting, term, content of motions, board resolution results and Company handling of Remuneration Committee opinions shall be specified. (If the compensation approved by the Board of Directors exceeds that proposed by the Remuneration Committee, the circumstances and cause of the difference shall be specified): None.
2. Resolutions of the Remuneration Committee objected to by members or subject to a qualified opinion and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.



C. The main duties of the Remuneration Committee

- a. Periodically reviewing the “Remuneration Committee Charter” and making recommendations for amendments.
- b. Establishing and periodically reviewing the annual and long-term performance goals for the directors and managerial officers of the company and the policies, systems, standards, and structure for their compensation.
- c. Periodically assessing the degree to which performance goals for the directors and managerial officers of the company have been achieved, and setting the types and amounts of their individual compensation.

D. Resolutions of the Remuneration Committee in 2024

Date	Major resolutions	Resolutions of the Remuneration Committee	Remuneration Committee’s dissenting opinion or qualified opinion
Jan. 25, 2024	1.Resolved to approve the 2023 performance bonus for executives.	Approved by all attending members without objection.	None.
Feb. 26, 2024	1.Resolved to approve the distribution of 2023 employees and directors compensation. 2.Resolved to approve the connection and reasonableness between the compensation policy of the directors and managerial officers and performance assessment results.	Approved by all attending members without objection.	None.
Apr. 11, 2024	1.Resolved to approve the company’s 2024 remuneration for executives.	Approved by all attending members without objection.	None.
May 09, 2024	1.Resolved to approve the allocation of incentive funds of the employee stock ownership trust to executives.	Approved by all attending members without objection.	None.
Aug. 08, 2024	1.Resolved to approve the distribution of 2023 directors’ compensation. 2.Resolved to approve the distribution of 2023 employee’s compensation for executives.	Approved by all attending members without objection.	None.
Nov. 08, 2024	1.Resolved to approve the company’s 2024 remuneration policy to directors and employees. 2.Resolved to approve the company’s 2024 compensation policy for executives.	Approved by all attending members without objection.	None.

(2)Sustainability and Nominating Committee

A. The required qualifications and the responsibilities of the company's Sustainability and Nominating Committee members.

The company originally established a Nominating Committee on May 30, 2018, which was reorganized into the Sustainability and Nominating Committee following a board resolution on May 24, 2024. The 1<sup>st</sup> Committee is composed of four independent directors and one director. Each member has the expertise to perform his or her duties such as expertise in corporate governance or work experience in the area of commerce, law, finance or accounting, or otherwise necessary for company business. Please refer to page 12~16.

The Committee shall convene at least once a year, and may call a meeting at its discretion whenever necessary. The duties of the Committee are shown as follows and members of the Committee perform their business according to the duties.

- a. Exercise corporate governance.
- b. Foster a sustainable environment.
- c. Preserve public welfare.
- d. Enhance disclosure of corporate sustainable development information.

B. The professional qualifications and experience of the members and status of operations of the Sustainability and Nominating Committee

- a. There are five members in the Sustainability and Nominating Committee.
- b. The tenure of the 1<sup>st</sup> Sustainability and Nominating Committee is from May 24, 2024 to May 23, 2027. A total of 3(A) meetings of the Committee were held in 2024, including 2 before the reorganization. The professional qualification, experience and attendance record of the Sustainability and Nominating Committee members was as follows:

Title	Name	Professional qualifications and experience (Note)	Attendance in Person(B)	By proxy	Attendance Rate in Person (B/A)	Remark
Convener	Yang, Qian	Management administration	2	0	100%	Term expired on May 24, 2024
Convener	Chi, Chih-Yi	Finance, sustainable risk management	1	0	100%	Was newly appointed on May 24, 2024
Member	Liang, Chin-Li	Corporate governance, energy saving engineering technology and practices	3	0	100%	Was appointed on May 24, 2024
Member	Yeh, Hui-Hsin	Accountant	2	0	100%	Term expired on May 24, 2024
Member	Wang, Mao-Rong	Industrial technician	2	0	100%	Term expired on May 24, 2024
Member	Huang, Tzu-Pei	Lawyer, regulatory compliance	3	0	100%	Was appointed on May 24, 2024
Member	Chiu, Hui-Yin	Accountant, sustainable risk management	1	0	100%	Was newly appointed on May 24, 2024
Member	Liang, Lien-Wen	Finance, sustainable risk management	1	0	100%	Was newly appointed on May 24, 2024

Note : Please refer to page 12~16.

C. Resolutions of the Sustainability and Nominating Committee in 2024 : The meeting date, meeting session number, content of the motion, content of recommendations or dissenting opinions of the Sustainability and Nominating Committee members, the outcome of the resolution of the Sustainability and Nominating Committee, and the measures taken by the company with respect to the Sustainability and Nominating Committee members' opinions.

Date	Major resolutions	Resolutions of the Sustainability and Nominating Committee	Recommendations or dissenting opinions of the Sustainability and Nominating Committee members
Nominating Committee Feb. 26, 2024	1.Resolved to approve the internal and external performance evaluation of board of directors in 2023. 2.Resolved to approve the 2024 programs for director continuing education. 3.Resolved to approve the review of the number of directors and the conditions that should be met. 4.Resolved to approve the review of the establishment standards and membership qualifications of the committees, and recommended their organizational charters.	Approved by all attending members without objection.	None.
Nominating Committee Apr. 11, 2024	1.Resolved to approve the directors (including independent directors) nomination proposed from both shareholder(s) holding above one percent (1%) of the total number of outstanding shares of a company and the company.	Approved by all attending members without objection.	None.
Sustainability and Nominating Committee Aug. 08, 2024	1.Resolved to approve the programs for new director continuing education. 2.Resolved to approve the company's report on sustainable development implementation results and work plan. 3.Approved to amend the "Rules of Procedure for Board of Directors Meeting." 4.Approved to amend the "Corporate Governance Practical Rules" and "Rules for Performance Evaluation of Board of Directors and Functional Committees."	Approved by all attending members without objection.	None.

5. The state of the company's promotion of sustainable development, any variance from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, and the reason for any such variance

Promotion Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Explanation	
1. Has the company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board? (the company shall describe its governance and supervisory framework for sustainable development, including but not limited to management policy, strategy and goal formulation, review measures, etc.)	✓		<p>To promote sustainable development; facilitate economic, environmental and social progress; and implement sustainable operations and management of the company, the company has established "Corporate Social Responsibility Best Practice Principles" based on the resolution of the Board of Directors on Apr. 29, 2014 and established "Corporate Social Responsibility Committee" chaired by the chairman in 2019. The principle is renamed to "Sustainable Development Best Practice Principles" in 2022, and the Committee is renamed to "Corporate Sustainability Committee" in 2021. In 2024, it was reorganized with the "Nominating Committee" to form the "Sustainability and Nominating Committee" to implement the company's sustainability goals and enhance the Board's management mechanism for sustainable governance. Apart from promoting sustainable development by the General Administration Division as the executive secretary, the Committee also has five teams of sustainable operations team, green economy team, risk governance team, sustainable supply chain team and corporate philanthropy team in charged by management personnel of related departments and divisions. The committee's work progress will be discussed regularly at the executive meeting yearly, while the implementation situation will be reported to the board of directors in the fourth quarter and the result will be disclosed on the company's website simultaneously. The performance of 2024 has been reported to the Board meeting on the 8th of November 2024. Excerpts are as follows</p> <ol style="list-style-type: none"> <li>1. Facilitate the shared prosperity with the whole society to take the corporate social responsibility to the utmost. <ul style="list-style-type: none"> <li>- Specific approaches: Contribute to the social welfare and help the vulnerable groups with our expertise and professional skills to form a corporate culture of willing to do something good and helping people.</li> </ul> </li> <li>2. Facilitate the workplace health and build up a safe working environment <ul style="list-style-type: none"> <li>- Specific approaches: Facilitate the project of health promotion and conduct the</li> </ul> </li> </ol>	None

Promotion Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Explanation	
			<p>activities for physical-psychological-spiritual relax and work-life balance. Meanwhile, implement all required working security management system to build up a safe working environment.</p> <p>– Implementation results: There were some activities like On-site health services by professional specialists, prevention of illegal infringements in the workplace, advocate of smoking hazards and health information (such as influenza prevention, cardiovascular disease, etc.) and family day conducted. In 2024, the injury at work in Acter was 0%.</p> <p>3. Establish a diverse and equal workplace culture</p> <p>– Specific approaches: Establishing related rules to protect human rights of all employees.</p> <p>– Implementation results: “Human Rights Policy” was set to secure the human rights and benefits of all the employees (active employees, contractors and temporary staff, interns etc.) Meanwhile, the policy will be updated based on the related regulations continuously.</p> <p>The company’s board of directors places great importance on promoting sustainable development. The 2023 Sustainability Report was also approved by the Board on August 8, 2024. The Board of Directors will continue to pay attention to the promotion of sustainable development and give advice in a timely manner.</p>	
2. Does the company conduct risk assessments of environmental, social and corporate governance issues related to its operations in accordance with the materiality principles, and formulate relevant risk management policies or strategies? The materiality principles refer to those who have	✓		<p>The disclosed information encompasses the sustainable development performance between January and December 2024. Risk assessments currently focus on the Taichung HQ and the defined boundaries currently do not include the Company’s subsidiaries.</p> <p>The company has formulated a “Risk and Crisis Management Rules” and approval by the board. The board of director is appointed as the supreme governance unit and established an inter-departmental risk management team to identify, assess, confirm and classify all types of risks faced by the company, and negotiate a feasible plan to effectively reduce the company’s operating risks. In addition, the company set up the “Corporate Social Responsibility Committee” in 2019, which is renamed to “Corporate Sustainability</p>	None

Promotion Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Explanation	
a significant influence on the company's investors and other stakeholders on environmental, social and corporate governance issues. (the company shall describe its risk management policies or strategies for operations-related environmental, social, and corporate governance issues, and the assessment status.)			<p>Committee" in 2021 and reorganized with the "Nominating Committee" to form the "Sustainability and Nominating Committee" in 2024, with the chairman as the convener and the General Administration Division as the executive secretary, responsible for promoting sustainable development. Based on the GRI Reporting Standards and the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP(2018), the Committee carry out materiality analysis through identification, analysis and confirmation to identify major issues of environmental, social and corporate governance and formulate relevant risk management policies or strategies as follows:</p> <ol style="list-style-type: none"> <li>1. In the environmental dimension, we have formulated climate risk identification procedures with reference to the TCFD framework. Regular GHG emission inventories within the scope of the operations are conducted in line with the ISO14064-1:2018 standard. Formulation of response measures to reduce the impact of environmental risks on operations are paired with the improvement for the ongoing development of green, energy-saving engineering technologies.</li> <li>2. In terms of social, we assess the issue of "occupational health and safety management." By establishing an Occupational Safety Committee, we jointly deliberating, coordinating and planning safety and health relevant regulations to effectively prevent occupational disasters and protect employees' health and safety.</li> <li>3. In terms of corporate governance, we assess the issue of "corporate governance and legal compliance." By strengthening the operation of the board of directors and implementing integrity management to ensure that all personnel around the company comply with the relevant laws and regulations and create a sound corporate governance culture.</li> </ol> <p>Please refer to the "Sustainable Management" chapter of the company's sustainability report for more information.</p>	
<p>3. Issues of Environment</p> <p>(1) Does the company establish proper environmental management systems based</p>	✓		<p>(1) The company has set up standard operating procedures and operations manuals according to the nature of its construction work. In addition to requiring employees to comply with construction procedures, the company is also dedicated to enhancing safety</p>	None

Promotion Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Explanation	
on the characteristics of their industries?			and hazard control over the work environment, work activities, and any instruments or equipment used. Work environments are tested regularly and the company's work practices have received ISO45001:2018 Occupational Health and Safety certification.	
(2) Does the company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?			<p>(2) The company has passed ISO14001:2015 Environmental Management certification and ISO50001:2018 Energy Management Systems certification processes, verified by a third-party verification agency and are firmly committed to realizing optimal use of energy and substantial achievements in the field of energy conservation through systematization, implementation, maintenance, and ongoing improvements of energy management, continues to devote resources to technology R&amp;D to provide customers with energy-saving solutions. By using energy-saving and heat recovery equipment, the company expects to reduce environmental pollution and promote recycling. The company also making regular inventories and reviews to understand its energy use status, enhancing energy efficiency through regular maintenance works; adopting energy-saving, water-saving or energy star labeled products; and, educating employees the energy-saving concepts and enhancing their awareness towards energy saving.</p> <p>Acter mostly relies on purchased electricity (within the boundaries of the Taichung HQ and some construction sites) and gasoline for company vehicles to meet its energy demands. We set a value not exceeding the baseline value (defined as the average value of the preceding two years) in the respective year as the energy conservation target for the following year.</p> <p>In 2024, the total non-renewable electricity consumption for the headquarters and construction sites was 216.7750 degrees; the total diesel usage was 29,025.6 liters, with a per capita consumption of 2.3 (GJ/number of employees), which is about 6.1% lower than the baseline of 2.45 (GJ/number of employees). We will continue to optimize energy management to ensure improved energy efficiency and promote various energy-saving measures, incorporating energy-saving and carbon reduction technologies. Additionally, we will raise employee awareness of energy conservation through training and daily communication to ensure that operational growth aligns with</p>	

Promotion Item	Implementation Status				Deviations and Reasons																		
	Yes	No	Abstract Explanation																				
			low-carbon development.																				
(3) Does the company assess the current and future potential risks and opportunities of climate change to the company, and adopt measures to respond to climate-related issues?			(3) With a view to tackling the challenges of climate change early on, a Sustainability and Nominating Committee has been formed as the highest body in the field of climate change with the chairperson of the Company serving as chair and the General Administration Division as the executive secretary. This committee deliberates climate change-related strategies and targets, identify climate change risks and opportunity. Based on the identification results, we further established metrics and management by objectives, and submits reports to the board of directors. We disclose information on governance, strategy, risk management, metrics and targets in accordance with the TCFD framework announced by the Financial Stability Board. Assessments of climate change risks are relaunched every two years and updates are inspected every year. The latest climate risk assessment was completed at the end of 2024. Relevant response measures were devised and the potential opportunities were analyzed. For a more detailed description, please refer to the Environmental Sustainability chapter in the Sustainability Report.																				
(4) Does the company count greenhouse gas emissions, water consumption and total weight of waste in the past two years, and formulate policies on energy saving and carbon reduction, reduction of greenhouse gas and water consumption or other waste management?			(4) The statistical results of the company’s greenhouse gas emissions, water consumption and total weight of waste in the past two years are as follows: 1.Greenhouse gas emissions: Please refer to page 67~69 of the annual report. 2. Water consumption: The boundary is Taichung HQ. <div>Unit: m<sup>3</sup></div> <table><tr><th>Item</th><th>2022</th><th>2023</th><th>Baseline value</th><th>2024</th><th>Reduction ratio in 2024</th></tr><tr><td>Total water consumption</td><td>743</td><td>831</td><td>787</td><td>1,018</td><td>29.35%</td></tr><tr><td>Water consumption per capita</td><td>8.16</td><td>8.70</td><td>8.43</td><td>10.60</td><td>25.74%</td></tr></table> We adopt the average value of the previous two years as the baseline value and set a value for the respective year not exceeding the baseline value as the target for water consumption reduction for the following year. In 2024, due to the expansion of business and an increase in workforce, water resource demand has also risen. The company has issued environmental e-newsletters each quarter to encourage employees		Item	2022	2023	Baseline value	2024	Reduction ratio in 2024	Total water consumption	743	831	787	1,018	29.35%	Water consumption per capita	8.16	8.70	8.43	10.60	25.74%	
Item	2022	2023	Baseline value	2024	Reduction ratio in 2024																		
Total water consumption	743	831	787	1,018	29.35%																		
Water consumption per capita	8.16	8.70	8.43	10.60	25.74%																		



Promotion Item	Implementation Status				Deviations and Reasons																			
	Yes	No	Abstract Explanation																					
			<p>to conserve water and has implemented sensor-operated faucets and water recycling measures to enhance water-saving awareness and achieve reduction goals. The company adheres to sustainable development principles, cherishing resources and utilizing them appropriately. Each year, the headquarters conducts its own assessment of water resource usage and sets reduction targets to minimize the environmental impact of its operations. The water supply for the headquarters comes from the Taiwan Water Corporation, with no groundwater or additional water sources, primarily for use by employees and visitors. Used domestic wastewater is discharged into the government public sewage treatment system, causing no significant impact on the natural environment. Through automatic sensor faucets, water-saving slogans, and regular environmental e-newsletters, employee awareness of water conservation is increased.</p> <p>3.Total weight of waste: The boundary is Taichung HQ.</p> <div>Unit: kg</div> <table><tr><td>Item</td><td>2022</td><td>2023</td><td>Baseline value</td><td>2024</td><td>Reduction ratio in 2024</td></tr><tr><td>Total weight of waste</td><td>309.5</td><td>319.8</td><td>314.7</td><td>316.5</td><td>(0.57%)</td></tr><tr><td>Output per capita</td><td>3.40</td><td>3.61</td><td>3.51</td><td>3.43</td><td>(2.28%)</td></tr></table> <p>In the field of waste reduction, we also adopt the average value of the previous two years as the baseline value and set a value for the respective year not exceeding the baseline value as the waste reduction target for the following year. The waste reduction target for 2024 has already been reached. Since Acter is an engineering service provider, not a manufacturing industry, waste management at its HQ mainly consists of kitchen waste recycling. The building management committee engages a professional, qualified waste treatment business for the unified collection and use of such waste for composting.</p> <p>For details of the greenhouse gas emissions and water consumption in the past two years, policies on energy saving, carbon reduction, reduction of greenhouse gas and water consumption, please refer to the “Environmental sustainability” chapter of the sustainability report.</p>			Item	2022	2023	Baseline value	2024	Reduction ratio in 2024	Total weight of waste	309.5	319.8	314.7	316.5	(0.57%)	Output per capita	3.40	3.61	3.51	3.43	(2.28%)	
Item	2022	2023	Baseline value	2024	Reduction ratio in 2024																			
Total weight of waste	309.5	319.8	314.7	316.5	(0.57%)																			
Output per capita	3.40	3.61	3.51	3.43	(2.28%)																			

Promotion Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Explanation	
4. Issues of Social (1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?			(1) The Company will follow the human rights related policies announced by the government. According to the Labor Standards Act, Act of Gender Equality in Employment and the related regulations, the company has set the “Work Rules” to secure the legal rights of the employees. “Human Rights Policy” was set to secure the human rights and benefits of all the employees (active employees, contractors and temporary workers, interns etc.) after referencing the related international initiatives, i.e. human rights related parts in International Bill of Human Rights and International Labor Convention etc. This policy has been announced to all employees and is disclosed on the company’s website.	None
(2) Does the company formulate and implement reasonable employee welfare measures (including salary, leave and other benefits, etc.), and appropriately reflect the operating performance or results on the compensation of employee?			(2) The Company stipulated “Employment Remuneration Administration Policies,” “Employee Appraisal Guidelines,” “Employee Reward and Discipline Guidelines,” “Employee Ethical Business Guidelines,” and “Regulations Governing Employee Reward” in accordance with relevant laws and regulations. It is expected to encourage employees to perform well and improve on weak performance with the open and concrete administrations measures in order to carry out the business philosophy and achieve sustainable development of the company. In order to provide sound rewards and remuneration program, the General Administration Division adjusts employee’s salary based on the market level of salary, the trend of economic, and employee’s potential every year. They also take achievement rate of annual budget target, the company’s annual operating performance and individual performance into consideration when calculating employee’s bonus. We are firmly committed to realizing the concept of equal pay for equal work and equal promotion opportunities for male and female employees and maintaining a ratio of female supervisors in excess of 20% to stimulate economic growth on the foundation of the concepts of sustainability and inclusion. In 2024, female employees and supervisors accounted for 26.83% and 23% on average, respectively. In terms of welfare planning, in addition to statutory standards, provide more welfare measures that meet the needs of employees such as leave without pay that are superior to	

Promotion Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Explanation	
			the law, group insurance, gender-equitable childcare measures, a solid retirement system, employee assistance programs, maternal health protection program, professional training, etc. For employees applying the old system of labor standards act, professional actuaries are commissioned to safeguard the future welfare of employees, while under the new system of labor pension act, the company contributes 6% of employees' salaries into individual pension accounts. Besides, according to Article 26-1 of the "Articles of Incorporation," when distributing the surplus profits for each fiscal year, the company shall first offset its losses of previous years and set not less than three percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to employees. The "surplus profits" here refers to the balance of pre-tax profit before deducting the employees' and directors' compensation. For employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, please refer to page 106~108 of the annual report or the "Common Prosperity" chapter of the sustainability report.	
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?			(3) The Company follows all the regulations and system about the work safety, and the Quality Insurance & safety Department is responsible for planning, implementing, and monitoring health management related tasks and educational trainings, and has obtained ISO45001:2018 certification. Through the regular security and health educational trainings for spontaneous check and disaster prevention, the awareness of work environment hazards and emergency responding capabilities of the staff could be improved. In 2024, a total of 12 emergency response drills were conducted, along with 20 educational work safety trainings totaling 2,200.5 hours, achieving 0 major occupational injuries and 0 disability frequency rate for 14 consecutive years. At the same time, we continue to care for and protect the physical and mental health of employees. In 2024, a total of 14 health promotion messages were published, 12 on-site services by occupational specialists and 4 health lectures were held, such as life isn't about fearing diabetes, quitting smoking for love and health, balancing multiple roles in work and life, understanding healthy eating and activities. No fire incidents occurred in	

Promotion Item	Implementation Status			Deviations and Reasons												
	Yes	No	Abstract Explanation													
			2024. For protective measures about safety and health of employees, please refer to page 108~112 of the annual report or the “Common Prosperity” chapter of the sustainability report.													
(4) Does the company provide its employees with career development and training sessions?			(4) In order to enhance the professional abilities, the company has set up employee promotion relative systems and founded the Acter A <sup>+</sup> Academy in 2014, arranging different courses for different ranks. The courses include core value training, professional training, management training, and general training. With the adoption of PDCA quality management model and E-Learning platform system, the company trains every employee from new employee orientation to setting their career development plan and to holding education and training programs that can satisfy their functional work requirements. Consensus meetings, seminars, workshops, external training and online classes also take place at Act to offer our employees diverse learning resources. For the implementation of education and training, please refer to page 106~107 of the annual report or the “Common Prosperity” chapter of the sustainability report.													
(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?			<div>(5) The company provides engineering technical service and provides customized design, as well as integrating construction service, etc. and its marketing and indication are in accordance with the execution of the following regulation and international criterion to ensure the safety of customers. On the other hands, Acter is devoted to protecting customers’ confidentiality, and has regulations such as “Obligation of Confidentiality” to ensure the rights of customers.</div> <table><tr><th>Construction Items</th><th>Regulation / Guide</th></tr><tr><td>Civil construction</td><td>Building Code and Regulations</td></tr><tr><td>Fire protection</td><td>Fire Prevention Act, Standards for Installation of Fire Safety Equipments Based on Use and Occupancy</td></tr><tr><td>Air conditioning</td><td>ISO 14644, PIC/S, FDA</td></tr><tr><td>Instrument and Control</td><td>GAMP 5</td></tr><tr><td>Compartment material</td><td>GMP, Building Code and Regulations, Interior Decoration and Repairs Governance Act</td></tr></table>	Construction Items	Regulation / Guide	Civil construction	Building Code and Regulations	Fire protection	Fire Prevention Act, Standards for Installation of Fire Safety Equipments Based on Use and Occupancy	Air conditioning	ISO 14644, PIC/S, FDA	Instrument and Control	GAMP 5	Compartment material	GMP, Building Code and Regulations, Interior Decoration and Repairs Governance Act	
Construction Items	Regulation / Guide															
Civil construction	Building Code and Regulations															
Fire protection	Fire Prevention Act, Standards for Installation of Fire Safety Equipments Based on Use and Occupancy															
Air conditioning	ISO 14644, PIC/S, FDA															
Instrument and Control	GAMP 5															
Compartment material	GMP, Building Code and Regulations, Interior Decoration and Repairs Governance Act															

Promotion Item	Implementation Status				Deviations and Reasons
	Yes	No	Abstract Explanation		
			Electric force and illumination	Electrical Code	
			Commissioning	ISPE Commissioning and Qualification	
			Water, Water for injection, and Vapor	ISPE Water and Steam Systems (Second Edition)	
			Sanitary pipe laying and equipment	ASME BPE 2009	
			Sterile preparation	Sterile Product Manufacturing Facilities (Second Edition)	
			Biological Products	Biopharmaceutical Manufacturing Facilities	
(6) Does the company formulate a supplier management policy which requires suppliers to comply with the relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and how their implementation is?			(6) The company rules management operations of suppliers upon internal control system and continually requires suppliers to take Acter’s “Suppliers Code of Conduct” as the basis for action, and work together with the supply chain to optimize our performance through good supply chain management; and make continuous progress on providing a safe work environment, maintaining operations ethically, forming a dignified labor-employee relationship and facilitating environmental protection. For the case of suppliers and contractors obtaining ISO 9001 quality and management system certificate ISO 14001 international environmental management system criteria, ISO45001 occupational health and safety system relevant certificates, and other qualification remark of government and quality qualification remarks of foreign government, it will be listed as priority suppliers. It enforces and promotes company corporate social responsibility in its transactions company with its suppliers. It specifies in the purchase order of the Company : “Article 13 The suppliers shall abide by the corporate social responsibility company requirements of the company. In the event that any of the policies were violated and their actions cause an impact on environment and society, the company can terminate or cancel the agreement at any time.” It stipulates environmental security and management procedure of contractor to specify that contractor shall the related regulations and requirement of environmental safety and health.		

