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國泰建設股份有限公司

Cathay Real Estate Development Co., Ltd

2025 Annual Report

Printed on March 30, 2026

- I. Spokesperson: Lin, Chin-Liang
Title: Senior Executive Vice President
Tel: (02)2377—9968
E-mail: service@cathay-red.com.tw
- II. Acting spokesperson of the Company: Liao, Li-Chi
Title: Executive Vice President
Tel: (02)2377—9968
E-mail: service@cathay-red.com.tw
- III. Headquarters and Branches
Taipei Headquarters Address: 2F, No. 218, Section 2, Dunhua South Road, Taipei
Tel: (02)2377—9968
Taichung Branch Address: 24F-2, No. 530, Yingcai Road, West District, Taichung
Tel: (04)2301—2456
Tainan Branch Address: 5F-C1, No. 189, Section 1, Yongfu Road, West Central District, Tainan
Tel: (06)220—7869
Kaohsiung Branch Address: Room A3, 21F, No. 260, Zhongshan II Road, Qianzhen District, Kaohsiung
Tel: (07)237—6699
- IV. Stock Transfer Agent Finance Section, Finance Management Department, Cathay Real Estate
Address: 2F, No. 218, Section 2, Dunhua South Road, Taipei
Tel: (02) 2377—9968 Ext. 5311~5313
Website: <https://www.cathay-red.com.tw>
- V. Auditors Name in the Most Recent Year: Lin, Shu-Wan; Shao, Chih-Ming
Accounting Firm: Deloitte & Touche Taiwan
Address: 20F, Taipei Nan Shan Plaza No. 100, Songren Rd., Xinyi Dist., Taipei
Tel: (02)2757—9988
Website: <https://www.deloitte.com/tw/tc.html>
- VI. Overseas Securities Exchange: None
- VII. Corporate Website: <https://www.cathay-red.com.tw>

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Chapter 1. Letter to Shareholders

I. 2025 Operating Results

(I) Results of the implementation of the business plan for 2025

Monetary policies in major economies shifted from earlier rate-hike cycles to a more cautious stance, keeping global growth moderate. Despite geopolitical and financial-market uncertainties, supply chains have largely stabilized, while technological innovation and steady service-sector demand continue to support fundamentals.

Domestically, as consumers awaited clarity on U.S.–Taiwan tariff talks and durable-goods spending softened, Taiwan’s economy showed export-driven growth. AI-related momentum in the semiconductor and ICT sectors helped ease early-year concerns about economic weakness.

In 2025, the company launched 5 new construction projects which are “Cathay You Ran” in Taipei, “Cathay Xi” in new Taipei, “Cathay GRAND PARK” in Taoyuan