Promotion Item	Implementation Status			Deviations and Reasons								
	Yes	No	Abstract Explanation									
			<p>Purchase order 12 specifies that the contractor’s safety and health regulations and the construction contract regulates “safety and health requirement of contractor” on engineering contracting agreement and rigidly conduct the requests the suppliers shall comply with every environmental safety and health requirement during construction toward supplier.</p> <p>It concludes “Honest and Integrity Commitment” establish healthy supplier chain relationship between the company and suppliers once the supplier breaches the commitment. The company holds the right to terminate the cooperation relationship and the supplier shall burden all legal responsibilities accordingly.</p> <p>Based on adherence to guidelines, risk assessment, participation in audits, and continuous improvement to enhance the sustainable development of the overall value chain, implementation into daily management has resulted in 100% compliance with the following conditions for all suppliers in 2024:</p> <table><tr><td>Supplier evaluation</td><td>In 2024, 300 new suppliers completed the signing of the supplier code of conduct and passed the supplier assessment.</td></tr><tr><td>Supplier audit</td><td>In 2024, on-site inspections were conducted at 4 factories to verify the implementation of their codes of conduct, and no deficiencies or items for observation were found.</td></tr><tr><td>Supplier assessment</td><td>To enhance the effectiveness of supplier management, assessments are conducted every six months. In 2024, a total of 165 suppliers were assessed, which also helped to understand their corporate sustainability and workplace safety performance.</td></tr><tr><td>Supplier training</td><td>Holding a daily toolbox meeting and safety training for contractors before work, and conducting daily safety and health inspections. Regularly inspect the contractor’s safety and health performance at the construction site. Conducting irregular training sessions on different topics at construction sites for suppliers, including courses on scaffolding, electrical hazard prevention, and emergency response.</td></tr></table>	Supplier evaluation	In 2024, 300 new suppliers completed the signing of the supplier code of conduct and passed the supplier assessment.	Supplier audit	In 2024, on-site inspections were conducted at 4 factories to verify the implementation of their codes of conduct, and no deficiencies or items for observation were found.	Supplier assessment	To enhance the effectiveness of supplier management, assessments are conducted every six months. In 2024, a total of 165 suppliers were assessed, which also helped to understand their corporate sustainability and workplace safety performance.	Supplier training	Holding a daily toolbox meeting and safety training for contractors before work, and conducting daily safety and health inspections. Regularly inspect the contractor’s safety and health performance at the construction site. Conducting irregular training sessions on different topics at construction sites for suppliers, including courses on scaffolding, electrical hazard prevention, and emergency response.	
Supplier evaluation	In 2024, 300 new suppliers completed the signing of the supplier code of conduct and passed the supplier assessment.											
Supplier audit	In 2024, on-site inspections were conducted at 4 factories to verify the implementation of their codes of conduct, and no deficiencies or items for observation were found.											
Supplier assessment	To enhance the effectiveness of supplier management, assessments are conducted every six months. In 2024, a total of 165 suppliers were assessed, which also helped to understand their corporate sustainability and workplace safety performance.											
Supplier training	Holding a daily toolbox meeting and safety training for contractors before work, and conducting daily safety and health inspections. Regularly inspect the contractor’s safety and health performance at the construction site. Conducting irregular training sessions on different topics at construction sites for suppliers, including courses on scaffolding, electrical hazard prevention, and emergency response.											

Promotion Item	Implementation Status				Deviations and Reasons
	Yes	No	Abstract Explanation		
			Supplier recognition and promotion	The company holds a supplier conference every 3 years to convey sustainable concepts and goals through new knowledge of work safety and environmental regulations, and also commends outstanding and contributing suppliers.	
5. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain third party assurance or certification for the reports above?	✓		The company’s report complies with the GRI Sustainability Reporting Standards (2021), corresponds to the SDGs, also refers to the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, ISO26000 Social Responsibility Guidelines, and Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, and will obtain the assurance or verification statement through the third-party organization. The company has entrusted the third-party BSI to conduct verification for 2023. Report of 2023 has obtained the verification and uploaded on the company’s website. Report of 2024 is being verified by PwC and is expected to be completed by the end of August for submission to the board for approval.		None
6. If the company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, please describe any deviation from the principles in the company’s operations: The company has made a commitment to sustainability, and has implemented measures such as an employee code of conduct and environmental safety and health policies. These actions are consistent with the rationale of the “Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies.”					
7. Other important information to facilitate better understanding of the company’s promotion of sustainable development : Please refer to <Table 1> and <Table 2>.					

&lt;Table 1&gt;

Item	Detailed Description
<b>■ Human rights</b>	
Compliance with the Labor Standards Act	The Company will follow the human rights related policies announced by the government. According to the Labor Standards Act, Act of Gender Equality in Employment and the related regulations, the company has set the “Work Rules” to secure the legal rights of the employees. “Human Rights Policy” was set to secure the human rights and benefits of all the employees (active employees, contractors and temporary workers, interns etc.) after referencing the International Bill of Human Rights, International Labor Convention and related international initiatives. To maintain employer-employee relations, the company holds employment meetings on a regular basis according to the “Regulations for Implementing Labor-Management Meetings.” Four meetings were held in 2024.
Other (e.g. protecting employees and recruitment candidates from harassment and discrimination)	The company has implemented the “Human Rights Policy,” “Sexual Harassment Prevention Policy,” and “Personal Information Protection Policy” to protect employees’ rights, interests and privacy. There were no complaints to violation of human rights as of 2024.
<b>■ Employees’ rights, safety and health</b>	
Adequate training for employees	In order to inspire growth among employees and nurture professional talent, the company has implemented a set of training guidelines and empowered General Administration Division to oversee employee training.
Employees’ right to express opinions	The company implements two-way communication through multiple channels such as internal platforms, employee mailboxes, seminars, labor-management meetings, and employee satisfaction surveys. An employee mailbox has been made available on the company’s website (under the HR section), through which employees may reflect their opinions about rights, welfare, management and the work environment. The company conducts an annual employee satisfaction survey, focusing on benefits and management systems, using anonymous questionnaires. The survey covers five aspects: organizational commitment, leadership, management systems, job satisfaction, and training. Based on employee feedback, the management will reference industry and market information to adjust measures, aiming to better meet employee needs and strengthen their sense of identity and responsibility. The survey was completed in November 2024 and improvement measures are being planned.
Other (e.g. ISO45001 certification on occupational health and safety, and offering of reasonable welfare and remuneration packages to	The company has obtained ISO9001:2015 certification on quality, ISO14001:2015 certification on environmental management, ISO50001:2018 certification on energy management systems and ISO45001:2018 certification on occupational safety and health. Its employee remuneration system has been developed in compliance with relevant laws including those that govern minimum wages and mandatory benefits.



Item	Detailed Description
employees)	
■ Employee care	
Workplace safety	The company has empowered a Quality Insurance & safety Department to oversee safety and health conditions at various work sites. The department conducts regular tests on the operating environment and takes steps to ensure that safety and health regulations have been strictly complied with to provide employees with the utmost assurance.
Establishment of written employee health and safety policies	The company has an environmental safety and health policy and related regulations and cooperates in their execution.
Other (e.g. care for employees' physical/mental development and family life)	The company has established "Employee Welfare Committee" in 2005. It plans employee traveling activities, association, gathering party, reunion party and so on, including family day, using activities to increase the interaction of employees with their families. We anticipated that our employee could attach importance on the family life and mental development apart from work value the importance of family for our employees and our Human Resource Division staff aims to take care of the needs of the employee, including physical and mental development. In 2024, a total of 4 employee welfare committee meetings were held, with a total annual appropriation amount of NT\$5,003,934, including special funds for employees to have overseas or domestic trips. A total of 75 overseas or domestic activities were held.
■ Environmental Protection	
Establishment of written environmental protection policy, compliance with environmental protection laws, and other (e.g. development of energy-saving and pollution-reducing technologies, equipment and activities; steps taken to reuse or recycle waste, or to reduce or prohibit the use of hazardous substances)	The company adheres to environmental regulations set by the Ministry of the Environment, such as the Air Pollution Control Act, Water Pollution Control Act, and Waste Disposal Act, and has established environmental health and safety management guidelines and information systems. Each department promotes the implementation of ISO 14001 activities. In 2024, three environmental management programs were completed, including pollution prevention through the completion of ISO 14064-1:2018 greenhouse gas verification and obtaining third-party verification statements to promote reduction initiatives. In the area of energy and resource conservation, regular monthly checks of office electrical wiring and lighting are conducted, replacing any faulty items to maintain lighting at over 500 lux. For waste management, reduction activities such as paper recycling are employed to minimize paper waste. The company obtained ISO 14001 certification for its environmental management system in January 2010, guided by the environmental health and safety policy focused on compliance with regulations, hazard prevention, energy conservation and waste reduction, continuous improvement, and employee participation, aiming for sustainable environmental management. Performance indicators for short- to mid-term environmental management include managing CO2 emissions, reducing waste,

Item	Detailed Description		
	and green procurement. The company successfully passed the ISO 14001:2015 re-certification process in March 2018, continuously meeting the latest standards for environmental management systems. The latest certificate is valid from December 14, 2024, to December 13, 2027.		
■ Community involvement			
Participation in community services and charity activities, and other (e.g. aid and investment in the community [including manpower, supplies, knowledge and skills], steps taken to ensure the health and safety of the community)	The company’s employees in the Taichung headquarters have formed the 「Volunteering group of Acter」 to join in the irregular community services and activities. The total involvement of employees in community services and service hours were as the following table. The service area has expanded from the company’s location in Taichung and Changhua to all of Taiwan, due to the volunteer activities being related to the company’s core business, enabling the company to contribute to society with its expertise.		
	The content of the participation in the service	Number of participants	Total hours
	2024/01/09 Blood donation event (Taichung)	11	5.5
	2024/06/27 Environmental education volunteer activities in Da-cheng Elementary School (Changhua)	2	4
	2024/10/19.20.26 Building volunteers (all of Taiwan)	19	152
	2024/12/14 Shopping with vulnerable seniors (Taichung)	18	54
Total	50	215.5	
■ Social contributions and social welfare			
Donations to charities, educational, healthcare, artistic activities etc., and other (e.g. aid to less-developed countries, offering of employment opportunities to the socially disadvantaged etc)	There are four aspects in regard to Acter’s social participation, including “environmental sustainability,” “care for the disadvantaged,” “sustainability in urban and rural areas,” and “community building.” Relevant actions are facilitated, reviewed and reported by the Company’s General Management Division and volunteer team each year. In 2024, we have totally invested NTD7,690,650 in social participation. Related activities are as follows: 1. Social participation <ul style="list-style-type: none"><li>– Purpose: Sponsor related groups and drive all employees to participate in volunteer work</li><li>– Description: Social participation expenditures and donations of materials</li><li>– Implementation results:<ul style="list-style-type: none"><li>■ Sponsored building volunteers- by case</li><li>■ Sponsored shopping with vulnerable seniors activity</li><li>■ Sponsored NIEA’s 20 elementary schools in Changhua the journals of Future Youth and Future Children for one year</li></ul></li></ul>		

Item	Detailed Description
	<ul style="list-style-type: none"> <li>■ Sponsored Library of Love - for Book Donations and Community Reading Center Construction</li> <li>2. Industrial-academic cooperation <ul style="list-style-type: none"> <li>- Purpose: Foster Acter's human capital and enhance young people's employment ability.</li> <li>- Description: Industrial-academic training plan, enterprise internship plan, scholarship</li> <li>- Implementation results: <ul style="list-style-type: none"> <li>■ A total of 1 student participated in the industry-academic training plan in 2024, costing NTD1,050,354.</li> <li>■ A total of 10 student participated in the corporate internship (7 in the semester-based internship, 2 in the academic year internship, and 1 in the summer internship), costing NTD4,106,276.</li> <li>■ Provide scholarship for NYUST , NKUST and NCUT, totaled NTD 390,000.</li> <li>■ The cost for the recruitment event and briefing, totaled NTD 88,625.</li> </ul> </li> </ul> </li> <li>3. External initiatives <ul style="list-style-type: none"> <li>- Purpose: Facilitate partnership; share knowledge and expertise; and participate in initiatives of sustainable development associations/ institutions.</li> <li>- Description: Facilitate industrial development and enhance the corporate brand image</li> <li>- Implementation results: In 2024, the total number of external partner organizations in which Acter participates as a member is 12, and the total amount of investment to assist in the development and operation of the organization is NT\$165,678. <ul style="list-style-type: none"> <li>■ Taiwan Energy Service Association</li> <li>■ Taiwan Refrigeration &amp; Air-conditioning Engineering Association of R.O.C.</li> <li>■ Taiwan Electrical Contractors Association</li> <li>■ Taiwan Water Pipe Engineering Industries Association</li> <li>■ Solar PV Generation System Association of R.O.C.</li> <li>■ Taiwan Pharmaceutical Manufacturer's Association</li> <li>■ Taichung Importers &amp; Exporters Chamber of Commerce</li> <li>■ Taiwan Electronic Equipment Industry Association</li> <li>■ Taiwan Parenteral Drug Association</li> <li>■ Semiconductor Equipment and Materials International</li> <li>■ Taiwan High-Tech Facility Association</li> <li>■ Taiwan Cleaning Technology Association</li> </ul> </li> </ul> </li> </ul> <p>The Company has followed the article 38 of "People with Disabilities Rights Protection Act" and article 12 of</p>

Item	Detailed Description
	“Indigenous Peoples Employment Rights Protection Act” to hire the people with disabilities and indigenous people. By 2024, 6 people with disabilities and 3 indigenous people were hired and they’d represent 2.1% of total employees in the company. The ratio meets the provisions of the laws and Acter will continue to evaluate if they were at the right position and provide them the equal rights for working.
<b>■ Social services</b>	
Promotion of social welfare and other	Over the years, the company has been continuously cooperated with schools and relevant educational institutes for industrial and academic projects, including “industrial and academic cooperation” and “internship programs.” It is the Company’s expectation to integrate the industry and school resources to generate synergy and create more opportunities for students. In 2024, total expenses for “industrial and academic cooperation” and “internship programs” are NT\$1,050 thousand and NT\$4,106 thousand respectively.
<b>■ Investor relations</b>	
Operating transparency	The company publishes financial and business information on the Market Observation Post System and its website as required by law.
Corporate governance	In an attempt to achieve more robust corporate governance, the company has empowered its directors and Audit Committee in accordance with the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies” to make the company’s operations more transparent to shareholders.
Other	The company has set up its own website and implemented a spokesperson and a deputy spokesperson policy as a means of providing more transparent financial information to investors.
<b>■ Supplier relations</b>	
Reasonableness of procurement prices and other	The company has developed a set of “Material Procurement and Management Procedures” based on ISO9001 standards. We compare the differences in products from preferred suppliers, ensuring that these differences and prices meet contractual requirements. By establishing procurement contracts with suppliers, the company is able to define the specifications for its purchases and thereby protect its own interests. Business dealings with suppliers are based on trust and a mutually beneficial relationship made possible by open communications.
<b>■ Stakeholder interests</b>	
Intellectual property rights	The company respects intellectual property rights, and is yet to be involved in any case of IP infringement.
Regulatory compliance	The company’s operating policies and systems are in strict compliance with laws.
Other (e.g. disclosure of corporate social responsibilities on company	The company has disclosed its corporate social responsibilities in prospectus and in its annual reports.

Item	Detailed Description
website)	
■ Consumer interests	
Emphasis put on customers relations (e.g. consumer protection, product quality, safety and innovation, attention to customers' complaints, provision of full product information etc.)	In order to provide customers with “total satisfaction,” the company conducts customer satisfaction surveys every year. Analysis and review are carried out for customer complaints and problems or where the overall evaluation score has not reached a certain score, and treatment options, improvement measures, and prevention methods are then proposed so as to achieve customer demands and expectations. Regarding the average customer satisfaction level of Acter in 2024 was score 93.8.

<Table 2>Climate-Related Information of TWSE/TPEX Listed Company

1. Implementation of Climate-Related Information

Item	Implementation status
<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 Sustainability and Nominating Committee serves as the climate change management unit, regularly planning and reporting on related issues, and presenting results at board and executive management meetings.</p> <p>2. Based on the likelihood and impact of climate risks and opportunities, summarize relevant items and assess the timeline and impact as listed below :</p> <ul style="list-style-type: none"> <li>■ Physical risks: equipment damage and operational interruptions caused by various disasters <ul style="list-style-type: none"> <li>(1) Extreme weather events: long-term (30 years)</li> <li>(2) Adapt to Climate Change: Long-term (30 years)</li> </ul> </li> <li>■ Transition risk: Global trends are moving towards greenhouse gas emissions control, leading to increased costs. The company is taking measures to conduct audits and voluntary reductions, complying with regulations. <ul style="list-style-type: none"> <li>(1) Policy and Regulatory Impact: Midterm (10 years)</li> <li>(2) Greenhouse gas emission pricing: midterm (10 years)</li> </ul> </li> <li>■ Opportunities <ul style="list-style-type: none"> <li>(1) Innovative energy-saving technology, precise market response:</li> </ul> </li> </ul>

Item	Implementation status
<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</p>	<p>short-term (5 years)</p> <p>(2) Enhancing Climate Resilience, Internal Regulatory Audit Identification: Short-term (5 years)</p> <p>(3) Promote energy conservation, carbon reduction, and resource management to mitigate potential policy impacts on operations: short term (5 years)</p> <p>3. The mentioned entities, transition risks and opportunities will impact changes in the company's operating costs.</p> <p>4. Regularly identify risks and opportunities, communicate with responsible units, and incorporate them into the company's annual risk management assessment. The Sustainability and Nominating Committee will report risk control measures and operational effectiveness to the Board of Directors.</p> <p>5. Please refer to the chapter on "Sustainable Innovation" in the Sustainability Report for an explanation of the scenario analysis.</p> <p>6. Please refer to the chapter on "Sustainable Innovation" in the sustainability report for more details on the relevant initiatives.</p> <p>7. Every year, the company initiates a greenhouse gas inventory and sets a carbon reduction plan, regularly reviewing effectiveness and adjusting strategies while closely monitoring domestic and international carbon pricing trends. Currently, a preliminary plan for headquarters implementation is underway, referencing Taiwan's Environmental Ministry's carbon fee of NT\$300 and the pricing of the EU emissions trading system. Carbon pricing not only influences employee behavior, optimizes management, and enhances project efficiency but also raises cost awareness, promotes green investment, and reduces carbon emissions in the supply chain, advancing toward net-zero targets.</p> <p>8. Reveal relevant emission data in the annual sustainability report and regularly review the progress towards achieving goals. Carbon credits</p>

Item	Implementation status
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 offset should be specified.	and RECs have not been implemented yet.
9. Greenhouse gas inventory and assurance status, reduction targets, strategies, and specific action plans (separately fill out in points 1-1 and 1-2 below).	9. Please refer to pages 67~69 of the annual report for an inventory and verification of greenhouse gas emissions, reduction targets, strategies, and specific action plans.

### 1-1. Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

#### 1-1-1 Greenhouse Gas Inventory Information

	2024		2023	
	Parent company		Parent company	
	Emission volume (ton-CO <sub>2</sub> e)	Intensity (ton-CO <sub>2</sub> e /NT\$ million)	Emission volume (ton-CO <sub>2</sub> e)	Intensity (ton-CO <sub>2</sub> e /NT\$ million)
Scope 1	71.7017	0.0082	75.9532	0.0125
Scope 2	107.0869	0.0123	91.8240	0.0151
Scope 3	297.6985	0.0341	303.9383	0.0501

Note1: The data covers Taichung headquarters and some engineering offices.

Note2: The intensity for 2024 and 2023 was calculated using the standalone net revenues of Acter, which were NT\$8,729,217 thousand and NT\$6,068,959 thousand, respectively.

Note3: Greenhouse gas inventory standards: ISO 14064-1:2018.

#### 1-1-2 Greenhouse Gas Assurance Information

	2024	2023
Scope of Assurance	The company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report. Complete assurance information will be disclosed in the chapter on “Sustainable Innovation” in the sustainability report.	HQ, Kaohsiung Operations Office, SPIL- CTSP Engineering Office, G 5 Project Office
Assurance Institutions		DNV
Assurance Standards		ISO 14064-1:2018
Assurance Opinion		The data complies with ISO 14064-1:2018 and has been verified with reasonable level of assurance.

## 1-2 Greenhouse Gas Reduction Targets, Strategy, and Concrete Action Plan

### 1-2-1 The greenhouse gas reduction base year and its data

Based on the results of the GHG inventory, the company has set a carbon reduction action path and strategic blueprint. Taking 2022 as the base year, total emissions for 2022 (Scope 1 and Scope 2) are 195.4969 ton-CO<sub>2</sub>e, while other indirect emissions (Scope 3) are 321.6870 ton-CO<sub>2</sub>e.

### 1-2-2 The reduction targets

The company plans to implement three main pathways for carbon reduction: Process Carbon Reduction, Facility Carbon Reduction, and Low-Carbon Energy. We will pursue a comprehensive carbon reduction strategy through green procurement, enhancing equipment efficiency, optimizing construction processes, and internal training. To demonstrate our commitment to climate action, we set 2022 as the base year and aim for a 30% absolute reduction in greenhouse gas emissions (Scope 1 & 2) by 2030, regularly reviewing results and optimizing strategies to minimize our operational impact on the environment.

### 1-2-3 Strategy and concrete action plan

Core	Action	Measure	Scope
Process Carbon Reduction	Green construction	<ul style="list-style-type: none"> <li>Utilize BIM 3D modeling to improve construction accuracy, reduce the risk of pipeline conflicts, and minimize material waste.</li> <li>Integrating various green construction methods such as prefabricated components, modular piping and wiring, and automated monitoring equipment effectively increases energy resource efficiency and reduces costs.</li> </ul>	Scope 2
	Green building	<ul style="list-style-type: none"> <li>Smart energy management and efficient energy-saving design enhance system performance while reducing energy consumption and carbon emissions.</li> <li>Optimize the distribution of heating and cooling loads to ensure the air conditioning system maintains high efficiency and low energy consumption under varying operating conditions.</li> </ul>	
	Power optimization	<ul style="list-style-type: none"> <li>Implement high-efficiency motors, LED lighting, and variable frequency air conditioning for energy savings.</li> <li>Optimize cooling towers, air compressors, and HVAC systems to reduce unnecessary energy consumption.</li> </ul>	
Facility Carbon Reduction	Replacement of outdated equipment	<ul style="list-style-type: none"> <li>Eliminate high-energy-consuming refrigerators, air conditioners, and water dispensers, and switch to energy-efficient labeled equipment.</li> <li>Replace aging wires and pipes to reduce energy loss and safety risks.</li> </ul>	Scope 1



Core	Action	Measure	Scope
	Green procurement	<ul style="list-style-type: none"> <li>■ Choose energy-efficient lighting, variable-frequency air conditioners, and low-energy office equipment to improve equipment efficiency.</li> <li>■ Establish internal green procurement guidelines to ensure that the company's purchases align with sustainable development principles.</li> </ul>	
Low-Carbon Energy	Energy management system	<ul style="list-style-type: none"> <li>■ Implement ISO 50001 energy management policies and set short-term and long-term energy saving and carbon reduction goals.</li> <li>■ Regularly conduct energy audits to identify high energy consumption areas and energy-saving improvement opportunities.</li> </ul>	Scope 3
	Training	<ul style="list-style-type: none"> <li>■ Establish energy management education and training to raise awareness of energy conservation among all employees and encourage energy-saving behaviors.</li> <li>■ Regularly send out eco-friendly and energy-saving newsletters, and hold seminars and related activities.</li> </ul>	

#### 1-2-4 The status of achievement of the reduction targets

Our 2024 greenhouse gas emissions (Scope 1 and 2) decreased by 8.55% from the base year. We will continue to monitor our operational carbon footprint, use data analysis and smart management technology to develop and implement more effective emission reduction plans, moving towards net-zero emissions.

6. The Status of the Company's Performance in the Area of Ethical Corporate Management and Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
- (1) To uphold operational principles of the utmost integrity, the company has established "Ethical Corporate Management Practice Principles," "Code of Ethics," "Ethical Corporate Management Operating Procedures and Conduct Guide," "Corporate Governance Practical Rules," "Sustainable Development Best Practice Principles" and "Employee Ethical Business Guidelines" that prohibit employees from offering, accepting, committing or requesting any inappropriate benefits, whether directly or indirectly, while performing their duties. Employees are also prohibited against involvement in any conduct that may be construed as dishonest, illegal, or a breach of trust.
- (2) Measures adopted :
- A. Employees of the company are prohibited from offering or accepting inappropriate benefits, and are discouraged from doing business with dishonest agents, suppliers, customers or other business partners.
  - B. All employees of the company are required to comply with policies and refrain from dishonest conduct.
  - C. Employees of the company are required to disassociate themselves whenever there is a conflict between their interests and the interests of the company.
  - D. Employees of the company are bound to maintain confidentiality over any commercial secrets learned during their involvement. They are prohibited from revealing such secrets to others as well as inquiring into secrets unrelated to their job roles.
  - E. All major operating policies, investments, asset acquisitions and disposals, loans, corporate guarantees and endorsements, and bank financing are subjected to thorough analysis before they are proposed for the board's resolution.
  - F. The company's Financial Division is responsible for reviewing transactions according to accounting policies and conducting credit assessments of its customers. The Financial Division clarifies with the financial statement auditor should they encounter any major issues or queries. It reports regularly to the competent authority and makes public announcements on mandatory disclosures as required by law.
  - G. The Auditing Office is responsible for carrying out internal audits on various departments within the company, and therefore ensures the robustness and effectiveness of the company's internal control systems.
  - H. For the purpose of pursuing sustainable development, the company is committed to the concept of "integrity" as an operational principle. This integrity is reflected in the company's transparent disclosure of financial and corporate governance information on its website and on the Market Observation Post System and its corporate governance system (comprising of its "Ethical Corporate Management Practice Principles" and "Ethical Corporate Management Operating Procedures and Conduct Guide").

(3) Ethical Corporate Management

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Illustration	
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Does the company formulate a policy of ethical corporate management approved by the board of directors, and declare its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its board and senior management to implement the policies?</p> <p>(2) Does the company establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which shall at least include preventive measures stated in Article 2, Paragraph 7 of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies?</p> <p>(3) Does the company establish policies to prevent unethical conduct with clear statements regarding relevant procedures, guidelines of conduct, punishment for violation, rules of appeal, and the</p>	✓		<p>(1) The company has always conducted its business activities with the utmost integrity, and for which it has implemented the “Ethical Corporate Management Practice Principles,” “Ethical Corporate Management Operating Procedures and Conduct Guide,” “Code of Ethics,” and “Employee Ethical Business Guidelines” after approval by the board. These corporate ethics policies, along with the board’s and the management’s commitments, have been explained in annual reports and on the company’s website.</p> <p>(2) The company’s “Employee Ethical Business Guidelines” prohibit employees from requesting, agreeing, delivering, or accepting any form of gift, kickback, bribe or other inappropriate benefits. Reporting channels have been made available for employees to report improper business activities. Also, the company adopts the practice of checking counterparties’ legitimacy and credibility before engaging in any business relationships, and therefore ensures that its business partners adopt the same level of fairness and transparency as does the company, and do not request, offer or accept bribes.</p> <p>(3) The company has established the “Ethical Corporate Management Practice Principles,” “Ethical Corporate Management Operating Procedures and Conduct Guide,” and “Code of Ethics” and published it on its website so employees can inquire at anytime. The aforementioned policies are reviewed and revised irregularly in accordance with the</p>	None

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Illustration	
commitment to implement the policies as well as review and revise the aforementioned policies regularly?			updated issued by the competent authority.	
<p>2. Fulfill operations integrity policy</p> <p>(1) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?</p>	✓		<p>(1) The company must assess the legitimacy of suppliers and contractors who have a business relationship with the company, and check any records of unethical conduct, to ensure that the business operating methods of such parties is fair and transparent, and shall avoid conducting business with suppliers and contractors that are involved in unethical conduct.</p> <p>When conducting the above assessment, the company may employ appropriate examination procedures to investigate a company's business partners based on the following items in order to know the state of that party's ethical corporate management:</p> <ol style="list-style-type: none"> <li>1. The country, location of the business operations, organizational structure, management policy and payment location.</li> <li>2. Has an ethical corporate management policy been drafted? What is the policy's state of implementation?</li> <li>3. Is the location of this company's business operations in a high corruption risk country?</li> <li>4. Is the business of this company classified as a high corruption risk business?</li> <li>5. The long-term operating situation and goodwill of this company.</li> <li>6. Ask the business partners of this company about their opinions concerning the company.</li> <li>7. Has this company been involved in any unethical conduct, such as bribery or illegal political contributions?</li> </ol> <p>When signing a contract, it shall be specified in contracts that when</p>	None

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Illustration	
<p>(2) Does the company establish an exclusively dedicated unit supervised by the Board to be in charge of corporate integrity, and regularly (at least once a year) report to the board of directors about the programs, supervision and execution situations for the ethical corporate management policies and the prevention against unethical conducts?</p> <p>(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and</p>			<p>suppliers or contractors are involved in unethical conduct while engaging in business activities, the company can terminate or cancel the contract at any time. Besides, suppliers or contractors are required to sign a “Letter of Ethical Commitment.”</p> <p>(2) The company has established “Ethical Corporate Management Practice Principles,” “Ethical Corporate Management Operating Procedures and Conduct Guide,” and “Code of Ethics,” etc. and is active in conveying its underlying rationale to the employees. In order to promote honest business, the General Administration Division supports the Executive Secretary to take charge of honesty relevant system and maintenance and supervision and execution, it shall report to the Board periodically every year and the promoting situation of 2024 has been reported to the Board on November 8, 2024, and which was disclosed on the site. Upon discovering or receiving reports of dishonest conduct, the General Administration Division investigates immediately and demands immediate cessation if such conduct has been verified to have violated laws or the corporate ethical principles. In which case, the violator will be subject to disciplinary action and legal claims if necessary in order to protect the company’s reputation. For dishonest conduct that has already occurred, the General Administration Division will help identify weaknesses in the internal control systems or procedures that led to the incident, and instruct the responsible department to rectify so that such incidents do not recur. All departments are required to report to the board of directors on dishonest conduct discovered, actions taken, and subsequent improvements made.</p> <p>(3) The company has implemented a set of “Employee Ethical Business Guidelines” that requires employees to disassociate themselves from cases that involve their own interests. Violators are subject to</p>	

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Illustration	
<p>implement it?</p> <p>(4) Has the company established effective systems for both accounting and internal control to facilitate ethical corporate management and has its internal audit unit developed relevant audit programs according to the assessment results for the risks of unethical conducts as well as reviewed compliance to prevention against unethical behaviors or entrusted accountants to conduct the review?</p> <p>(5) Does the company regularly hold internal and external educational training on operational integrity?</p>			<p>disciplinary actions.</p> <p>(4) The company has always paid great attention to the accuracy and completeness of its financial reporting procedures and controls. It has developed effective accounting systems and internal controls to address business activities that present higher integrity risks. Meanwhile, the internal auditor devises annual audit plans based on risk assessment outcomes, and compiles its findings into audit reports for the board of directors' review.</p> <p>(5) The Company would promote the company management concept and requirements by educational training and internal meetings to let the employees understand well and follow accurately. Year 2017, we have introduced the integrity standards into the E-learning system and included it as the annual required course since 2018. In 2024, a course was opened to enhance the attentions of all the employees as follows:</p> <ul style="list-style-type: none"> <li>■ Course name: "Ethical Corporate Management and Sexual Harassment Prevention"</li> <li>■ Course outline: The ethical corporate management and sexual harassment prevention promotion, the explanation of employee ethics (including the prohibition of insider trading), and the compliance of code of ethics.</li> <li>■ Number of trainees: A total of 367 employees completed the training, the completion ratio is 89%</li> <li>■ Education hours: 241 hours</li> </ul> <p>The company assigns employees to participate in ethics training whenever deemed appropriate.</p>	

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Illustration	
<p>3. Operation of the integrity channel</p> <p>(1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?</p> <p>(2) Does the company establish standard operating procedures for confidential reporting on investigating accusation cases and follow-up measures to be taken after the investigation is completed?</p>	✓		<p>(1) The company established a “Code of Ethics” and “Employee Ethical Business Guidelines,” and published it on company governance page of the official site. All employees shall abide by the rules and regulations, all executives of each unit shall carry out and ensure that all department employees understand, accept and comply with the relevant regulations with all its strength. Employees shall be cautious about any behavior that violates the code of conduct, on occasion that any inquiry or discovery of behaviors relating with violating any rule and the norm serious violation cases shall be reported to the Board and then given the corresponding punishment according to the “Employee Reward and Discipline Guidelines,” and a proceeding will be brought up once there is any relevant violation to the law. Employees who violated the regulation with a post under the level of manager for any personal punishment and measure considered as violation of law or impairment of interest and right as unjustified cause, it may submit concrete matter of fact and enclose with related information to appeal to Investigation Unit of General Administration Division, while the person who violated rules with post of above manager, it can conduct according to the regulation about appealing in Code of Ethics. For the reporting channels of the company, in addition to employee personal opinion or claim box, it also set up auditing commission mailbox for completing the function of supervision.</p> <p>(2) In order to reinforce the protection on the interest and right of reporter and avoid the revenge occurred by improper personnel measure, it built “whistleblower protection” relevant measures, for the staff and relevant personnel who denounced someone who has violated regulation or participated with the process of investigation, it will give appropriate</p>	None

Evaluation Item	Implementation Status			Deviations and Reasons
	Yes	No	Abstract Illustration	
(3) Does the company provide proper whistleblower protection?			<p>protection measure for refrain in them from suffering unfair treatment and revenge. In case that the whistleblower has suffered from revenge, it can seek remedies at specific responsibility unit or Office of the Chairman.</p> <p>(3) Concerning “Whistleblower Protection,” it safeguards the reporter’s position and rewards from degradation or expelling due to reporting, as for the case of suffering the revenge via normal reporting, in addition to providing compensation, a punishment will be imposed on the revenging party according to “Employee Reward and Discipline Guidelines.”</p>	
<p>4. Strengthening information disclosure</p> <p>(1) Does the company disclose its ethical corporate management policies and the results of its implementation on the company’s website and MOPS?</p>	✓		(1) The company has clearly disclosed its business philosophy on its website. Ethical guidelines are also made available for employees to inquire.	None
<p>5. If the company has established the ethical corporate management policies based on the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies, please describe any discrepancy between the policies and their implementation.</p> <p>The company has devised “Ethical Corporate Management Practice Principles” and “Ethical Corporate Management Operating Procedures and Conduct Guide” in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/ TPEX Listed Companies” and the company’s practices. These codes, procedures and manuals serve as guidance to employees while carrying out their roles.</p>				
<p>6. Other important information to facilitate a better understanding of the company’s ethical corporate management policies (e.g., review and amend its policies).</p> <p>In order to develop honesty as part of its corporate culture, governance and risk management, the company has outlined in its “Ethical Corporate Management Operating Procedures and Conduct Guide” the regulations that directors, managers and employees are bound to comply with and a list of conduct to avoid.</p>				

7. Other Important Information Regarding Corporate Governance

The company has established “Procedures for Handling Material Inside Information and Management of the prevention of insider trading.” The adoption or amendment to the procedures was submitted to the board of directors for approval by resolution and publicly announced. Please refer to the company’s website at [www.acter.com.tw](http://www.acter.com.tw)→Investors→Corporate Governance



## 8. Internal Control System

### (1) Statement of Internal Control System:

#### **ACTER GROUP CORPORATION LIMITED**

#### **Statement of Internal Control System**

Date: Feb. 27, 2025

Acter has conducted a self-assessment of internal controls for the period of January 1, 2024 to December 31, 2024. The results are as follows:

1. Acter acknowledges that the company's Board of Directors and management are responsible for establishing, implementing and maintaining the preexisting internal control system. The purpose of the internal control system is to provide a reasonable assurance for achieving the company's goals: efficient and effective operations (including profit, efficiency, and the safeguard of assets, etc.), reliability, timeliness, transparency, and regulatory compliance of reporting, and compliance with applicable laws and regulations.
2. The internal control system has its inherent constraints. Regardless of how well the system is implemented, it can only provide a reasonable assurance that the above goals will be achieved. Indeed the effectiveness of the internal control system may vary due to resulting changes in the environment and circumstances. Acter's internal control system is self-monitoring and requisite actions are promptly taken to address any recognized shortcomings in the system.
3. Acter evaluates the effectiveness of the design and performance of its internal control system as indicated in the Rules Governing Internal Control Systems Established by Public Listed Companies announced by the Securities and Exchange Commission, MOF. Based on the management control process, the items for assessing the internal control specified in the Points are: 1. Control Environment 2. Risk Assessment 3. Control Activities 4. Information and Communication and 5. Monitoring. Each is comprised of certain factors that are described in the Points.
4. Acter has evaluated the effectiveness of the design and performance of its internal control system in accordance with the above factors.
5. Acter believes that the effectiveness of the design and execution of its internal control system in 2024/12/31 the above mentioned assessment period provides reasonable assurance of achieving the goals of operation efficiency and effectiveness, reliability, timeliness, transparency, and regulatory compliance of reporting and compliance with applicable laws and regulations.
6. This Statement of Internal Control will be a prominent feature of Acter's annual report and prospectus and will be released to the public. Should any statement contained within be misleading or falsely represented, Articles 20, 32, 171 and 174 of the Securities Exchange Law shall apply.
7. This Statement of Internal Control has been approved by Acter's Board of Directors at the Feb. 27, 2025 board meeting. Seven directors attended the meeting and agreed with the content of the statement.

**ACTER GROUP CORPORATION LIMITED**

Chairman: Liang, Chin-Li

President: Lai, Ming-Kun  
Wang, Chun-Sheng

(2)Where a CPA has been hired to carry out a special audit of the internal control system, furnish the CPA audit report: None.

9. Major Resolutions of Shareholders' Meeting and Board Meetings

(1)Major Resolutions of Shareholders' Meeting

Date	Major resolutions	Implementation Status
May 24, 2024	<ol style="list-style-type: none"> <li>Adoption of the 2023 Business Report and Financial Statements.</li> <li>Adoption of the Proposal for Distribution of 2023 Profits.</li> <li>Discussion on the proposal to amend "Articles of Incorporation."</li> <li>Discussion on the proposal to amend "Rules of Procedure for Shareholder Meetings."</li> <li>Discussion on the proposal to amend "Procedure for Acquisition or Disposal of Assets."</li> <li>To elect 7 members of the 13th Board of Directors. (Including 4 independent directors)</li> <li>To release the directors and their representatives from non-competition restrictions.</li> </ol>	<ol style="list-style-type: none"> <li>Resolved by Shareholders' Meeting.</li> <li>Resolved by Shareholders' Meeting and the record date was set at Jul. 12, 2024. The company distributed cash dividends for the second half of 2023 on Jul. 29, 2024. (NT\$6 per share.)</li> <li>Resolved by Shareholders' Meeting and was approved by Economic Development Bureau on Jul. 5, 2024. It was implemented and has been revealed on the company's website.</li> <li>Resolved by Shareholders' Meeting. It was implemented and has been revealed on both the company's website and MOPS.</li> <li>Resolved by Shareholders' Meeting. It was implemented and has been revealed on both the company's website and MOPS.</li> <li>Elected and approved by Economic Development Bureau on Jul. 5, 2024. It has been revealed on the company's website and MOPS.</li> <li>Resolved by Shareholders' Meeting. It was implemented and has been revealed on MOPS.</li> </ol>

(2)Major Resolutions of Board Meetings

Date	Major resolutions
Jan. 25, 2024	<ol style="list-style-type: none"> <li>Resolved to approve the 2023 performance bonus for executives.</li> <li>Approved to acquire the securities of PSI.</li> <li>Approved to loan funds to subsidiary - Enrich Tech Co., Ltd.</li> <li>Resolved to approve the retroactive recognition of company's application for credit limit at banking institutions.</li> <li>Approved to provide a "Letter of Support" for credit limits applied by subsidiaries.</li> </ol>
Feb. 26, 2024	<ol style="list-style-type: none"> <li>Resolved to approve the distribution of 2023 employees and directors compensation.</li> <li>Resolved to approve the company's 2023 business report and financial statements.</li> <li>Resolved to approve the distribution of 2023 profit.</li> <li>Resolved to approve the company's 2023 statement of internal control system.</li> <li>Resolved to approve the evaluation of qualification and independence, and remuneration of the Certified Public Accountants.</li> <li>Approved to amend the company's "Procedures for Acquisition and Disposal of Assets."</li> <li>Resolved to approve the retroactive recognition of company's application for credit limit at banking institutions.</li> <li>Approved to amend the company's "Articles of Incorporation."</li> <li>Approved to amend the company's "Rules of Procedure for Shareholder Meetings."</li> <li>Approved to elect 7 members of the 13th Board of Directors. (Including 4 independent</li> </ol>

Date	Major resolutions
	<p>directors)</p> <p>11. Approved to release the directors and their representatives from non-competition restrictions.</p> <p>12. Approved to convene the company's 2024 annual shareholders' meeting.</p>
Apr. 11, 2024	<p>1. Resolved to approve the company's 2024 remuneration for executives.</p> <p>2. Resolved to approve the directors (including independent directors) nomination proposed from both shareholder(s) holding above one percent (1%) of the total number of outstanding shares of a company and the company.</p> <p>3. Approved to release the directors and their representatives from non-competition restrictions.</p> <p>4. Approved to amend the "Rules Governing Financial and Business Matters Among the Group Enterprises, Specified Companies and Affiliated Enterprises."</p> <p>5. Resolved to approve the implementation of an employee stock ownership trust.</p>
May 09, 2024	<p>1. Resolved to approve the allocation of incentive funds of the employee stock ownership trust to executives.</p> <p>2. Resolved to approve the consolidated financial statements for three months ended March 31, 2024.</p> <p>3. Resolved to approve the application and retroactive recognition of company's application for credit limit at banking institutions.</p> <p>4. Approved to provide a "Letter of Support" for credit limits applied by subsidiaries.</p>
May 24, 2024	<p>1. Approved by all attended directors to elect CHIN-LI LIANG as the chairman of the 13th Board of Directors.</p> <p>2. Resolved to approve the appointment of the 6th Remuneration Committee members.</p> <p>3. Resolved to approve the appointment of the 4th Audit Committee members.</p> <p>4. Approved to establish the "Sustainability and Nominating Committee Charter" and appoint the 1st Sustainability and Nominating Committee members.</p>
Aug. 08, 2024	<p>1. Resolved to approve the distribution of 2023 directors' compensation.</p> <p>2. Resolved to approve the distribution of 2023 employee's compensation for executives.</p> <p>3. Resolved to approve the consolidated financial statements for six months ended June 30, 2024.</p> <p>4. Resolved to approve the retroactive recognition of the company's guarantees and endorsements.</p> <p>5. Approved to update the explanation resolved by board on May 10, 2023, Proposal No. 5 and Jan. 25, 2024, Proposal No. 2 that the company's acquisition of securities.</p> <p>6. Approved to acquire shares of PSI from subsidiary Her Suo Engineering Co., Ltd.</p> <p>7. Approved to amend the "Regulations governing the CPA's performance evaluation."</p> <p>8. Resolved whether the significant accounts receivable exceeding the credit period of three months as of the second quarter of 2024 should be considered lending.</p> <p>9. Resolved to approve the company's report on sustainable development implementation results and work plan.</p> <p>10. Approved to amend the "Rules of Procedure for Board of Directors Meeting."</p> <p>11. Approved to amend the "Corporate Governance Practical Rules" and "Rules for Performance Evaluation of Board of Directors and Functional Committees."</p> <p>12. Approved to amend the "Procedures for Handling Material Inside Information and Avoiding Insiders Trading."</p> <p>13. Resolved to approve the retroactive recognition of company's application for credit limit at banking institutions.</p>
Aug. 27, 2024	<p>1. Resolved to approve the amendment of the non-competition commitment provided for subsidiary Acter Technology Integration Group Co., Ltd. due to its listing.</p> <p>2. Resolved to approve the supplementary agreement for the non-competition agreement with subsidiary Sheng Huei International Co. Ltd. and Acter Technology Integration Group Co., Ltd.</p>

Date	Major resolutions
Nov. 08, 2024	<ol style="list-style-type: none"> <li>1. Resolved to approve the company's 2024 remuneration policy to directors and employees.</li> <li>2. Resolved to approve the company's 2024 compensation policy for executives.</li> <li>3. Resolved to approve the consolidated financial statements for nine months ended September 30, 2024.</li> <li>4. Resolved to approve the company's business report and dividend distribution for the first half of 2024.</li> <li>5. Approved to amend the company's "Other Management Control Activities."</li> <li>6. Resolved to approve the 2025 annual audit plan.</li> <li>7. Resolved to approve the retroactive recognition of the company's guarantees and endorsements.</li> <li>8. Approved to amend the company's "Audit Committee Charter."</li> <li>9. Resolved to approve the retroactive recognition of the establishment of a subsidiary in India.</li> <li>10. Resolved to approve the retroactive recognition of company's application for credit limit at banking institutions.</li> <li>11. Resolved to approve the adoption of the IFRS Sustainability Disclosure Standard.</li> </ol>
Jan. 16, 2025	<ol style="list-style-type: none"> <li>1. Resolved to approve the 2024 performance bonus for executives.</li> <li>2. Resolved to approve the retroactive recognition of the company's guarantees and endorsements.</li> <li>3. Resolved to approve the retroactive recognition of company's application for credit limit at banking institutions.</li> </ol>
Feb. 27, 2025	<ol style="list-style-type: none"> <li>1. Resolved to approve the distribution of 2024 employees and directors compensation.</li> <li>2. Resolved to approve the company's 2024 business report and financial statements.</li> <li>3. Resolved to approve the distribution of 2024 profit.</li> <li>4. Resolved to approve the company's 2024 statement of internal control system.</li> <li>5. Resolved to approve the evaluation of qualification and independence of the Certified Public Accountants.</li> <li>6. Resolved to approve the retroactive recognition of the company's guarantees and endorsements.</li> <li>7. Resolved to approve the acquisition of equity in affiliate company.</li> <li>8. Approved to release the director from non-competition restrictions.</li> <li>9. Approved to amend the company's "Corporate Governance Practical Rules."</li> <li>10. Approved to amend the company's "Articles of Incorporation."</li> <li>11. Resolved to approve the schedule of the group's greenhouse gas inventory and verification.</li> <li>12. Resolved to approve the retroactive recognition of company's application for credit limit at banking institutions.</li> <li>13. Approved to convene the company's 2025 annual shareholders' meeting.</li> </ol>

10. Where, during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report, a director has expressed a dissenting opinion with respect to a material resolution passed by the board of directors, and said dissenting opinion has been recorded or prepared as a written declaration, disclose the principal content thereof.

None.

#### iv. Information on the professional fees of the attesting CPAs

##### 1. Professional fee of the attesting CPAs

Unit: NT\$ thousand

CPA Firm	CPA's Name	Audit Period	Audit Fee	Non-Audit Fee	Total	Remark
KPMG	Chen Cheng Hsueh Lu, Chien-Hui	Jan. 1, 2024~ Dec. 31, 2024	1,870	640	2,510	Note1

Note1: Non-Audit fees include tax certification of NT\$620 thousand and checklist for the salaries of the full-time employees who are not in a managerial position of NT\$20 thousand.

2. When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the amounts of the audit fees before and after the change and the reasons shall be disclosed.

None.

3. When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10 percent or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) therefore shall be disclosed.

None.

**v. Information on replacement of certified public accountant within the last 2 fiscal years or any subsequent interim period**

None.

**vi. The company's chairperson, general manager, or any managerial officer in charge of finance or accounting matters has in the most recent year held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm**

None.

**vii. Any transfer of equity interests and/or pledge of or change in equity interests (during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report) by a director, managerial officer, or shareholder with a stake of more than 10 percent during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report**

**1. Shares Changes in Shareholding of Directors, Managers and Major Shareholders**

Unit: Share

Title	Name	2024		As of Feb. 28, 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman(CEO)	Liang, Chin-Li	0	0	0	0
Director (Note1)	Yang, Jung-Tang	0	0	Not applicable	
Director	Hu, Tai-Tsen	(500,000)	0	(800,000)	0
Director (Note1)	Xiang-Hui Development Co., Ltd.	0	0	0	0
	Representative: Wu, Pi-Huei	1,000	0	0	0
Independent Director (Note1)	Yeh, Hui-Hsin	0	0	Not applicable	
Independent Director (Note1)	Yang, Qian	0	0	Not applicable	
Independent Director (Note1)	Wang, Mao-Rong	0	0	Not applicable	
Independent Director	Huang, Tzu-Pei	0	0	0	0
Independent Director (Note1)	Chi, Chih-Yi	0	0	0	0
Independent Director (Note1)	Chiu, Hui-Yin	0	0	0	0
Independent Director (Note1)	Liang, Lien-Wen	0	0	0	0
President	Lai, Ming-Kun	0	0	0	0
President	Wang, Chun-Sheng	(40,424)	0	(30,000)	0
Vice President	Chang, Ri-Dong	0	0	0	0
Vice President	Chen, Yuan-Pi	(37,000)	0	(10,000)	0

Title	Name	2024		As of Feb. 28, 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Vice President	Lee, Ming-Chih	0	0	0	0
Assistant Vice President	Li, Po-Sheng	0	0	0	0
Assistant Vice President	Yang, Hui-Bao	0	0	0	0
Assistant Vice President	Tung, San-Chi	0	0	0	0
Assistant Vice President	Lin, Ching-Yi	0	0	0	0
Assistant Vice President	Chi, Chia-Chin	0	0	0	0
Assistant Vice President	Tseng, Huei-Shiung	0	0	0	0
Financial/Accounting/ Chief Corporate Governance Officer	Chen, Chung-Sheng	0	0	0	0

Note1: The company held a re-election on May 24, 2024. Following the re-election, director Yang, Jung-Tang and independent directors Yeh, Hui-Hsin, Yang, Qian, and Wang, Mao-Rong did not continue their terms. At the same time, Wu, Pi-Huei, the representative of Xiang-Hui Development Co., Ltd., and independent directors Chi, Chih-Yi, Chiu, Hui-Yin, and Liang, Lien-Wen were newly elected. The changes in shareholding of the aforementioned personnel for the year 2024 only disclose information during their term.

2. Shares Trading in Shareholding of Directors, Managers and Major Shareholders with a Stake of More than 10 Percent

Name	Reason for transfer	Date of transaction	Counterparty	Relationship between the counterparty and the Company, directors, supervisors, managerial officers, and major shareholders	No. of shares	Transaction price
Hu, Tai-Tsen	Gifting	Oct. 1, 2024	Sun, Cheng-Mei	Director's spouse	500,000	Not Applicable
Hu, Tai-Tsen	Trust	Feb. 17, 2025	CHB Trust Account	Trust with discretion reserved	800,000	Not Applicable

3. Shares Pledge in Shareholding of Directors, Managers and Major Shareholders with a Stake of More than 10 Percent

None.

**viii. Relationship information, if among the company's 10 largest shareholders any one is a related party or a relative within the second degree of kinship of another**

As of January 8, 2025

Name (Note1)	Shareholding		Spouse & Minor		Shareholding by Nominee Arrangement		The relationship between any of the Company's Top Ten Shareholders (Note3)		Remark
	Shares	%	Shares	%	Shares	%	Name	Relation	
Xiang-Hui Development Co., Ltd. Representative: Yang, Sin-Hao	5,395,776	4.35	0	0.00	0	0.00	None	None	None
Chiu-Chang Investment Co., Ltd Representative: Wang, Yi-Hua	4,904,580	3.95	0	0.00	0	0.00	Liang, Chin-Li	Spouse of the representative of Chiu-Chang Investment Co., Ltd.	None
Liang, Chin-Li	4,609,734	3.72	239,810	0.19	0	0.00	Chiu-Chang Investment Co., Ltd	The representative of Chiu-Chang Investment Co., Ltd is the spouse of Liang, Chin-Li	None
Citibank (Taiwan) Limited in custody for Norges Bank-fund mgr Blackrock Investment Management (Taiwan) Limited	3,995,172	3.22	0	0.00	0	0.00	None	None	None
HSBC Bank (Taiwan) Limited in custody for Morgan Stanley & Co. International Plc	3,348,737	2.70	0	0.00	0	0.00	None	None	None
Sumitomo Chemical Engineering Co., Ltd. Representative: Nobuyuki Kobayashi	2,760,998	2.23	0	0.00	0	0.00	None	None	None
Hu, Tai-Tsen	2,107,178	1.70	543,608	0.44	0	0.00	None	None	None
Tsai, Chih-Cheng	1,614,768	1.30	576,116	0.46	0	0.00	None	None	None
J.P. Morgan in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	1,447,168	1.17	0	0.00	0	0.00	None	None	None

Name (Note1)	Shareholding		Spouse & Minor		Shareholding by Nominee Arrangement		The relationship between any of the Company's Top Ten Shareholders (Note3)		Remark
	Shares	%	Shares	%	Shares	%	Name	Relation	
J.P. Morgan in custody for Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	1,335,832	1.08	0	0.00	0	0.00	None	None	None

Note1: All of the top 10 shareholders should be listed, and the names of corporate/juristic person shareholders and their representatives should be listed separately.

Note2: The shareholding ratio (%) is calculated as the total numbers of shares respectively held by the shareholder, their spouse and minor children, or through nominees.

Note3: Disclose the relationships among the above-listed shareholders, including corporate/juristic person shareholders and natural person shareholders, in accordance with the provisions of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Note4: Data from the shareholder register as of the ex-dividend record date on January 8, 2025.

**ix. The total number of shares and total equity stake held in any single enterprise by the company, its directors and managers, and any companies controlled either directly or indirectly by the company**

As of Dec. 31, 2024, Unit: Share/%

Long-Term Investment (Note1)	Ownership by Acter		Ownership by directors and managers, and any companies controlled either directly or indirectly by the company		Total Ownership	
	Shares	%	Shares	%	Shares	%
Her Suo Eng., Co., Ltd.	10,000,000	100	0	0	10,000,000	100
Nova Technology Corp.(Note2)	43,196,358	55.94	792,692	1.03	43,989,050	56.97
Enrich Tech Co., Ltd.	7,401,560	56.94	1,190,352	9.15	8,591,912	66.09
Sheng Huei International Co. Ltd.	3,950,000	100	0	0	3,950,000	100
Sheng Huei Technology India Private Limited	8,316,000	99	84,000	1	8,400,000	100

Note1: Investments accounted for using the equity method.

Note2: Numbers of shareholding is according to the register of shareholders of Nova Technology Corp. on Feb 25, 2025.



### x. Status of the Continuing Education of Directors in 2024

Title	Name	Date	Host Organization	Course	Hours
Chairman	Liang, Chin-Li	May 16, 2024	Taiwan Institute of Directors	Analysis of the responsibilities and obligations of the board of directors under the latest securities trading law and corporate governance.	3
		Nov 12, 2024	Taiwan Corporate Governance Association	In the AI Era, Enterprise Growth and Innovation Thinking	3
Director	Hu, Tai-Tsen	May 14, 2024	Securities & Futures Institute, ROC	Carbon Emission Trading Mechanism and Applications in Carbon Management	3
		Jun. 21, 2024	Securities & Futures Institute, ROC	Shareholder meetings, management rights, and shareholder strategies.	3
		Aug. 30, 2024	Securities & Futures Institute, ROC	Personal Balanced Finance - A Financial Method Everyone Can Achieve	3
		Nov. 06, 2024	Taiwan Securities Association	Latest Trends in International Carbon Tariffs and Sustainable Business Strategies for the Securities and Finance Industry	3
		Dec. 06, 2024	Securities & Futures Institute, ROC	Global AI Development and Governance: Observations on the U.S., Europe, and China.	3
Director	Wu, Pi-Huei	Jul. 11, 2024	Securities & Futures Institute, ROC	ChatGPT Revolutionizes Industry Trends	3
		Aug. 01, 2024	Securities & Futures Institute, ROC	Economic Situation and Market Opportunities in New Southbound Countries	3
Independent Director	Huang, Tzu-Pei	Oct. 16, 2024	Taiwan Securities Association	Trends in the Development of Digital Evidence and Digital Forensics and International Standards	3
		Oct. 22, 2024	Accounting Research and Development Foundation	New Developments in International Sustainability Disclosure Standards	3
		Nov. 13, 2024	Taiwan Securities Association	How to interpret important operational information from financial statements	3
Independent Director	Chi, Chih-Yi	May 31, 2024	Securities & Futures Institute, ROC	Seminar on Sustainable Development Practices	3
		Jun. 21, 2024	Securities & Futures Institute, ROC	Shareholder meetings, management rights, and shareholder strategies.	3
Independent Director	Chiu, Hui-Yin	Apr. 02, 2024	ROC Certified Public Accountant Organization	Trends and Case Studies in Money Laundering Prevention	3
		May 16, 2024	Taiwan Institute of Directors	Analysis of the responsibilities and obligations of the board of directors under the latest securities trading law and corporate governance.	3
		Aug. 21, 2024	ROC Certified Public Accountant Organization	IFRS 2 Share-Based Payments and Key Issues of IFRS 9, IFRS 15, IFRS 16	3
		Oct. 16, 2024	ROC Certified Public Accountant Organization	Analysis of Money Laundering Patterns and Tax Crime Cases that Accountants Should Pay Attention to in their Practice	3
Independent Director	Liang, Lien-Wen	Jul. 03, 2024	Taiwan Stock Exchange	2024 Cathay Sustainable Finance and Climate Change Summit	6
		Jul. 18, 2024	Securities & Futures Institute, ROC	Opportunities and Challenges of Taiwan's Industrial Transformation Amid Geopolitics: Exclusive PMI/NMI Analysis	3
		Dec. 06, 2024	Securities & Futures Institute, ROC	Insider Trading Practical Cases and Related Legal Responsibilities	3

### III. Capital Overview

#### i. Capital and Shares

##### 1. Source of Capital

Unit: NT\$/Share

Month/ Year	Offering Value (NTD)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (NTD)	Shares	Amount (NTD)	Sources of Capital	Capital Increased by Assets Other than Cash	Other
12/ 2023	5	144,000,000	720,000,000	124,080,930	620,404,650	Common shares converted from domestic unsecured convertible bonds for NT\$4,515,865	None	Note1

Note1: Approved no. Jing So Shang Zi 11230221540, 12/04/2023

##### 2. Type of Stock

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common shares	124,080,930	19,919,070	144,000,000	GTSM Listed Company Stock

##### 3. Information for Shelf Registration: Not applicable.

#### ii. List of Major Shareholders

As of January 8, 2025

Shareholder's Name	Shareholding	
	Shares	Percentage
Xiang-Hui Development Co., Ltd.	5,395,776	4.35%
Chiu-Chang Investment Co., Ltd	4,904,580	3.95%
Liang, Chin-Li	4,609,734	3.72%
Citibank (Taiwan) Limited in custody for Norges Bank-fund mgr Blackrock Investment Management (Taiwan) Limited	3,995,172	3.22%
HSBC Bank (Taiwan) Limited in custody for Morgan Stanley & Co. International Plc	3,348,737	2.70%
Sumitomo Chemical Engineering Co., Ltd.	2,760,998	2.23%
Hu, Tai-Tsen	2,107,178	1.70%
Tsai, Chih-Cheng	1,614,768	1.30%
J.P. Morgan in custody for Vanguard Total International Stock Index Fund, a series of Vanguard Star Funds	1,447,168	1.17%
J.P. Morgan in custody for Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Funds	1,335,832	1.08%
Total	31,519,943	25.42%

Note: Data from the shareholder register as of the ex-dividend record date on January 8, 2025.

#### iii. Dividend Policy and Implementation Status

##### 1. Dividend Policy

(1) The dividend policy according to the Article of Incorporation provides as follows.

The company's surplus earning distribution or loss off-setting proposal may be proposed after the end of each half fiscal year.

When distributing the surplus earnings for each half fiscal year, the company shall first estimate and reserve the taxes to be paid, offset its losses, estimate and reserve the amount of employees' and directors' compensation, set aside or reverse a legal capital

reserve at 10% of the remaining earnings provided that the amount of accumulated legal capital reserve has not reached the amount of the paid-in capital of the company, then set aside a special capital reserve in accordance with law and the competent authority.

If there is a balance left over, the balance, together with the accumulated undistributed surplus in the previous period, shall be drafted by the board of directors for a distribution proposal. When the company distributes its surplus by issuing new shares, it shall follow the Article 240 of the Company Act; if such surplus is distributed in the form of cash, it shall be resolved by a majority vote at a board of directors meeting attended by at least two-thirds of the total number of directors.

If there is a surplus earning following annual closing, the company shall first pay the taxes and offset its losses, then distribute it in the following order:

- A. Set aside a 10% legal reserve. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply;
- B. Special reserve in accordance with law and the competent authority.
- C. If there is a balance left over, the balance, together with the accumulated undistributed surplus in the previous period, shall be drafted by the board of directors for a distribution proposal. When the company distributes its surplus by issuing new shares, it shall be resolved at the shareholders' meeting; if such surplus is distributed in the form of cash, it shall be resolved by a majority vote at a board of directors meeting attended by at least two-thirds of the total number of directors and shall be reported to the shareholders' meeting.

In accordance with the Article 241 of the Company Act, when the company distributes its legal reserve and the capital reserve, in whole or in part, by issuing new shares or by cash distribution which shall be distributed as dividend shares to its original shareholders in proportion to the number of shares being held by each of them, it shall be distributed in accordance with the resolution in the preceding paragraph.

The company reserves a portion of the surplus depending on its current environment, growth stage and long term financial planning. The remaining amount will be distributed by the board of directors as shareholder dividend based on the capital situation and economic development of the current year and cash dividend shall account for 10% or more of the total shareholder dividend.

- (2) The board of directors shall set out the company's distribution proposal based on the operational performance and the need of capital. When the company distributes its surplus by issuing new shares, it shall be resolved at the shareholders' meeting; if such surplus is distributed in the form of cash, it shall be resolved by a majority vote at a board of directors meeting attended by at least two-thirds of the total number of directors and shall be reported to the shareholders' meeting. According to the resolution of board, the distributed shareholder dividend would be not less than 51% of the current undistributed profit. Besides, cash dividend should account for 10% or more of the total shareholder dividend. Please refer to the company's website at [www.acter.com.tw](http://www.acter.com.tw)→Investors→Shareholder service→Contact information & Stock quote & Dividends history.

## 2. Distribution of Dividend

Period	Date of the resolution by the board of director	Payment date	Cash Dividends Per Share (NTD)	Total Amount (NTD)
First half	Nov. 08, 2024	Jan. 17, 2025	5	620,404,650
Second half	Feb. 27, 2025	To be resolved	10	1,240,809,300

Period	Date of the resolution by the board of director	Payment date	Cash Dividends Per Share (NTD)	Total Amount (NTD)
Total			15	1,861,213,950

**iv. Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at the most recent shareholders' meeting**

There was no stock dividend distribution proposed or adopted at the most recent shareholders' meeting.

**v. Compensation of employees and directors**

1. The percentages or ranges with respect to employee and director compensation, as set forth in the company's articles of incorporation.

When distributing the surplus profits for each fiscal year, the company shall first offset its losses of previous years and set not less than three percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to employees; and then set not more than five percent of the profit before tax excluding the amount of employees' and directors' compensation as compensation to directors. The "surplus profits" here refers to the balance of pre-tax profit before deducting the employees' and directors' compensation. The distribution of compensation to employees and directors shall be resolved with a majority vote of directors attended by at least two-thirds of total directors and reported to the shareholder's meeting.

Compensation to employees can be distributed in the form of shares or in cash and employees of parents or subsidiaries of the company meeting certain conditions set by the company can receive it as well.

2. The basis for estimating the amount of employee and director compensation, for calculating the number of shares to be distributed as employee compensation, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period.

- (1) The basis for estimating the amount of employee and director compensation

Please refer to v.1 Policy.

- (2) The company doesn't distribute employee compensation in stock for the current period.

- (3) The accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated figure, for the current period

Shall there be any difference between the actual distributed amount and the estimated figure, it will be deemed as the changes in accounting estimates and will be recognized in the profit and loss account of the distributing year.

3. Information on any approval by the board of directors of distribution of compensation

- (1) The amount of any employee compensation distributed in cash or stocks and compensation for directors. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed.

- A. The amount of any employee compensation distributed in cash or stocks and compensation for directors.

The proposal was passed at the Meeting of the Board of Directors on Feb. 27, 2025. The employee cash compensation is NT\$201,677,475 and the compensation for directors is NT\$100,838,737.

B. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed: None.

(2) The amount of any employee compensation distributed in stocks, and the size of that amount as a percentage of the sum of the after-tax net income stated in the parent company only financial reports or individual financial reports for the current period and total employee compensation.

None.

4. The actual distribution of employee and director compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed), and, if there is any discrepancy between the actual distribution and the recognized employee or director compensation, additionally the discrepancy, cause, and how it is treated

(1) The actual distribution of employee and director compensation for the previous fiscal year (with an indication of the number of shares, monetary amount, and stock price, of the shares distributed) are as follows.

Employee compensation: NT\$139,970,000.

The compensation for directors: NT\$70,550,385.

(2) If there is any discrepancy between the actual distribution and the recognized employee or director compensation, additionally the discrepancy, cause, and how it is treated:

The estimated employee compensation for year 2023 amounted to NT\$141,100,771, with a difference of NT\$1,130,771 compared to the actual distribution. This difference is due to accounting estimate changes and is recognized in the profit and loss account of the distributing year.

**vi. Buyback of Treasury Stock**

None.

**vii. Issuance of Corporate Bonds**

None.

**viii. Issuance of Preferred Stock**

None.

**ix. Issuance of Global Depositary Receipts**

None.

**x. Employee Stock Options**

None.

**xi. New Restricted Employee Stocks**

None.

**xii. Status of New Shares Issuance in Connection with Mergers and Acquisitions**

None.

**xiii. Financing Plans and Implementation**

None.

## IV. Operational Highlights

### i. Business Activities

#### 1. Business Scope

##### (1) Main areas of business operations

- A. Turnkey engineering projects.
- B. Cleanroom engineering.
- C. Bio-medical engineering.
- D. Energy technology services.
- E. Air-conditioning electromechanical engineering.
- F. Ice storage projects.
- G. Industrial ventilation engineering.
- H. Constant-temperature constant-humidity engineering.
- I. Design and construction of pure water as well as wastewater systems.
- J. Environmental engineering.
- K. Water, gas, and chemical system integration engineering services for high-tech processes.
- L. Design and construction of high-purity chemical supply systems.
- M. Design and construction of high-purity gas supply systems.
- N. Design and construction of volatile organic gas processing systems.
- O. Design and construction of CMP solution supply systems.
- P. Design and construction of shared systems for entire plants.
- Q. Repair and maintenance engineering.
- R. High-tech equipment/materials sales and services.

##### (2) Revenue distribution

Unit ; NT\$ thousand; %

Major Divisions	Total Sales in Year 2024	(%) of total sales
Construction Revenue	29,719,606	98%
Sales and Other Revenue	534,247	2%
Total	30,253,853	100%

##### (3) Main products (Services)

Currently, our primary services include the design and construction of cleanrooms, electromechanical equipment, and process pipelines for high-tech electronics and biomedical industries. In particular, we specialize in turnkey services (responsible for the overall design, construction, testing, and verification of integrated system solutions). Our services include the following (categorized according to services provided as well as industry type):

- A. Cleanroom engineering or full-plant electromechanical system integration for high-tech factory construction.
- B. Full-plant electromechanical system integration for biotechnology industry facilities.
- C. Air-conditioning electromechanical engineering for traditional industries.
- D. Other general electromechanical engineering and customer services.
- E. Liquid waste recycling system.
- F. Reclaimed water recycling system.
- G. Green energy certification.
- H. Intelligent green engineering.
- I. Energy-saving project improvement engineering.

#### (4) New products (Services) planned for development

- A. Energy conservation technique
- B. Wastewater reclamation system
- C. Heat recovery system for air conditioner
- D. AI Smart Factory Management System
- E. Power Management System
- F. 3D BIM pipeline simulation and facility equipment information management
- G. Green energy and storage equipment
- H. VR pipeline simulation

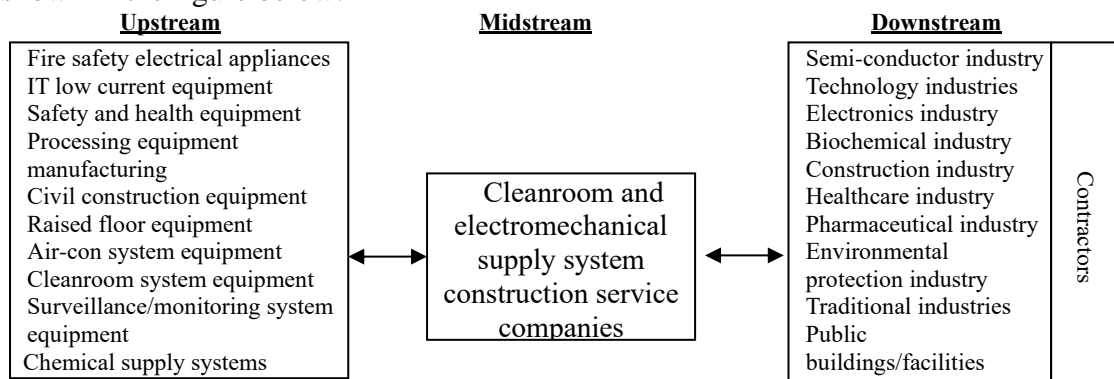
## 2. Industry Overview

### (1) Current Status and Development of the Industry

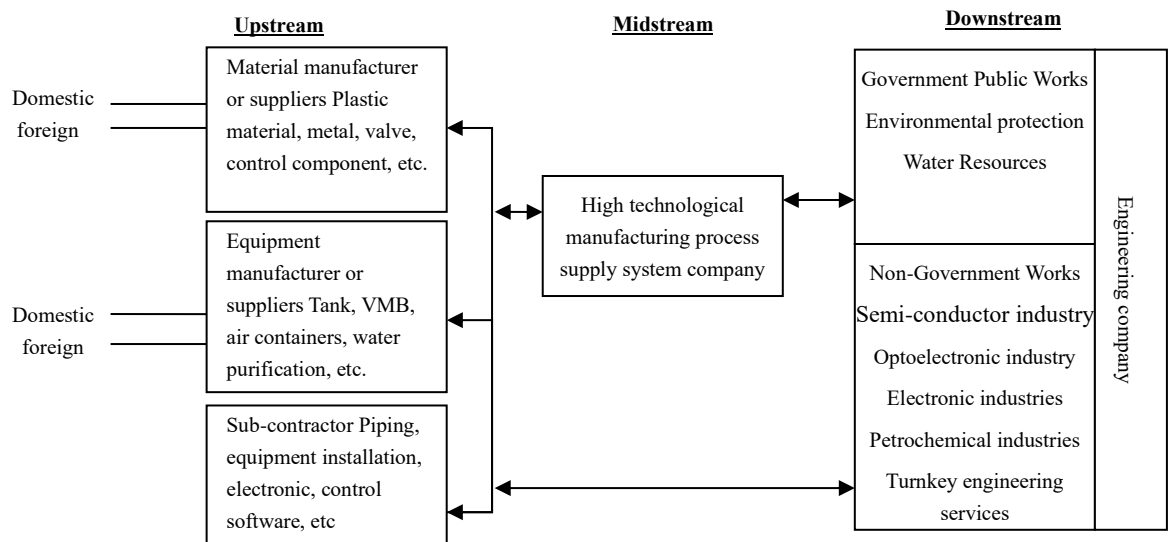
In the macro business environment, according to the latest research published by the Market Intelligence & Consulting Institute (MIC) regarding AI trends and green data center opportunities, it is estimated that there will be over 8,000 data centers worldwide by 2024, and this number is expected to grow to 16,000 by 2028, doubling from 2024. Given the high-power density of data centers and increasing awareness of electricity regulation among governments and sustainable carbon reduction, green data centers will become a key focus for future development. The wave of AI technology is driving investment opportunities in semiconductor, data center, and green energy sectors. Additionally, the semiconductor and electronic components industries are accelerating their “N+1” production base development plans. This growth in diverse expansion opportunities is beneficial for the performance of Acter. Acter creates value engineering for customers through various contracting opportunities, utilizing its expertise, innovative technologies, and specialized methods to effectively reduce the equipment life cycle costs for customers. In addition, it reduces overhead expense and engineering construction risks. It also forms a stable and cooperative relationship with suppliers, manages quality, strengthens cost control to enhance competitive advantage in bidding. Meanwhile, it develops related business of energy-saving which will not only provide better services for its customers but also contribute to the overall industry environment.

### (2) The Links between the Upstream, Midstream and Downstream segments of the Industry

The cleanrooms and electromechanical systems integration engineering services industry encompasses construction contractors and construction materials, equipment, and subcontractors, providing customers with full-plant electromechanical and cleanroom turnkey engineering services based on contractor requirements, by combining engineering disciplines and technologies from various professional fields. The relationships between upstream, midstream, and downstream service providers are shown in the figure below:



High technological manufacturing process supply system industry is in charge of the connection between the owners of engineering companies and the merchants of engineering materials, equipment and projects. The industry will provide the manufacturing process supply system equipment and engineering services. The relationships between upstream, midstream, and downstream are shown in the figure below:



### (3)Development Trends for the Company's Products

- The systems integration engineering services industry is becoming increasingly important.
- There is a trend towards joint venture projects or cross-industry alliances and turnkey services.
- User-friendly spatial integration is becoming increasingly popular.
- High-tech product life cycles are becoming shorter, resulting in an increased need to quickly and safely adjust production lines.
- Health awareness and preventive healthcare has become mainstream, creating a wealth of opportunities for the biotech industry.
- Safety, stability, conciseness and precision of each system. Safety and quality requirements are becoming increasingly strict.
- Energy conservation and environmental protection awareness is on the rise. Pursuing sustainable development of enterprises.



#### (4) Competition for the Company's Products

Engineering services have been a cornerstone for the advancement of civilization and industry. Human knowledge and intellect are continuing to evolve, while the industrial engineering market undergoes rapid changes. The key to survival and rapid growth in this highly competitive environment is being able to keep up with the pace of change. With competition between both foreign and domestic engineering service providers becoming increasingly fierce, economies of scale, increased efficiency, and integrated services are the keys to success. Sound engineering practices and professional techniques have always been critical to the expansion of engineering businesses and to the creation of new opportunities. The ability to quickly obtain sources of raw materials as well as provide customers with rapid and advanced engineering services will dictate whether or not a service provider will be able to achieve industry-leading status in today's competitive environment. This is why Acter continues to engage in the development of new system integration techniques, as well as research ways to conserve energy, with an emphasis on inter-system compatibility, in order to meet the integration needs of plant-wide systems.

### 3. Research and Development

#### (1) Technology and Research Development

System integration engineering techniques are different from those of other industries and involve the rearrangement of working techniques and equipment in order to achieve higher levels of performance. In addition, based on the requirements of the client industry, professional expertise from the fields of architecture, electromechanical engineering, air conditioning, fire prevention, instrumentation control, pipeline distribution, and project management need to be integrated and tailored to fit the customer's production environment. Since this involves a wide range of complex issues, there are usually many different service providers working independently and in parallel with each other, making it difficult to integrate all of their efforts. Furthermore, due to divisions of labor resulting in a high level of subcontracting as well as a large number of subcontractors working on relatively small parts of the overall project, engineering quality is difficult to control. In addition, different personnel and equipment need to be involved in different project phases, making the presence of experienced personnel with sound professional expertise extremely important in ensuring construction quality and on-time project delivery. Project durations are usually longer than the production times of other industries, with wider ranges of technical expertise being involved, making the accumulation of experience and sound construction techniques extremely important. In general, our company belongs to an industry with a high degree of professional division of labor and in what is considered a labor-intensive field.

#### (2) Research and Development expenses during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report

Unit ; NT\$ thousand

Year	2024	As of February 28, 2025
Total R&D Expenses	361,457	49,918 (Note1)

Note1: The data for the current year as of the date of printing of the annual report has not been reviewed by CPA.

(3) Research and Development Achievements during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report

We strive to develop innovative techniques, accumulate technical experience, and enhance performance. The following is a description of some of our unique and innovative construction techniques and patents.

Category	Unique or innovative technique
Ice storage and energy conservation engineering	Taking advantage of mat foundations to store ice in order to offload peak loads
	Taking advantage of fire-extinguishing water tanks to store cold water in order to reduce the amount of space occupied and lower electricity contract capacities
Skyscrapers	Reduction of pipeline occupancy areas for ultra-cold ventilation systems
	42-story general-use buildings
Special types of engineering technologies	Exclusive integrated negative-pressure SARS technology for hospitals
	The Department of Health and Welfare's dedicated bio-chemical laboratory
	Integration engineering technology of whole plant import of Tobacco manufacturer
	Knitting and dyeing and finishing plant electromechanical integration technologies
Bio-tech engineering	Integrated technologies for the first H1N1 vaccine plant
	Cleanroom integration technologies for CGMP plants
	Integration techniques for professional bio-tech drug production (Cordyceps sinensis) plants
	Biomedical equipment plant energy conservation electromechanical integration technologies
	GTP cleanroom integration engineering technology
	Food cGMP plants integrate their technologies to reach beyond borders
	Energy saving mechatronics technology for poultry mooring and processing manufacturer
	Integration technologies of switching environments of positive or negative pressure randomly by product attribute at manufacturing sector
	High toxicity OEB5 injection plant integrated engineering technology
	Cell preparation site integration engineering technology
Green energy engineering	Integration of techniques in solar power supply
Cleanroom turnkey engineering	Innovative techniques for the first PDP mass production plant
	Innovative techniques for Japanese light polarization board production plants
	Innovative techniques for professional TFT glass board production plants
	Special techniques for the 6" fab turnkey project in cooperation with Sony
	Innovative techniques for Taiwan's second-largest packaging and production plant
	Innovative techniques for the plant-wide electromechanical integration of a module plant
	Innovative techniques for a soft PCB board copper film plant
	Innovative techniques for a Japanese full-plant export components factory
	Innovative techniques for the electromechanical integration of an optoelectronics chemical materials production plant
	Micro environmental innovation method of semiconductor element washing manufacturer

Patent type	Patent name (newly added in 2024)
Invention patents	A control method for an activated carbon waste gas treatment device
	Type of cleanroom ceiling and installation method
Utility model	Device for separating wafer group in reaction tank
	Suction device for semiconductor chemical solution
	Semiconductor liquid supply equipment and liquid supply method
	Grinding fluid supplying and conveying device of semiconductor grinding equipment
	Semiconductor grinding fluid supplying and conveying device
	Valve box for grinding fluid supply system
	Quick connecting device for grinding fluid supply system
	Improved manual ball valve fixing device
	Monocrystalline silicon wafer cleaning equipment for LED (light-emitting diode) and use method thereof
	Heat dissipation device and distributed visual intelligent temperature control system
	Automatic docking system and docking method
	Synchronous rotating and lifting vacuum main shaft system for wafer scrubbing
	Swing arm mechanism of semiconductor wafer cleaning machine
	Wafer warping degree measuring method and device
	Chemical filtering device for semiconductor
	Multi-size semiconductor drying device
	Semiconductor wafer cleaning machine
	Semiconductor wet-type processing equipment
	Stripping liquid separation monitoring system and control method
	Device for epitaxially coating semiconductor wafer
	Silicon wafer guiding device of etching cleaning machine
	Control method and control system of cutting device
	Terminal strip detection equipment
	Feeding device for hose of chemical liquid supply system
	Shaping device for hose of chemical liquid supply system
	Cooling device for PFA (Polyfluoroalkoxy) hose of chemical liquid supply system
	Cutting device for PFA (Polyfluoroalkoxy) hose of chemical liquid supply system
	Straightness detection device for PFA (Polyfluoroalkoxy) hose of chemical liquid supply system
	Improved grinding fluid system circulating mechanism
	Cleaning mechanism for the suction pipe of the grinding fluid stock barrel
	Chemical Integrated Gas Chamber
	A Coaxial Nested Hose
	Terminal Block (TR32C1AB)
	Terminal Block (TB16)
	Chemical Filter (Explosion-Proof Type A)
	IBC Barrel Feeder
	Chemical Filter (Explosion-Proof Type B)
	Chemical Filling Machine (Type A)
	Chemical Tanker Filling Machine (Type A)
	Chemical Tanker Filling Machine (Type B)
	Chemical Filling Machine (Type B)
	Chemical Barrel Cleaning Machine (Type B)
	Chemical Barrel Cleaning Machine (Type C)
	Chemical Conveyor
	Chemical Sampling Machine (Type A)
	Chemical Sampling Machine (Type B)

Patent type	Patent name (newly added in 2024)
	Chemical Barrel Cleaning Machine (Type A)
	Chemical Temporary Supply Device
	Programmable logic controller connection port indication system
	Testing module
	Bucket replacement verification system
	Early warning system for pressure transmitter performance
	Filter pressure monitoring system
	Pipe bubble discharging device of chemical supply equipment
	Chemical barrel equipment and tipping device thereof
	Cabinet structure and removable waterproof top panel thereof
	Shock absorbing seat
	Structure of sampling box for chemical equipment
	FLOW CONTROL SWITCH
	FILTER DEVICE
	Fluid supply device
	Dust collecting device
	Material estimating system
	Jet Module and Active Jetting System
	Pure water supply machine
	A special gas cabinet that is easy to maintain
	A special cabinet with protective functions
	A pure water constant pressure supply device
	A type of cleanroom air purification device
Software copyright	PLC Tag Data Communication Control Software V1.00
	CDS Equipment Conveying Pipeline Traditional Chinese Medicine Quality (Particulate) Monitoring System Application Software V1.0
	PA/Chiller Remote Control Software V1.0
	Monitoring Machine Analog Data Software V1.03
	Self-Developed UBM Single-Chamber Test Platform Control System Application Software V1.01
	Single-Plate Cleaning Machine Diagram Data Monitoring Software V1.37
	Self-Developed SPM Machine Control System Application Software V1.03
	High-Pressure Single-Plate Cleaning Machine PC Control Software V1.0
	Self-Developed Chart Automation System Application Software V1.03
	Manual 6-Cavity Acid Cleaning Machine Control System Application Software V1.01
	4-Cavity Dual Robot Wafer Cleaning Machine Control Software V1.00
Trademark right	WINMAX (Trademark Class: 7)
	WINMAX (Trademark Class: 40)
	WINMAX (Trademark Class: 42)
	Vertical Version WINMAX (Trademark Class: 7)
	Vertical Version WINMAX (Trademark Class: 40)
	Vertical Version WINMAX (Trademark Class: 42)
	Black WINMAX (Trademark Class: 7)
	Blue-WINMAX (Trademark Class: 7)
	RAYZHER INDUSTRIAL CO., LTD. Trademark (Class 7, 11, 37)
	RAYZHER INDUSTRIAL CO., LTD. Trademark (Class 7)
	RAYZHER INDUSTRIAL CO., LTD. Trademark (Class 11)

#### 4. Long-term and Short-term Development

##### (1) Short-term Development

- A. To expand the scope of operation in Asia market.
- B. Energy conservation service expansion engineering.
- C. Assisting biotech companies with factory upgrades.
- D. Actively develop turnkey services for technology industries.
- E. Establish industry-academia cooperative efforts in order to develop talent.
- F. Integrate marketing services in order to boost customer satisfaction levels.
- G. Waste water and gas treatment and cremation of sludge and waste liquids.
- H. Water recycling, desalination, and zero emissions of waste water.
- I. Pre-fabrication Technique for Large Cement Tanks.
- J. Development of developer recovery and reuse system.

##### (2) Long-term Development

- A. Strengthen corporate governance, enhance enterprise culture and sustainable development.
- B. Rooting deeply in this industry, continuously optimize engineering capabilities, pursue a diverse, multi-project integrated engineering service, and strive to use core skills to help companies achieve carbon neutrality, pursue a better future.
- C. Maintain constant contact with current customers from mainland China, Southeast Asia, and India develop new customers, create multi-regional business, improve investment efficiency, and expand industrial integration.
- D. Collaborate with international partners to continually expand professional services in the biotechnology, pharmaceutical, and medical industries, as well as in green engineering and circular economy, while deepening expertise in green energy and environmental protection.
- E. Integrating gas and chemical supply systems with manufacturing wet process equipment and waste liquid and solvent systems to develop new generation engineering integration technology and eco-friendly solutions.
- F. Recruiting more diverse talents and actively training management teams.

#### ii. Market and Sales Overview

##### 1. Market Analysis

##### (1) Sales (Service) Region

Our company as well as our subsidiary companies currently provides cleanroom and electromechanical systems integration services, as well as water, gas, and chemical integration engineering services for process systems. We primarily serve the domestic, China, and Southeast Asian regions, and we have recently expanded into Japan and India.

##### (2) Market Share (%)

High-tech cleanrooms and electromechanical systems integration services for industrial plants are needed in a wide range of fields and sectors including the semiconductor industry, the optoelectronic industry, as well as the biomedical industry. In addition, domestic engineering companies participate in bidding on projects across a wide range of engineering fields, therefore, market share percentages calculated based on individual industries would not be able to reflect the actual state of the market, making it difficult to calculate our company's market share based on output on a consistent basis. However, in terms of engineering scale as well as technological maturity, there are only a few engineering companies that can compete with publicly listed companies, and Acter is one

of the few companies that can simultaneously service the optoelectronics, electronics, biochemical drug production, and residential construction industries, with a wealth of project experience.

(3) Demand and supply conditions for the market in the future, and the market's growth potential

A. Supply conditions for the market in the future

There are currently many service providers providing cleanroom air conditioning electromechanical engineering services in Taiwan. Electromechanical systems integration services, on the other hand, require long-term accumulation of experience and technological expertise. In some market segments, factors including professionalism of employees, company reputation, and past engineering accomplishments form entrance barriers, resulting in only a few service providers currently being able to provide professional electromechanical system integration services, with Acter being one of them.

B. Demand conditions for the market in the future

Electromechanical engineering services business opportunities are created by factory expansion, plant upgrade, or maintenance projects of customers. Primary customer groups include high-tech manufacturers, biomedical manufacturers, and hospitals. In recent years, due to innovation in the global semiconductor, optoelectronics, and other electronics-related industries, the functionality and performance of electronic products has continued to advance, creating new market demand for the electronics industry. In light of the uniqueness of the industry, businesses have to be ready for an upgrade and expansion at all times. In addition, the constantly increasing awareness of environmental protection and energy saving gives rise to the needs for mechanical and electrical engineering not only in the high-tech industry but also in the daily life. As such, the demand for integration of mechanical/electrical systems and clean rooms continues to remain at a certain level. According to the latest research published by the Market Intelligence & Consulting Institute (MIC) regarding AI trends and green data center opportunities, it is estimated that there will be over 8,000 data centers worldwide by 2024, and this number is expected to grow to 16,000 by 2028, doubling from 2024. Given the high-power density of data centers and increasing awareness of electricity regulation among governments and sustainable carbon reduction, green data centers will become a key focus for future development.

C. The market's growth potential

Cleanroom electromechanical air conditioning systems and chemical systems engineering are considered an important production facility for high-tech manufacturers, and particular emphasis is placed on the technological grade and sophistication of these systems. Industries, including semiconductors, optoelectronics, as well as biomedical, all rely on these types of equipment to achieve their required production environments. In addition, driven by continual industry upgrade requirements, market demand for cleanroom electromechanical systems is significantly increasing. Furthermore, domestic service providers have accumulated an abundant amount of high-tech factory construction experience in recent years, allowing their technological capabilities to significantly improve. Domestic service providers also have a price advantage as well as the advantage of being based locally and being able to provide local services, allowing them to compete head-to-head with foreign service providers. Looking to the future, demand for cleanrooms,

electromechanical systems integration engineering, and chemical systems engineering will come from factory expansion and factory upgrade projects of semiconductor, and biomedical manufacturers. On the other hand, the Southeast Asian market will benefit from the global supply chain restructuring, which will in turn drive spending as well as capital expenditure for the establishment of factory facilities. Moreover, the biotech industry, which the government is currently heavily investing in, is still in its development, with strong demand for cleanroom facilities, electromechanical systems integration engineering services, and chemical systems engineering. Looking to the future, business opportunities are unlimited, therefore, the cleanroom, electromechanical engineering, and chemical systems engineering markets still have room for future growth.

(4)competitive niche

A. Exceptional construction performance and extensive service coverage

Over the 46 years of the company's existence, it has been involved in the construction of commercial buildings, public infrastructure, department stores, hospitals, and facilities for green energy, optoelectronics, semiconductors, and biotech industries. It has built up a strong track record in the construction of air-conditioning, electrical and cleanroom facilities, making it one of the few local construction service companies that are able to deliver across different industries and across borders. Compared to its peers, the company is able to quickly adjust to changes in economic cycles, and hence is exposed to fewer business risks. In addition, the company also proactively engages itself in the environmental protection and energy saving fields. The company and its subsidiary Nova Technology Corp. cooperate with the overseas large-scale company for developing water treatment relevant business and actively expand various fields.

B. A high quality image and reputation

A "creator of quality space" is how the company positions itself. It delivers cutting-edge work spaces supported by comprehensive after-sale services/warranties that has gained it a sparkling reputation. The company is ISO-9001:2015, ISO14001:2015, ISO45001:2018, ISO50001:2018, and CANB certified. It is also the only company among its industry peers that has been recognized and rewarded for achievements in energy conservation. "Quality" and "reputation" are the critical intangible assets that give the company the assurance to win over customers.

C. A quality management team and modularized construction methods

The company provides services to businesses on a project-by-project basis. It has project managers who engage customers directly to oversee construction progress and quality according to customer needs and the terms of construction agreements. The company's key project managers all have more than 10 years of experience in the industry, and each of them is well-versed in managing construction work. For completed projects, the Company has established a complete and detailed database. With engineering experiences accumulated over the years, for related projects, there are the closure meetings where authorities concerned are invited to take part so that we can learn further and it helps us modularize different types of customers and is therefore able to reduce design costs and respond to customers with optimal construction solutions in a timely manner.

D. Specialized construction talents

The Company has staff with practical experience in many areas and has placed comparable emphasis on educational training for its employees and recruitment of

various professionals since its establishment. Besides internally, the Company sends people to attend all kinds of educational training that are held externally as well. It has placed great emphasis on training and recruitment since its establishment. Employees undertake regular training to develop skills applicable both in the integration of large-scale construction projects and in ensuring work quality. These training courses give our engineers a distinct advantage over competitors. The company also works with professional institutions in developing new construction design methods.

E. Stringent cost control and complete after-sales services

The company places great emphasis on the cost control and after-sales services of its construction projects. In order to accurately estimate and control costs, the company maintains good relationships with, and has up-to-date information on, all the certified suppliers and contractors it works with, which gives it control over changes in the costs of purchasing and outsourcing. With regards to after-sales services, the company makes a commitment to serving customers during the warranty period exactly as agreed in the contract, and takes the initiative to resolve customer queries regarding their construction projects, which builds up sound relationships that help boost the company's reputation and competitiveness.

F. Robust financial structure

Although the company is a provider of integrated system construction services, it outsources actual construction work to other subcontractors. Depending on the nature of the construction agreement, some of the materials and equipment needed for the job are purchased by the subcontractors while others are purchased by the company subject to proper procurement procedures. Subcontractors are required to have sufficient capital resources for payments such as tender bonds, performance bonds, material and equipment purchases, construction costs, and warranties, before they engage in large-scale integrated system projects. Meanwhile, the financial structure of the Company has been sound and healthy. There is sufficient working fund to support engineering operations. There are also abundant financing credits available at financial institutions. The sound and healthy financial structure helps enhance the level of confidence that clients have in the Company as well.

(5)Favorable and Unfavorable Factors in the Long-range Future, and the company's response to such factors.

A. Favorable Factors

a. Technological development and plant upgrade

We are currently in an era characterized by rapidly evolving technology and emerging opportunities such as biotech, healthcare, energy conservation, environmental control, etc. The pace of technological development means a constant need for plant upgrade to keep up with production, and thus gives construction service providers an opportunity to thrive. The demand for industries relating to cloud application is also increasing on a daily basis as changes continue. One of the most prominent opportunities in the future will perhaps be biotech industries. A focus of recent government policy and an ongoing global trend, the growth of the biotech industries should not be underestimated. Due to the fact that biotech workplaces are subject to more stringent regulatory requirements and higher technology standards, the company is confident that its abundant experience in the sector stands it in good stead for future development.



b. As living standards rise living space requirements also rise

Because of improved living standards, people accordingly have increased demand for quality living spaces. This naturally gives rise to the sightseeing and tourism industry. The demand for constructions of large hotels and shopping malls, for example, is climbing as well and construction companies with the ability to deliver quality living space will be able to capitalize on this growth.

c. Opportunities within the China market

The China market offers significant potential business opportunities, although there may be a short-term growth slowdown, overall market potential is expected to maintain an upward trend in the long term. China presents enormous and growing potential for Taiwanese businesses because of the similarities in language and culture unmatched by any foreign company. Over the years, investment from Taiwan in China has evolved from small businesses to large conglomerates, and from labor-intensive businesses to capital and technology-intensive businesses. The increasing amount of factory construction presents immense opportunities for the company's air-conditioning business in China, and our subsidiary, Acter Technology Integration Group Co., Ltd., has acquired the highest qualification of the first grade of general contractor in mechanical and electrical installation engineering, and has been listed in 2022 to increase its reputations, while Winmax Technology Corp. become a participating development unit simultaneously for technical code for chemical system of electronic engineering in China with the technical advantage, which is very beneficial for business development in Mainland China.

d. Growth in Southeast Asia Markets

Due to global geopolitical changes, supply chain diversification risks, vast potential markets, and favorable policies, many companies are adopting a trend towards risk mitigation and actively expanding their presence in Southeast Asia. In response to this trend, the company has set up subsidiaries in Singapore, Malaysia, Vietnam, Indonesia and Thailand and transplanted its successful Taiwanese experience to quickly develop a working system. Because of its early entry, the company is confident of securing a competitive advantage in this market.

e. The biomedical industries

Biomedicine is the fastest growing, most widely applied and most influential technology among all human science and technology. In light of the prosperous outlook and the importance of the biomedical industry, the government continues to promote The Biomedical Industry Innovation Program (BIIP), expects to establish Taiwan as the "Asia-Pacific Biomedical R&D Industry Center" and envisions biomedicine as next trillion-dollar industry by 2025. Acter has been involved in the biotech industry for several years; it has the experience, the technology and the track record to help China accomplish its biotech goals.

f. Complete and versatile categories of services and providing TOTAL SOLUTION

The company provides engineering integration services including construction, mechatronics, cleanroom, processing, environmentally-friendly and energy saving programs, biotechnology certification, chemical supplying system and equipment. Moreover, it possesses a professional design work to provide utmost efficiency and maintenance service.

B. Unfavorable Factors and the company's response to such factors

a. Price competition

Many large construction companies are starting to offer cleanrooms as part of their factory turnkey solutions, and hence pose a threat to cleanroom specialists.

**Response strategies:**

The company will compete for customers with an emphasis on the use of innovative technologies and construction methods to help customers reduce costs. Meanwhile, the company will aim to control human resources and administrative expenses and minimize construction risks by exercising proper work management and quality assurance, and deliver greater output efficiency by investing in talent training. The company will also keep up with new construction techniques by collaborating with academic and technical institutions in R&D projects, and earn customer trust to undertake more complex projects that mitigate the impact of reduced margins. To remain price competitive, the company will leverage the strong partnership it has with suppliers and control costs to its advantage.

b. Intensifying competition from international industry peers

Construction projects in China are becoming more and more competitive not only in terms of pricing, but also in terms of capabilities of local competitors. Given the service intensive nature of the company's cleanroom business, the company needs to constantly improve its technical and management capabilities to meet uncertainties and changes in economic cycles. The training, attrition and aging of service talent all pose risks to the company's business.

**Response strategies:**

For more than 40 years, the company has grown its business through differentiation and specialized construction techniques. This method has proven to be effective not only in Taiwan, but in China and Southeast Asia as well. It has been our goal to play the role of a pioneer in industry upgrade and optimization. We respond to changes in the construction market by striving for outstanding innovation and services that set us apart; over time, this becomes the means by which we compete in the market. Furthermore, the company is taking a proactive step towards globalization and hopes to develop a business presence outside of China.

c. Recruitment and retention of professionals meet challenges

For the engineering service industry that the Company belongs to, professional engineers have to deal with a relatively changeable and difficult workplace, not to mention the required technical attainments. It is hence comparatively difficult for younger generations to work in such an environment, which makes recruitment of talent uneasy and results in the susceptibility to brain drain, particularly among new hires, and talent shortage. "People" are the most important assets of the Company. It is hence a big challenge for the Company as to how to find professionals and enable them to develop steadily in their profession.

**Response strategies:**

Internally, the apprenticeship system is adopted in order to pass down the experience, culture, and technology. Each new hire is led by a senior master while getting to know the Company and the new hire's work. This helps reduce the sense of frustration felt by new hires, make them feel cared for, and expose them

to professional learning to greatly cut down the learning time and create a sense of belonging as well as achievement in them. In addition, there is a defined discipline and reward system and a transparent evaluation system in place to adequately provide employees with feedback. The sound systems and humanistic warmth create a substantial momentum that helps retain talent.

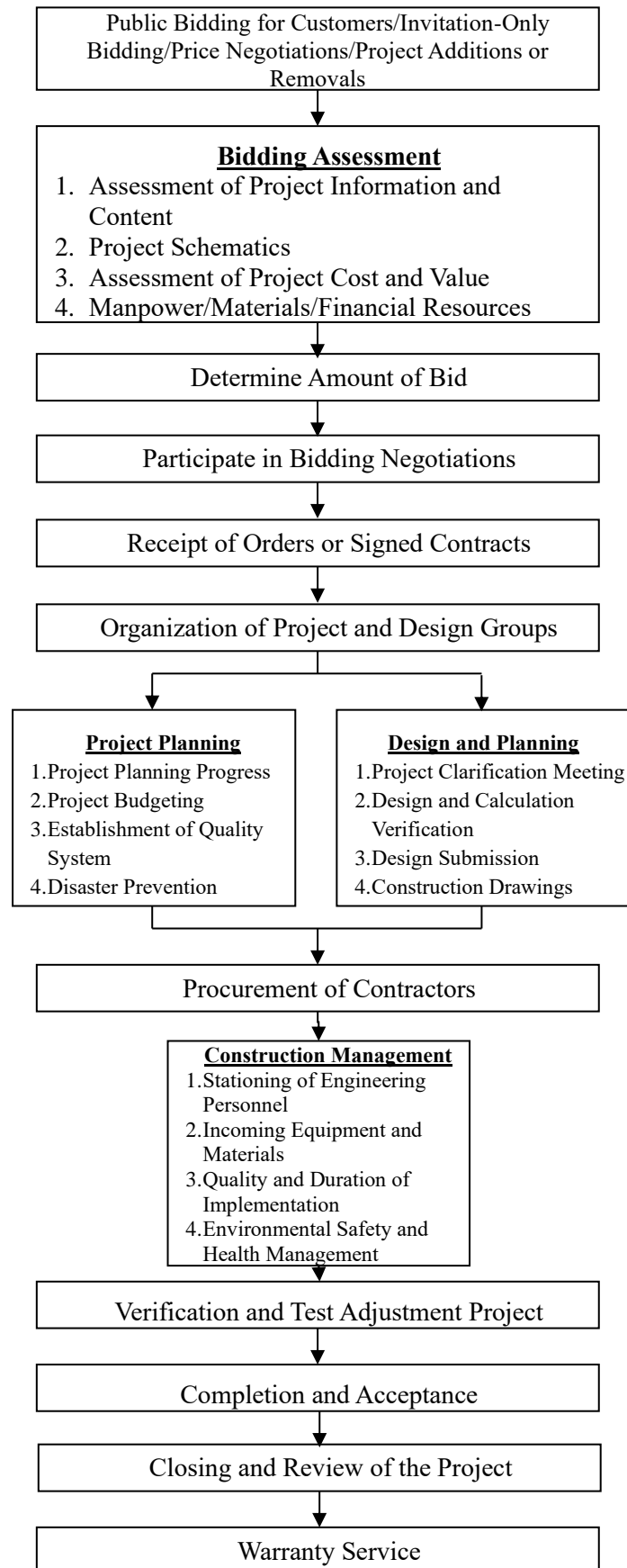
Externally, the Company creates a favorable image and collaborates with related departments in colleges and universities to increase its publicity and a sense of identity so that students will prioritize the Company when choosing a career in the future.

## 2. The Production Procedures of Main Products

### (1) Major Products and Their Main Uses

The company specializes in the design and installation of cleanroom facilities, a service that helps manufacturers manufacture products in a dust-free environment with controlled temperature and humidity for the highest precision, yield and product quality.

## (2)Major Products and Their Production Processes



### 3. Supply Status of Main Materials

Our company's materials and equipment procurement operations are carried out according to contractual agreements put in place for different projects, and are mainly divided into two models: (1) subcontracting projects to subcontractors, including all labor and materials requirements, and (2) making procurements ourselves. Construction materials and equipment our company purchases include various types of machines, air conditioning equipment, fan equipment, pumps, water towers, electrical generators, cleanroom equipment, electrical wires and cables, pipeline materials, valves, power distribution panels, buses, raised floor panels, vibration/shock proofing equipment, control equipment, lighting equipment, interior materials, and fire safety equipment, etc. These products are all purchased from domestic suppliers that we enjoy stable relationships with.

4. A list of any suppliers and clients accounting for 10 percent or more of the company's total procurement (sales) amount in either of the 2 most recent fiscal years, the amounts bought from (sold to) each, the percentage of total procurement (sales) accounted for by each, and an explanation of the reason for increases or decreases in the above figures

#### (1)Major Suppliers Information for the Last Two Calendar Years

Unit : NT\$ thousand

Item	2023				2024			
	Company Name	Amount	(%)	Relation With Issuer	Company Name	Amount	(%)	Relation With Issuer
	Others	19,331,241	100	NA	Others	21,214,106	100	NA
	Net Total Supplies	19,331,241	100	NA	Net Total Supplies	21,214,106	100	NA

Note1: The reason for increases or decreases of the amount was due to business demand.

Note2: There were no suppliers accounting for 10 percent or more of the company's net total procurement amount in 2023 and 2024.

#### (2)Major Clients (each commanding 10%-plus share of annual order volume) Information for the Last Two Calendar Years

Unit : NT\$ thousand

Item	2023				2024			
	Company Name	Amount	(%)	Relation With Issuer	Company Name	Amount	(%)	Relation With Issuer
	-	-	-	-	Client A	3,923,348	13	NA
	Others	25,060,741	100	NA	Others	26,330,505	100	NA
	Net Sales	25,060,741	100	NA	Net Sales	30,253,853	100	NA

Note1: The reason for increases or decreases of the amount was due to business demand.

Note2: There were no clients accounting for 10 percent or more of the company's net total sales amount in 2023.

### iii. Human Resources

Year		2023	2024	As of March 31, 2025 (Note)
Number of Employees	Direct Employees	1,647	1,765	1,840
	Indirect Employees	378	386	409
	Total	2,025	2,151	2,249
Average Age		34.20	34.85	35.03
Average Years of Service		5.27	5.67	5.61

Year		2023	2024	As of March 31, 2025 (Note)
Education	Ph.D.	1	4	3
	Masters	90	101	116
	Bachelor's Degree	1,091	1,232	1,289
	Junior College	566	558	587
	Senior High School	155	142	154
	Below Senior High School	122	114	100

Note : The company compiles group human resources on a quarterly basis, therefore this column is updated with the latest information.

#### **iv. Disbursements for Environmental Protection**

1. Any losses suffered by the company in the most recent fiscal year and up to the date of printing of the annual report due to environmental pollution incidents (including any compensation paid and any violations of environmental protection laws or regulations found in environmental inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

None.

#### **v. Labor Relations**

1. List any employee benefit plans, continuing education, training, retirement systems, and the status of their implementation, and the status of labor-management agreements and measures for preserving employees' rights and interests

##### **(1)Employee Benefit Plans**

To win employees' loyalty, the company provides employees with labor and national health insurance and has established an Employee Welfare Committee to oversee employee benefits such as health check-ups, annual company trips, recreational activities and year-end celebrations, while serving as a bridge for communication of employer and employee opinions. Below are the company's key employee benefits:

- A. Labor insurance, national health insurance, group insurance, pension plan, and health check-ups
- B. A variety of subsidies such as child birth, wedding, funeral, injury, illness, and disaster relief.
- C. The company offers cash gifts on occasions such as birthdays, Dragon Boat Festival, Mid-Autumn Festival etc, as well as other compensation including year-end bonus, year-end banquet lucky draw, profit distribution and share subscription.
- D. Group trips, recreational events and birthday parties are organized for employees on a regular basis.
- E. The company strives to achieve stable growth and thus secure employees' work rights.

##### **(2)Continuing Education, Training**

Talent training has been identified by the company as a key to human resource management and a sustainable solution to respond to rapidly changing technologies. For this reason, the company has organized a range of workshops and training courses that aim to enhance employees' skills and knowledge, and subsidizes employee participation in external training in the hope that they may contribute what they learn to improve the quality of work and generate profits for the company. The following is a list of training

courses offered to employees in recent years:

Unit: hour; NT\$

Content		Acter	Taiwan Subsidiaries	China	Southeast Asia	Total expense
Senior Executives (Executives of Vice President Rank or Higher) Average Training Hours	Male	4.8	3.5	40	1	14,985,189
	Female	0	0	0	0	
Middle Management Executives (Executives of Managerial Rank or Higher) Average Training Hours	Male	22.71	18.55	23.8	12.52	
	Female	21.62	34.5	20.72	17	
General Management Executives (Executives of Associate Department Head Rank) Average Training Hours	Male	20.84	25.19	19.42	16.5	
	Female	27.22	25.99	43.73	16.5	
General Employees Average Training Hours	Male	25.93	21.91	24.28	10.3	
	Female	25.45	16.72	17.19	9.5	

Below is a description of courses offered to employees:

- A. Specialized training: these courses are offered to enhance employees' work skills and practical experience, and include training on sales skills, construction design and supervision, project management, project cost estimation, 3D drawing, quality management, and work site safety. These courses are carried out in a lecture format combined with the practical experience of project managers.
- B. General knowledge training: the company organizes seminars on a variety of topics such as self-development, time management, listening and communication to help employees develop a positive attitude towards their jobs. These courses also give them the chance to learn about their own potential and encourage them to participate in mental and physical activities.
- C. Operation and management training: For important staff, operation and management-related training courses are provided; with case studies and the instructor's abundant practical experiences, it helps enrich the trainees' management skills.
- D. Orientation: these are training courses given to new hires upon arrival. They provide an introduction to the company's welfare system, work culture, and basic work practices such as safety and health education, system introduction, engineering management, procurement, information processing and accounting.
- E. Subsidies: Different subsidies are available for different areas and positions. There are cross-area allowances, phone bill subsidies, and medical care reimbursements, for example.
- F. Bounties: In some companies, there are subsidies and bounties for foreign language learning programs, covering tuition or increasing salary.

### (3) Retirement Systems, and the Status of their Implementation

The company has an employee retirement policy in place. It has assembled a Pension Supervisory Committee and contributes 2% of employees' monthly salaries into a pension account held with the Bank of Taiwan. Since July 1, 2005, the company has

adopted the new pension system where the company contributes 6% of employees' salaries into individual pension accounts. In 2024, the total amount contributed to individual pension accounts at the Bureau of Labor Insurance was NT\$15,917,640. Overseas companies also follow local laws and regulations governing employee benefits. In addition, the company has signed an Employee Stock Ownership Trust agreement with E.SUN Commercial Bank. Employees can withdraw a portion of their salary monthly based on their individual financial capabilities, while the company also matches the same amount. The funds are managed by E.SUN Commercial Bank, with regular contributions to the employees' trust accounts to enhance their retirement savings and ensure a secure retirement.

(4) The Status of Labor-Management Agreements and Measures for Preserving Employees' Rights and Interests

A. The company values employees' opinions and is dedicated to building an environment of open communication. Departmental meetings are held on a regular basis where opinions can be expressed openly and directed to the personnel responsible. Managers are also designated to oversee timely responses to such opinions.

B. Due to harmonious employer-employee relations, there were no employment-related disputes in the last year.

2. List any losses suffered by the company in the most recent 2 fiscal years and up to the date of printing of the annual report due to labor disputes (including any violations of the Labor Standards Act found in labor inspection, specifying the disposition dates, disposition reference numbers, the articles of law violated, the substance of the legal violations, and the content of the dispositions), and disclosing an estimate of possible expenses that could be incurred currently and in the future and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

None.

3. Protective measures about safety and health of employees

The company has passed ISO 14001:2015 (Validity period: from Dec. 14, 2024 to Dec. 13, 2027) and ISO45001:2018 (Validity period: from Feb. 23, 2025 to Feb. 23, 2028) certification for the purpose of ensuring proper management over workplace safety and health. It has a Quality Insurance & safety Department that is dedicated to promoting and supervising workplace safety.

The company strives to prevent occupational disasters and safeguard labor safety and health. According to its industrial mandate, the company maintains a management system that ensures environmental safety and health, and identifies unacceptable risks by taking into account major environmental considerations and occupational safety and health. It monitors possible risks and hazards caused by the environment and personnel. Using the PDCA management method, it continuously plans, implements, checks, improves and enhances its environmental safety and health performance.

The company's operating procedures related to working environment and employee safety include: protective measures such as general safety operations, elevated safety operations, hot work safety operations, electrical safety operations, hanging safety operations, milling hole safety operations, stacker safety operations, confined space safety operations, organic solvent safety operations, cleanroom safety operations, environmental safety and health inspections, safety equipment management, emergency response management, hazard education and management, site audits, self-inspection operations, etc., and employee safety.



The company's major target/subject and project management was as follows:

No.	Major target and project management	
1	Target	Safety and health education and training hours statistics up to 800 hours per year
	Project management	<ol style="list-style-type: none"> <li>1. Provide new employees with 3 hours of general safety and health education to understand company safety guidelines and standards.</li> <li>2. Develop mandatory courses for employees based on their job nature to ensure they acquire knowledge of hazard prevention measures.</li> <li>3. Conduct quarterly regulatory reviews and upload the review list to the document management system for all employees to access updated regulatory information.</li> <li>4. Add necessary safety and health education courses and timely information to the online learning platform for employees to learn at their own pace.</li> <li>5. Hire external lecturers to provide high-quality training courses and materials to ensure training quality.</li> </ol>
	Status description	<ol style="list-style-type: none"> <li>1. Employees lack experience in judging work environment risks and hazard prevention, unable to immediately identify and take effective protective measures.</li> <li>2. Employees are unfamiliar with newly revised safety and health regulations, unable to keep up with the times in terms of on-site safety and health control.</li> <li>3. Employees have basic safety and health concepts, but still need to cultivate a company-wide safety and health culture and establish and implement industrial safety's three protections (self-protection, mutual protection, and supervisory protection).</li> </ol>
	Course of action	<ol style="list-style-type: none"> <li>1. Newly hired employees received 3-hour general safety and health training, with 67 employees completing the training in 2024.</li> <li>2. In-house training courses were held to improve hazard recognition and prevention measures, with 139 office staff and 263 field staff passing the courses.</li> <li>3. Regulatory inspection was completed in March, June, September, and December 2024, with results announced to all employees.</li> <li>4. 20 safety and health education courses and current events were uploaded to the online learning platform for employees to access at their convenience.</li> <li>5. Hired external instructors to co-organize 4 safety and health courses.               <ol style="list-style-type: none"> <li>(1) 69 participants in the analysis of judicial and accident liability cases.</li> <li>(2) 15 participants in ISO management system internal auditor training.</li> <li>(3) 16 participants in the high-rise building fire, earthquake escape and emergency first aid propaganda.</li> <li>(4) 24 participants in the occupational safety and health management practice.</li> </ol> </li> </ol> <p>Increase interaction in class through face-to-face teaching, allowing colleagues to gain a deeper impression and absorb knowledge more effectively.</p>

No.	Major target and project management	
		6.The total training hours for internal safety and health education reached 2,200.5 hours in 2024.
2	Target	The overall compliance rate for safety and health audits reached 88% in 2024.
	Project management	<ol style="list-style-type: none"> <li>1.Sites with internal audit compliance rates below 70% will undergo re-inspection or guidance and re-inspection after audit closure and problem identification.</li> <li>2.Departments with audit compliance rates below 75% will be required to submit a Work Safety Compliance Improvement Plan and implement corrective and preventive measures.</li> <li>3.Mandatory safety and health guidance measures will be implemented for new construction sites, with safety and health management procedures and forms taught to safety and health personnel, followed by a first audit within one month.</li> <li>4.The Occupational Safety Department will conduct safety and health promotion activities every quarter, with topics selected based on high-risk deficiencies or high violation rates, and all contractors and Acter management personnel must participate.</li> <li>5.Two in-person training courses will be planned for safety and health personnel, with external instructors hired to teach courses on safety and health management skills enhancement and essential knowledge improvement.</li> </ol>
	Status description	<ol style="list-style-type: none"> <li>1.The overall safety and health audit compliance rate for 2023 was 87.46%.</li> <li>2.Despite the overall compliance rate, there were still high-risk hazards, indicating that engineers and safety personnel were unable to effectively assess and prevent hazards.</li> <li>3.The top three internal audit violations for 2023 were document management (146 cases), equipment inspection (30 cases), and high-altitude operations (23 cases), showing that safety document establishment, equipment control, and high-altitude operation management need improvement.</li> <li>4.The safety personnel have low seniority, lacking experience and essential skills in on-site safety and health management.</li> </ol>
	Course of action	<ol style="list-style-type: none"> <li>1.No construction sites had a compliance rate below 70% in 2024. In 2025, sites that fail to meet standards will undergo mandatory re-inspections or receive guidance.</li> <li>2.Each department had a quarterly compliance rate of at least 75% in 2024. In 2025, departments that fail to meet standards must submit a detailed improvement plan.</li> <li>3.We completed 44 guidance sessions for new projects and personnel in 2024, followed by initial audits within a month to review safety and health management implementation.</li> <li>4.We co-hosted six on-site safety and health promotion events in 2024, and conducted daily inspections, toolbox meetings, and</li> </ol>

No.	Major target and project management	
		<p>organizational meetings to promote safety.</p> <p>5. We held two safety and health training courses in March and November 2024, hiring external experts to teach topics like legal liability and safety management techniques.</p> <p>6. The overall compliance rate for safety and health audits in 2024 was 88.3%.</p>
3	Target	The headquarters achieved a 95% monthly waste paper recycling rate in the 19th and 20th floors in 2024.
	Project management	<p>1. Check the paper recycling areas near the copiers on 19F and 20F monthly and record the status.</p> <p>2. If non-compliance is found, send emails with photos to all office staff.</p> <p>3. Periodically remind office staff that single-sided waste paper can be reused as scratch paper or note paper, reducing the use of blank paper.</p>
	Status description	<p>1. Unused necessary documents from 2023 are reused and placed next to the copiers on 19F and 20F for single-sided scrap paper.</p> <p>2. Colleagues have a habit of using single-sided scrap paper and recycling it, but it needs to be maintained and implemented continuously.</p> <p>3. Some colleagues still throw away recyclable paper directly into the trash can without reusing it.</p>
	Course of action	<p>1. Monthly inspections of paper recycling at the 19F and 20F copiers to track progress and record on the recycling rate statistics table.</p> <p>2. No non-compliance issues were found during 2024 annual inspections; any future issues will be reported to all staff via email with photos.</p> <p>3. Occasional verbal and email reminders to promote creative reuse of single-sided paper.</p> <p>4. The 19F and 20F achieved a 100% paper recycling rate in 2024, with no non-compliance issues.</p>
4	Target	Complete the conversion to the ISO14064-1:2018, obtain third-party verification, and publicly disclose energy consumption and all greenhouse gas emissions containing scopes 1, 2, and 3
	Project management	<p>1. Collect data and calculate emissions for Scopes 1, 2, and 3 based on the company's procedure SH-EP-0417.</p> <p>2. Verify the data through a third-party audit from March to June and obtain a statement.</p> <p>3. Disclose energy consumption and greenhouse gas emissions for Scopes 1, 2, and 3 on the company website and sustainability report from July to December.</p>
	Status description	<p>1. The FSC promotes the Sustainable Development Path for Listed Companies plan, requiring all listed companies to complete greenhouse gas inventories by 2027 and verification by 2029.</p> <p>2. In 2023, we completed the transition and verification of ISO 14064-1:2018 and will continue to conduct inventories and verifications in 2024.</p>

No.	Major target and project management	
	Course of action	<ol style="list-style-type: none"> <li>1. Collected data, calculated emissions, and prepared relevant documentation for Scopes 1, 2, and 3 according to the company's procedure SH-EP-0417.</li> <li>2. A third-party verification was conducted and a statement was obtained from March to May 2024.</li> <li>3. The company's energy consumption and greenhouse gas emissions for Scopes 1, 2, and 3 were disclosed on the company's website and in the sustainability report in July 2024.</li> </ol>

## vi. Cyber security management

1. The cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management

### (1) Management Framework

The company has established a comprehensive cyber security risk management framework to ensure the confidentiality, integrity, and availability of information assets and reduce operational risk.

- Organization

Led by the President, responsible for formulating cyber security policies, risk management, and compliance audits. Holds annual meetings to review the implementation of cyber security measures.

- Chief Cyber Security Officer

Oversee the cybersecurity team, ensuring strategy and policy implementation, and provide regular reports to the board and senior management.

- Response Team

Responsible for detecting, responding to, and reporting security incidents, ensuring timely activation of damage control and disaster recovery operations.

- Operation and Policy Enforcement Team

Responsible for daily security maintenance, risk assessment, and training. Oversee system and network security operations to ensure compliance with internal and external standards.

- Audit Team

Conduct internal audits to ensure effective policy implementation. Review cyber security management and incident handling processes, and provide improvement suggestions.

### (2) Cyber security policies

The Company's Cyber Security Policy covers:

- Information Risk Management: Identifying information assets and potential risks on a regular basis to ensure the security of critical business systems.
- Access Control: Adopt the principle of least privilege, ensuring only authorized personnel have access to information.
- System and Network Security: Implementing Intrusion Detection and Defense Mechanisms to Prevent Unauthorized Access.
- Cybersecurity Training: Annual employee cybersecurity awareness activities to enhance prevention capabilities.

### (3) Concrete management programs, and investments in resources

- Management Mechanism

The company has established a clear cybersecurity incident reporting mechanism to ensure prompt response and minimize impact.

Level	Type	Impact	Response Measures
I	Suspicious activity, phishing emails, single device malware infection	Affecting a single user	Internal logging, analyze root cause, ensure event traceability

Level	Type	Impact	Response Measures
II	Multiple account anomalies, small to medium-sized DDoS, unauthorized internal access	Affecting some systems	Activate emergency protocol, isolate affected systems, and report to management.
III	Critical system attacks, ransomware, data breaches	Affecting core operations	Implement Business Continuity Plan (BCP) and report to the authorities.
IV	Nation-state attack, massive data breach	Affecting all enterprise	Activate crisis management plan, report to regulatory agencies, and respond fully.

■ Employee Cybersecurity Awareness Enhancement

Our company actively promotes cyber security education to ensure all employees have basic security knowledge and risk response capabilities.

- A. New employees: must complete the information security foundation training course.
- B. All employees: take security training at least once a year, including simulated phishing email tests.
- C. High-risk departments (such as IT, finance, HR): must take additional advanced security courses.

In 2024, we held a comprehensive security awareness training course for all employees, totaling 382 hours. The course covered social media safety, case studies, and email security guidelines, and the content was made available on our E-learning system for employees who missed the training.

■ Cybersecurity Investment and Infrastructure

The company continues to invest resources to strengthen information security management, including:

- A. Strengthen firewall and network security monitoring mechanisms
- B. Conduct regular penetration tests and vulnerability scans to ensure system security.
- C. The email system adds multi-factor authentication (MFA), enhancing access security.

2. Any losses suffered by the company in the most recent fiscal year and up to the annual report printing date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided.

The company has no major security incident records in the recent year and up to the date of the annual report. However, it still maintains a high-standard security monitoring mechanism. If a security incident occurs in the future, it will activate corresponding contingency plans according to the severity of the incident.

(1)Data Breach Handling Measures

- A. Report to the internal security team for impact assessment.
- B. Take necessary technical measures to prevent leaks, such as disabling accounts and blocking affected systems.

C. Provide detailed reports to the authorities and affected customers.

(2)Response to Malicious Software Attacks

A. Activate malware isolation mechanisms to prevent internal infection.

B. Force affected devices to reinstall the operating system and security patches.

C. Analyze the incident to enhance security defense capabilities.

Our company will continue to strengthen information security management to ensure enterprise and customer data security, maintaining a stable operating environment.

## vii. Important Contracts

Agreement	Counterparty	Period	Major Contents	Restrictions
Financing Contract	Taiwan Cooperative Bank	2023/01/08~2024/01/09(Acter) 2025/02/04~2026/01/06(Her Suo)	Overall credit limit	None
Financing Contract	Mega International Commercial Bank	2024/11/06~2025/11/05(Acter) 2024/08/18~2025/08/18(Her Suo) 2024/09/01~2025/12/31(Nova Tech) 2023/12/01~2024/11/30(Winmax 、 Suzhou Winmax) 2024/08/22~2025/08/21(Acter Thailand) 2024/04/26~2025/04/25(Winmega)	Overall credit limit	None
Financing Contract	Hua Nan Bank	2023/07/07~2024/07/07(Acter)	Overall credit limit	None
Financing Contract	Shin Kong Bank	2024/06/20~2025/06/20(Acter 、 Acter Thailand) 2023/09/12~2024/09/11(Rayzher) 2024/05/28~2025/05/27(Acter Indonesia) 2024/09/30~2025/09/30(Nova Tech)	Overall credit limit	None
Financing Contract	Bank of Shanghai	2024/10/02~2025/10/02(Acter) 2024/07/03~2025/07/03(Enrich Tech)	Overall credit limit	None
Financing Contract	CTBC Bank	2024/03/31~2028/09/18(Acter) 2024/03/31~2025/03/31(Acter Vietnam) 2024/06/14~2025/06/13(Winmax 、 Suzhou Winmax) 2023/12/27~2024/12/26(Acter Indonesia 、 AITI) 2024/05/24~2025/05/24(Enrich Tech) 2023/04/25~2024/03/31(AIL) 2024/07/29~2025/07/29(Rayzher)	Overall credit limit	None
Financing Contract	HSBC	2023/10/01~2024/09/30(Acter) 2024/05/10~2024/09/30(SHI) 2023/12/01~2024/11/30(Nova Tech) 2024/12/16~2025/09/30(Winmax 、 Suzhou Winmax) 2024/08/28~2025/08/27(Acter Thailand) 2024/09/06~2025/09/05(Rayzher)	Overall credit limit	None
Financing Contract	Standard Chartered	2023/10/31~2024/10/31(Acter) 2024/01/11~2025/01/10(Acter Thailand) 2023/12/28~2024/12/28(AIL)	Overall credit limit	None
Financing Contract	Taishin International Bank	2024/11/30~2025/11/30(Acter) 2024/01/25~2024/11/30(Nova Tech) 2024/06/30~2025/06/30(Rayzher)	Overall credit limit	None
Financing Contract	Taipei Fubon Bank	2024/02/08~2024/12/31(Acter) 2024/01/11~2027/11/29(Nova Tech) 2024/02/06~2025/02/06(Rayzher) 2024/06/05~2025/01/11(Acter Vietnam)	Overall credit limit	None
Financing Contract	Mizuho Bank	2024/04/15~2025/04/15(Acter) 2024/09/15~2025/09/15(SHI) 2024/04/02~2025/04/02(Rayzher)	Overall credit limit	None



Agreement	Counterparty	Period	Major Contents	Restrictions
Financing Contract	Far Eastern International Bank	2024/05/20~2027/05/20(Acter)	Overall credit limit	None
Financing Contract	DBS	2024/04/30~2025/04/30(Acter) 2024/03/31~2025/03/30(Nova Tech)	Overall credit limit	None
Financing Contract	E.SUN BANK	2024/09/30~2025/09/10(Nova Tech) 2024/11/27~2025/11/06(Shenzhen Dingmao) 2024/01/31~2025/01/31(Winmax) 2024/01/31~2027/07/30(Suzhou Winmax) 2024/05/07~2025/05/07(Rayzher) 2024/12/04~2025/12/04(Japan Rayzher)	Overall credit limit	None
Financing Contract	First Bank	2024/04/24~2025/04/23(Acter Vietnam) 2023/02/23~2024/02/22(Winmax) 2025/02/17~2026/02/17(Rayzher) 2025/01/20~2026/01/20(Acter Indonesia)	Overall credit limit	None
Financing Contract	Bank SinoPac	2025/02/25~2026/01/31(Acter Shenzhen 、 Shenzhen Dingmao 、 Acter Integration) 2023/12/27~2024/12/31(Winmax 、 Suzhou Winmax) 2024/02/29~2025/02/28(Rayzher)	Overall credit limit	None
Financing Contract	Shanghai Pudong Development Bank	2025/02/11~2026/02/17(Acter Integration) 2024/01/22~2025/01/22(Winmax) 2023/09/21~2024/12/06(Suzhou Winmax)	Overall credit limit	None
Financing Contract	China Construction Bank	2025/01/13~2025/12/24(Acter Integration) 2024/08/30~2025/08/30(Winmax) 2024/07/25~2025/07/24(Suzhou Winmax)	Overall credit limit	None
Financing Contract	Huaxia Bank	2024/05/31~2025/05/31(Acter Integration) 2024/02/08~2025/02/08(Winmax 、 Suzhou Winmax)	Overall credit limit	None
Financing Contract	Bank Of Ningbo	2024/03/06~2025/03/06(Acter Integration)	Overall credit limit	None
Financing Contract	China Merchants Bank Co., Ltd.	2024/02/05~2026/11/11(Acter Integration)	Overall credit limit	None
Financing Contract	Bank Of China	2024/01/25~2025/01/24(Winmax)	Overall credit limit	None
Financing Contract	Fubon China	2023/03/27~2026/03/31(Winmax 、 Suzhou Winmax)	Overall credit limit	None
Financing Contract	Agricultural Bank of China Limited	2023/06/30~2024/06/30(Suzhou Winmax)	Overall credit limit	None
Financing Contract	Cathay United Bank Company Limited	2024/09/11~2025/09/11(Rayzher) 2024/10/07~2025/10/07(Acter 、 SHI)	Overall credit limit	None
Financing Contract	Yuanta Bank	2024/06/20~2025/06/20(Acter) 2024/11/12~2025/11/12(Rayzher)	Overall credit limit	None
Financing Contract	KGI Bank Co., Ltd.	2024/10/16~2025/10/16(AIL) 2024/09/24~2025/09/24(SHI)	Overall credit limit	None
Financing Contract	China CITIC Bank	2024/08/16~2025/08/16(Acter Integration 、 Acter Thailand 、 ATM) 2024/05/24~2025/04/23(Winmax 、 Suzhou Winmax)	Overall credit limit	None

Agreement	Counterparty	Period	Major Contents	Restrictions
Financing Contract	TECHCOM BANK	2024/03/19~2025/03/18(Acter Vietnam)	Bank Guarantee	None
Financing Contract	BIDV	2024/03/15~2026/03/14(Acter Vietnam)	Bank Guarantee	None
Financing Contract	LH BANK	2024/11/25~2025/11/25(Acter Thailand)	Overall credit limit	None
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2025/01/07	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2025/01/06	Engineering Contract	Guaranteed commitment
Engineering Contract	G3 Company	Work completed and inspected according to schedule from 2024/12/31	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2024/12/23	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2024/12/23	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2024/12/23	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2024/12/23	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2024/12/23	Engineering Contract	Guaranteed commitment
Engineering Contract	T3 Company	Work completed and inspected according to schedule from 2024/12/16	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2024/11/28	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2024/11/28	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2024/11/14	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2024/10/28	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2024/10/17	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2024/10/17	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2024/10/14	Engineering Contract	Guaranteed commitment
Engineering Contract	S6 Company	Work completed and inspected according to schedule from 2024/09/10	Engineering Contract	Guaranteed commitment
Engineering Contract	V1 Company	Work completed and inspected according to schedule from 2024/08/30	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2024/07/30	Engineering Contract	Guaranteed commitment
Engineering Contract	S3 Company	Work completed and inspected according to schedule from 2024/07/30	Engineering Contract	Guaranteed commitment
Engineering Contract	C8 Company	Work completed and inspected according to schedule from 2024/07/01	Engineering Contract	Guaranteed commitment

Agreement	Counterparty	Period	Major Contents	Restrictions
Engineering Contract	H3 Company	Work completed and inspected according to schedule from 2024/05/02	Engineering Contract	Guaranteed commitment
Engineering Contract	K2 Company	Work completed and inspected according to schedule from 2024/02/29	Engineering Contract	Guaranteed commitment
Engineering Contract	T7 Company	Work completed and inspected according to schedule from 2024/04/12	Engineering Contract	Guaranteed commitment
Engineering Contract	L4 Company	Work completed and inspected according to schedule from 2024/01/08	Engineering Contract	Guaranteed commitment
Engineering Contract	K1 Company	Work completed and inspected according to schedule from 2024/01/05	Engineering Contract	Guaranteed commitment
Engineering Contract	W8 Company	Work completed and inspected according to schedule from 2023/11/02	Engineering Contract	Guaranteed commitment
Engineering Contract	W9 Company	Work completed and inspected according to schedule from 2023/11/02	Engineering Contract	Guaranteed commitment
Engineering Contract	A3 Company	Work completed and inspected according to schedule from 2023/07/03	Engineering Contract	Guaranteed commitment
Engineering Contract	T6 Company	Work completed and inspected according to schedule from 2022/06/22	Engineering Contract	Guaranteed commitment
Engineering Contract	H3 Company	Work completed and inspected according to schedule from 2022/10/01	Engineering Contract	Guaranteed commitment
Engineering Contract	L4 Company	Work completed and inspected according to schedule from 2022/10/20	Engineering Contract	Guaranteed commitment
Engineering Contract	L5 Company	Work completed and inspected according to schedule from 2021/11/03	Engineering Contract	Guaranteed commitment
Engineering Contract	L4 Company	Work completed and inspected according to schedule from 2021/02/22	Engineering Contract	Guaranteed commitment
Engineering Contract	T2 Company	Work completed and inspected according to schedule from 2020/11/20	Engineering Contract	Guaranteed commitment
Engineering Contract	L4 Company	Work completed and inspected according to schedule from 2019/11/07	Engineering Contract	Guaranteed commitment
Engineering Contract	W3 Company	Work completed and inspected according to schedule from 2023/09/25	Engineering Contract	Guaranteed commitment
Engineering Contract	W3 Company	Work completed and inspected according to schedule from 2024/04/25	Engineering Contract	Guaranteed commitment
Engineering Contract	N1 Company	Work completed and inspected according to schedule from 2023/07/14	Engineering Contract	Guaranteed commitment
Engineering Contract	S10 Company	Work completed and inspected according to schedule from 2025/04/21	Engineering Contract	Guaranteed commitment
Engineering Contract	L6 Company	Work completed and inspected according to schedule from 2023/02/01	Engineering Contract	Guaranteed commitment
Engineering Contract	A2 Company	Work completed and inspected according to schedule from 2023/03/27	Engineering Contract	Guaranteed commitment
Engineering Contract	T5 Company	Work completed and inspected according to schedule from 2023/06/10	Engineering Contract	Guaranteed commitment
Engineering Contract	C7 Company	Work completed and inspected according to schedule from 2025/01/15	Engineering Contract	Guaranteed commitment
Engineering Contract	U2 Company	Work completed and inspected according to schedule from 2024/08/22	Engineering Contract	Guaranteed commitment

Agreement	Counterparty	Period	Major Contents	Restrictions
Engineering Contract	P2 Company	Work completed and inspected according to schedule from 2023/12/01	Engineering Contract	Guaranteed commitment
Sales Contract	KUNSHAN REZOTA CO., LTD.	Work completed and inspected according to schedule from 2023/04/19	Sales Contract	None
Engineering Contract	H2 Company	Work completed and inspected according to schedule from 2022/02/11	Engineering Contract	Guaranteed commitment
Engineering Contract	H2 Company	Work completed and inspected according to schedule from 2022/05/06	Engineering Contract	Guaranteed commitment
Engineering Contract	H2 Company	Work completed and inspected according to schedule from 2023/01/10	Engineering Contract	Guaranteed commitment
Engineering Contract	W10 Company	Work completed and inspected according to schedule from 2023/05/01	Engineering Contract	Guaranteed commitment
Engineering Contract	N2 Company	Work completed and inspected according to schedule from 2024/02/28	Engineering Contract	Guaranteed commitment
Engineering Contract	F3 Company	Work completed and inspected according to schedule from 2024/01/31	Engineering Contract	Guaranteed commitment
Engineering Contract	G2 Company	Work completed and inspected according to schedule from 2024/02/01	Engineering Contract	Guaranteed commitment
Engineering Contract	D2 Company	Work completed and inspected according to schedule from 2024/01/30	Engineering Contract	Guaranteed commitment
Engineering Contract	D2 Company	Work completed and inspected according to schedule from 2024/08/15	Engineering Contract	Guaranteed commitment
Engineering Contract	S4 Company	Work completed and inspected according to schedule from 2025/05/31	Engineering Contract	Guaranteed commitment
Engineering Contract	L7 Company	Work completed and inspected according to schedule from 2025/01/10	Engineering Contract	Guaranteed commitment
Engineering Contract	W2 Company	Work completed and inspected according to schedule from 2025/01/25	Engineering Contract	Guaranteed commitment
Engineering Contract	Q1 Company	Work completed and inspected according to schedule from 2025/02/28	Engineering Contract	Guaranteed commitment
Engineering and Equipment Contract	S8 Company	Work completed and inspected according to schedule from 2022/08/16	Engineering and Equipment Contract	Guaranteed commitment
Engineering and Equipment Contract	S8 Company	Work completed and inspected according to schedule from 2023/11/23	Engineering and Equipment Contract	Guaranteed commitment
Engineering and Equipment Contract	S3 Company	2023/07/20~2025/12/30	Engineering and Equipment Contract	Guaranteed commitment
Engineering and Equipment Contract	S3 Company	2024/12/20~2026/03/30	Engineering and Equipment Contract	Guaranteed commitment

Agreement	Counterparty	Period	Major Contents	Restrictions
Engineering and Equipment Contract	S1 Company	Work completed and inspected according to schedule from 2023/02/01	Engineering and Equipment Contract	Guaranteed commitment
Engineering and Equipment Contract	S11 Company	Work completed and inspected according to schedule from 2023/03/06	Engineering and Equipment Contract	Guaranteed commitment
Engineering and Equipment Contract	S12 Company	Work completed and inspected according to schedule from 2023/06/01	Engineering and Equipment Contract	Guaranteed commitment
Engineering and Equipment Contract	S11 Company	Work completed and inspected according to schedule from 2023/06/28	Engineering and Equipment Contract	Guaranteed commitment
Engineering and Equipment Contract	T1 Company	Work completed and inspected according to schedule from 2023/10/23	Engineering and Equipment Contract	Guaranteed commitment
Engineering and Equipment Contract	S12 Company	Work completed and inspected according to schedule from 2024/01/17	Engineering and Equipment Contract	Guaranteed commitment
Engineering and Equipment Contract	D2 Company	Work completed and inspected according to schedule from 2024/07/01	Engineering and Equipment Contract	Guaranteed commitment
Engineering and Equipment Contract	S13 Company	Work completed and inspected according to schedule from 2015/01/02	Engineering and Equipment Contract	Guaranteed commitment
Engineering and Equipment Contract	F2 Company	2022/08/03~2025/04/30	Engineering and Equipment Contract	Guaranteed commitment

## V. Review and Analysis of Financial Conditions, Financial Performance, and Risk Management

### i. Financial Position

Unit: NT\$ thousand

Item \ Year	2023	2024	Difference	
			Amount	%
Current Assets	24,604,480	29,964,271	5,359,791	21.78
Non-Current Assets	2,982,212	4,113,408	1,131,196	37.93
<b>Total Assets</b>	<b>27,586,692</b>	<b>34,077,679</b>	<b>6,490,987</b>	<b>23.53</b>
Current Liabilities	13,244,524	16,138,093	2,893,569	21.85
Non-Current Liabilities	1,257,347	1,213,276	(44,071)	(3.51)
<b>Total Liabilities</b>	<b>14,501,871</b>	<b>17,351,369</b>	<b>2,849,498</b>	<b>19.65</b>
Capital stock	620,405	620,405	0	-
Capital surplus	3,707,948	3,797,691	89,743	2.42
Retained Earnings	4,314,371	5,565,062	1,250,691	28.99
Other Equity	169,123	986,962	817,839	483.58
<b>Total Equity attributable to the parent of company</b>	<b>8,811,847</b>	<b>10,970,120</b>	<b>2,158,273</b>	<b>24.49</b>
<b>Total Equity</b>	<b>13,084,821</b>	<b>16,726,310</b>	<b>3,641,489</b>	<b>27.83</b>

1. Analysis of changes in financial ratios:

- (1) Current assets increased due to the increase in contract assets and accounts receivable in 2024.
- (2) Non-current assets increased due to the increase in non-current financial assets at fair value through other comprehensive income in 2024.
- (3) Current Liabilities increased due to the increase in contract liabilities and accounts payable in 2024.
- (4) Retained earnings increased due to revenue growth in 2024, resulting in higher net income for the period.
- (5) Other equity increased due to the increase in unrealised gains (losses) from financial assets measured at fair value through other comprehensive income.

2. Future response actions: Not applicable.

### ii. Financial Performance

Unit: NT\$ thousand

Item \ Year	2023	2024	Difference	Percentage change (%)
Net Sales	25,060,741	30,253,853	5,193,112	20.72
Cost of Sales	20,142,993	23,676,006	3,533,013	17.54
Gross Profit	4,917,748	6,577,847	1,660,099	33.76
Operating Expenses	1,653,927	2,170,852	516,925	31.25
Operating Income	3,263,821	4,406,995	1,143,174	35.03
Non-operating Income and Gains	345,536	494,824	149,288	43.20
Non-operating Expenses and Losses	93,356	44,600	(48,756)	(52.23)
Income Before Tax	3,516,001	4,857,219	1,341,218	38.15
Tax Expense	916,428	1,269,208	352,780	38.50
Net Income	2,599,573	3,588,011	988,438	38.02

1. Analysis of changes in financial ratios:

- (1) The increase in net sales was mainly due to the growth in cleanroom electromechanical integration projects in 2024.
- (2) The increase in gross profit, operating income, and income before tax were mainly due to the increase in net sales.
- (3) The increase in operating expenses was mainly due to the rise in employees and labor costs.
- (4) The increase in non-operating income and gains was mainly due to the increase in interest income, dividend income and foreign exchange gains in 2024.

- (5) The decrease in non-operating expenses and losses was mainly due to a reduction in investment losses in 2024.
- (6) The increase in tax expense and net income were mainly due to the increase in income before tax.
2. Expected sales volume and basis for estimates:  
Please refer to page 4 “2.2.2 Expected sales volume and basis for estimates” of this annual report.

### iii. Cash Flow

#### 1. Cash Flow Analysis for the Current Year (2024)

Item \ Year	2023	2024	Variance %
Cash Flow Ratio (%)	32.90	13.90	(57.75)
Cash Flow Adequacy Ratio (%)	59.21	58.79	(0.71)
Cash Reinvestment Ratio (%)	7.47	1.87	(74.97)

Analysis of financial ratio change:

- The decrease in cash flow ratio was mainly due to an increase in contract assets by approximately 2.2 billion and an increase in accounts receivable by approximately 2.5 billion.
- The decrease in cash reinvestment ratio were mainly due to a 48.50% decline in net cash flow from operating activities in 2024 compared to 2023, along with a 70.84% increase in long-term investments and a 21.71% increase in working capital.

#### 2. Remedy for Cash Deficit and Liquidity Analysis

None.

#### 3. Cash Flow Analysis for the Coming Year (2025)

Cash and Cash Equivalents, Beginning of Year (1)	Estimated Net Cash Flow from Operating Activities (2)	Estimated Cash Outflow (Inflow) from Investing and Financing Activities (3)	Cash Surplus (Deficit) (1)+(2)-(3)	Leverage of Cash Surplus (Deficit)	
				Investment Plans	Financing Plans
9,899,280	(1,500,000)	(2,000,000)	6,399,280	None	None

Analysis of change in cash flow for the coming year:

- Operating Activities: The cash outflow will be generating from construction expenses.
- Investing Activities: The cash outflow will be mainly due to financing or investment plans and acquisition of assets needed for expanding operations.
- Financing Activities: The cash outflow will be mainly due to cash dividend payment and repayment of bank loans.

### iv. Major Capital Expenditure Items

None.

### v. Investment Policy in Last Year, Main Causes for Profits or Losses, Improvement Plans and the Investment Plans for the Coming Year

#### 1. Investment Policy

Acter aims to become a globalized organization, first by securing a strong foothold in Asian markets, and then gradually replicating its successful experience to other parts of the world. This strategy begins with the Greater China region, where the company has subsidiaries in Suzhou, Shenzhen and Shanghai. Each subsidiary will be run by a dedicated team in order to closely serve local industry. Southeast Asia, Japan, and South Asia are key focus areas for expanding overseas business, with plans to set up in Malaysia, Indonesia, and Thailand. By which time, Taiwan, China, Singapore and Vietnam will play a role as a support center that supplies Malaysian and Indonesian counterparts with raw materials, technical know-how, and human resources. Once the Southeast Asian subsidiaries have formed a functional network, they will provide more flexibility to the company's engineering services in Southeast Asia. In 2024, the group

further expanded internationally by establishing subsidiaries in Japan and India, enhancing its advantages in one-stop turnkey project services through vertical and horizontal resource integration.

In addition, the company's subsidiary Acter Technology Integration Group Co., Ltd. officially listed on the Shanghai Stock Exchange on Oct. 13, 2022, which is expected to expand China and international business, attract and motivate local talents, increase the company's reputations and enhance its global competitiveness, bring positive effects to the image and business development of the company and create added value to its reinvestments.

## 2. Main Causes for Profits or Losses and Improvement Plans

(1) As projects gradually approach completion, and in comparison to the high base period from the previous year, revenue momentum has slowed. Nevertheless, the company remains committed to cost reduction and efficiency improvements to sustain profit growth.

### (2) Improvement Plans

The company will seek to implement its management model with the subsidiaries, while in the meantime developing an elite team of local talent that is capable of handling existing technologies and actively visit customers to obtain orders.

## 3. Investment Plans for the Coming Year

With the development of AI technology driving upgrades and innovations in the semiconductor and high-tech electronics industries, companies are increasing their investments. The intensified tariff issues further prompt industries to reshape their supply chains, leading businesses to accelerate the establishment of overseas factories, focusing on shorter supply chains and localized regional layouts. Acter Group aims to meet the diverse market expansion needs of its clients over the next year by continuing to uphold its competitive advantages of internationalization, differentiation, and diversification. By integrating the vertical and horizontal value chains of the group and its partners, the company will deepen its market presence in Greater Asia. Additionally, to address the local service demands of semiconductor-related clients in the U.S. and European markets, the group plans to officially enter the Americas market while simultaneously evaluating the establishment of a European presence to enhance its competitive strength in the international market, laying a foundation for stable growth in the medium to long term.

## vi. Analysis of Risk Management

### 1. Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate and its affiliates Finance, and Future Response Measures

#### (1) Interest Rates

##### A. Effects of Changes in Interest Rates on Corporate and its affiliates Finance

The interest income or interest expenses to net operating revenues in 2024 accounted for 0.61% and 0.08%, respectively. The effect of interest rate movements on net income was limited.

Unit: NT\$ thousand

Item	Year	2024	As of February 28, 2025
Interest Income(1)		184,911	Note1
Interest Expenses(2)		24,844	
Net Operating Revenue(3)		30,253,853	
Ratio of Interest Income to Net Operating Revenue (1)/(3)		0.61%	



Item	Year	2024	As of February 28, 2025
Ratio of Interest Expenses to Net Operating Revenue (2)/(3)		0.08%	

Note1: Financial information in 2024 has been audited by CPA and financial information as of February 28, 2025 has not been reviewed by CPA.

#### B. Future Response Measures

The company's interest expenses were incurred mainly due to the utilization of short-term working capital financing offered by banks. The company will continue maintaining close relationships with banking partners in order to borrow funds at more favorable rates and reduce interest expenses.

#### (2) Foreign exchange rates

##### A. Effects of Changes in Foreign Exchange Rates on Corporate and its affiliates Finance

The company and its affiliates are construction services providers and not importer/exporter. Although some of its raw materials are purchased from overseas suppliers and are denominated in foreign currencies, the exchange gain (losses) in 2024 amounted to NTD 105,851 thousand, accounting for 0.35% of the annual net revenue and 2.40% of operating profit. For this reason, changes in exchange rates should not cause any significant impact on the company and its affiliates' revenues and profitability.

Unit: NT\$ thousand

Item	Year	2024	As of February 28, 2025
Income/Loss from Foreign Exchange Transactions		105,851	Note1
Net Operating Revenue		30,253,853	
Ratio of Income/Loss from Foreign Exchange Transactions to Net Operating Revenue(%)		0.35%	
Operating Income		4,406,955	
Ratio of Income/Loss from Foreign Exchange Transactions to Operating Income (%)		2.40%	

Note1: Financial information in 2024 has been audited by CPA and financial information as of February 28, 2025 has not been reviewed by CPA.

#### B. Future Response Measures

Although exchange rate fluctuations have little effect on the company and its affiliates' operations, the company still attempts to mitigate exchange risks by closely monitoring exchange rate information provided by its banking partners, and by reflecting exchange rate fluctuations into the pricing of its sales and purchases.

#### (3) Inflation

##### A. Effects of Changes in Inflation on Corporate and its affiliates Finance

The changes in inflation does not have a significant impact on the company's profits and business operations during the most recent fiscal year and during the current fiscal year up to the date of printing of this annual report.

#### B. Future Response Measures

The company constantly monitors price changes in the market, and maintains good relations with suppliers to minimize the effect of cost variations on profitability. At the same time, the company has strict budget and internal controls in place to keep operating costs and expenses within reasonable levels.

2. Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions

- (1)The Company did not engage in any high-risk or high-leveraged investments during the most recent fiscal year and during the current fiscal year up to the date of printing of the annual report.
- (2)The company and its subsidiaries have established respectively the “Procedure for Loaning of Company Funds” or “Financing and external guarantee management system” which were reported to and approved by the shareholders meeting as the basis for making loans to others. The transactions and procedures related to lending are based on the company’s norm.
- (3)The company and its subsidiaries have established respectively the “Procedure for Endorsements and Guarantees” or “Financing and external guarantee management system” which were reported to and approved by the shareholders meeting as the basis for making endorsements and guarantees for others. The transactions and procedures related to making endorsement and guarantees are based on the company’s norm.
- (4)The Company and its subsidiaries have established the “Procedure for Acquisition and Disposal of Assets.” or “Major operation and investment decision management system” which were reported to and approved by the shareholders meeting as the basis for conducting any derivative transactions. The transaction and procedures related to conducting any derivative transactions are based on the Company’s norm.

3. Future Research & Development Projects and Corresponding Budget

The R&D focus of system integration engineering is different from that of other industries in that system integration engineering is a customized solution developed based on a project owner’s needs, for which the company is required to explore different combinations of construction techniques, materials and equipment to deliver the best solution, while developing an operating system and environment that satisfies customers’ production requirements. Due to the high dependency on customers’ industry characteristics, the company’s R&D efforts are largely focused on industry-specific innovations. In order to excel in innovation, the company and its affiliates have developed a fundamental research, design and management procedure that brings different teams of researchers to develop a tightly integrated customer solution. Below is a description of the company’s future R&D plans:

- (1)Patent development: the company keeps acquiring patents in China; most of them relating to construction methods, applications and new materials, and software programming of a chemical equipment supply system.
- (2)Talent incubation and academia-industry cooperation: the company has comprehensive on-the-job training programs in place to help employees develop skills required, and works with scholars to explore new innovations. The company has been collaborating with Taipei Tech, Taiwan Tech, NCUT, NYUST, NKUST, FEU, and HKU in an internship program since 2006, and allying with Taipei Tech and NCUT. In June 2024, a collaboration agreement was signed with the NCHU Academia-Industry Collaboration Center to jointly promote innovation and talent development in the field of engineering technology.
- (3)Energy-saving technologies: in light of rising global emphasis on energy-saving, green and low-carbon lifestyles, the group continues to conduct research into and develop environmental protection related engineering technology and products,

develop high-efficiency eco-friendly facilities and energy management technologies, enhance the energy efficiency of energy consumption products, facilitate its integration with intelligent system, and optimize the control, optimize the application of energy-saving technology with our know-how in the field, and build a production environment with more efficient technologies to assist the industry in transformation to net zero emissions.

- (4) Studies on rationalized production procedures: in-depth studies on project owners' production procedures are helpful to facilitate communications with them. Doing so allows the company to make adjustments and help project owners optimize the efficiency of their production environment. Due to the extensive range of industries that the company's services touch on, it is imperative for the company to gain in-depth knowledge of production procedures involved before recommending any solutions to customers.
- (5) In utilization of the technical capability of established Building Information Modeling (BIM) - Revit of Company, take one step further into the Digital Twin application technology for air conditioning system which applies the digital computing and simulation technology in design and construction process so that the design efficiency, optimization design, construction efficiency and efficiency optimization of system energy is improved; the system balance and performance validation is assisted during the completion acceptance process so that the acceptance efficiency is improved; in the operation phase, the BIM, energy model, environmental control model, and monitoring system of physical and digital systems is integrated to perform the system operation management, system predictive maintenance diagnosis, faults diagnosis, operation optimization analysis, and artificial intelligence mechanical learning so that the risk of unanticipated faults is reduced, the operating costs is decreased, and the system energy efficiency is improved.
- (6) To solve the time-consuming and complicated modeling and calculation issues of air conditioning design engineers in the design stage, the Building Information Modeling (BIM) of Revit and energy simulation technology is integrated and utilized by external computer programs so that the system design calculation report will be produced automatically through the automation database connection mechanism between the system design data, which not only can assist the air conditioning design engineers to complete air conditioning design volume calculations efficiently but also perform the value engineering analysis such as energy efficiency and cost optimization calculations.
- (7) The adoption of illuminance simulation software-aided lighting design ensures that the number of installed lighting fixtures matches actual needs, while achieving the goal of minimal deviations and reduced energy consumption.
- (8) Import the 3D drawing and cooperate with the 3D online platform to improve the quality and efficiency of the project, reduce the correction and adjustment time required for the follow-up pipeline overlay conflicts, and import the ISOGEN software to save time costs, establish the pipeline ISO diagram, so that the pipeline can be factory preset to reduce waste and reduce carbon emissions.
- (9) Implement automated modeling and train automated programming personnel. Reduce repetitive tasks, lower time costs, and decrease the need for modeling manpower. Utilize programs to automatically verify the accuracy and correctness of models, reduce human error, and improve work efficiency.

## (10) Corresponding Budget

Unit: NT\$ thousand

Research projects	Current Progress	Expected research expenditure in the future	Completion Date	Project Description	Major factors that will impact future success
Digital Intelligence industry-academia cooperation program	In progress	3,060 (Excluding the initial investment of NT\$2,040 thousands)	Nov. 2026 (The first phase was completed in June 2023)	<ul style="list-style-type: none"> <li>■ Apply multi-industry experience to establish standardized design to accelerate R&amp;D innovation</li> <li>■ Apply digital computation and simulation technology in the design and construction process to enhance and optimize design efficiency, construction efficiency, and system energy efficiency</li> </ul>	<ul style="list-style-type: none"> <li>■ Combining academic knowledge with practice</li> <li>■ Passing down technical applications</li> </ul>
Patents	We are continually applying for related patents	1,068,324	Dec. 2026	<ul style="list-style-type: none"> <li>■ Construction techniques are optimized and the capabilities of equipments are upgraded.</li> <li>■ New function requirements and new system development</li> <li>■ Reduce procurement costs</li> </ul>	<ul style="list-style-type: none"> <li>■ Personnel participate in research</li> <li>■ Encouragement and support from company</li> <li>■ local policy support</li> </ul>
Constructing Digital Twin and applications of air-conditioning systems with BIM and simulation technology	In progress	3,060	Mar. 2026	<ul style="list-style-type: none"> <li>■ Integrate Revit's BIM and energy simulation technology in the design and construction process to improve design efficiency and system energy efficiency optimization</li> </ul>	<ul style="list-style-type: none"> <li>■ Openness of the application</li> </ul>
BIM introduce ISO drawing output software	In progress	1,652	-	<ul style="list-style-type: none"> <li>■ Make ISO drawings with BIM, and pre-set off-site pipelines to speed up the work.</li> </ul>	<ul style="list-style-type: none"> <li>■ Output efficiency of drawing</li> </ul>
API automated modeling	In progress	1,200	-	<ul style="list-style-type: none"> <li>■ Reduce repetitive modeling tasks and establish regularization</li> <li>■ Reduce personnel operation time, speed up drawing output</li> <li>■ Automatic model validation</li> </ul>	<ul style="list-style-type: none"> <li>■ Improve efficiency</li> <li>■ Automatic model accuracy</li> <li>■ Improve drawing accuracy</li> </ul>

4. Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales

The company constantly monitors changes in key policies and regulations around the world. The company also gathers market intelligence and adjusts business strategies to better control its financial performance. There have been no changes in key policies or regulations, locally or overseas, that have caused significant impact on the company's financial performance during the most recent fiscal year and during the current fiscal year up to the date of printing of this annual report.

5. Effects of and Response to Changes in Technology (including cyber security risks) and in Industry Relating to Corporate Finance and Sales

In light of the relocation of many tech industries to Southeast Asia and China, the company has established subsidiaries in strategic locations such as Singapore, Malaysia, Vietnam, Indonesia, Thailand, Japan, India, Shenzhen, Suzhou, and Shanghai. This expanded network has enabled the company to cover a broader area and reach more customers.

With the development of technology, the information security risks faced by enterprises are increasing day by day. The company also pays attention to this issue. To strengthen information security management, protect security of computer information data, systems, equipment and networks of the company, prevent the improper use, leakage, alteration and destruction of information assets due to human negligence and deliberate sabotage, which may affect the normal operation of the computer operating system or damage the operations of the company, the company formulates an "Information Security Policy" for all colleagues to follow, and at the same time promotes it from time to time to enhance employees' awareness of information security.

There have been no changes in technology (including information security risks) or the overall industry that have caused significant impact on the company's financial performance during the most recent fiscal year and during the current fiscal year up to the date of printing of this annual report.

6. The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures

The company and its affiliates have strived to upgrade its technical know-how in line with market trends since incorporation. It places a primary focus on quality, technology and service, and is dedicated to helping customers adopt the latest technologies. Over the years, the company has provided engineering services to a number of well-known companies including Siliconware Precision Industries, TSMC, DELTA, and Corning (Taiwan). There has been no negative impact on the company's image requiring crisis management during the most recent fiscal year and during the current fiscal year up to the date of printing of this annual report.

7. Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans

The Company and its affiliates have no ongoing merger and acquisition activities.

8. Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans

The company currently does not have any plans to expand its plants.

9. Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration

The company provides construction services on a project-by-project basis. It mainly

serves manufacturing companies and has no fixed customers. However, for large projects, there may be cases where revenue is earned from a few concentrated customers over a short period of time. As a means of controlling credit risks, the company performs credit assessments on customers before a project begins, and closely monitors customers' operations and market information once a project has kicked off.

The company conducts purchasing according to the nature and progress of construction, while adhering strictly to procurement and outsourcing procedures. There has been no concentration of purchasing during the most recent fiscal year and during the current fiscal year up to the date of printing of this annual report.

10. Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors or Shareholders with Shareholdings of over 10%

The share transfer of the company's directors or shareholders with shareholdings of over 10% during the most recent fiscal year and during the current fiscal year up to the date of printing of this annual report has been disclosed on page 82. Because the counterparties of the transfer are director's spouse and trust with discretion reserved, it will not cause significant impact on the company.

11. Effects of, Risks Relating to and Response to Changes in Control over the Company

There were no changes in control over the company during the most recent fiscal year and during the current fiscal year up to the date of printing of this annual report.

12. Litigious or Non-litigious Matters

(1) Major litigious, non-litigious or administrative disputes that have been concluded by means of a final and unappealable judgment during the most recent fiscal year and during the current fiscal year up to the date of printing of this annual report: None.

(2) Major litigious, non-litigious or administrative disputes that are still under litigation as of the date of printing of this annual report:

A. The non-contentious case of project payment with Wintek Corporation (Wintek) and its subsidiaries in China and Vietnam:

Cause of lawsuit: The Company and its subsidiary undertook the new manufacturing facility projects of Wintek in Dongguan, China and Gwangju, Vietnam between 2012 and 2013. Wintek started to be delinquent on payments in 2013 and filed for reorganization with Taiwan Taichung District Court on October 13, 2014. To protect the Company's rights as creditor, proceedings have been ongoing in respective jurisdictions for the debts in accordance with local legal requirements.

Status of lawsuit:

a. Wintek Taiwan: Taiwan Taichung District Court has confirmed the reorganization ruling of Wintek on October 5, 2016. Currently it has entered the reorganization procedure. As of the printing date of the annual report, Wintek has made four installments and loss ratio for the firm with unwarranted claim is 16%, 6%, 10%, and 8%, respectively. The Company has acquired the first to fourth compensation payments.

b. Wintek subsidiary in Vietnam: It has obtained an arbitrary award of winning a court case through Vietnam international arbitrary center. The parties shall reach a settlement pursuant to the payment on the arbitrary award and come to an agreement on reduction of debt with three installment payments. The Company has acquired all installment payments.

- c. Wintek subsidiary in China: After Guangdong Dongguan People' Court conducted corporate reorganization ruling, the first loss ratio for the firm with unwarranted claim is 6.5%, and every firm will be paid with an extra of CNY 50,000 as compensation money. The Company has acquired the first compensation money in 2017 and the second allocation in 2021. The amount of the second allocation is the unpaid balance after the first payment multiplied by the second loss ratio the firm with unwarranted claim of 6.26%.

**B. Project payment lawsuit against Jing He Science Co., Ltd. (JHS) N2O & CO2 Gas Plant:**

Cause of lawsuit: Nova Technology Corp. (Nova Tech), a subsidiary company, undertook the expansion of Jing He's JHS N2O&CO2 Gas Plant on October 29, 2012. Jing He terminated the contract unilaterally before completion. Both parties disputed over the percentage of completion, and Jing He refused to make payments. The said dispute required the judicial investigations, so Nova Tech filed an action to request for NT\$122,090,708, payments of the construction.

Status of lawsuit: Nova Tech filed a civil action against Jing He on October 29, 2013. In the first trial on December 29, 2023, the Taoyuan District Court ruled that Jing He should pay NT\$22.876 million to Nova Tech. (Case No: Taiwan Taoyuan District Court 2013 Jien-Zi No.71) Nova Tech has recognized a loss of NT\$12 million in the fiscal year 2023.

**13. Other Major Risks**

None.

**vii. Other Important Matter**

None.

**VI. Special Disclosure**

**i. Summary of Affiliated Companies**

Relevant information has been uploaded to the MOPS. Please refer to the MOPS -> Electronic Books.

**ii. Private Placement Securities in the Most Recent Years**

None.

**iii. Other matters that require additional description**

None.

**VII. Any situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year or during the current fiscal year up to the date of printing of the annual report**

None.

# ACTER GROUP CORPORATION LIMITED

Chairman: Chin-Li Liang

Printed on February 28, 2025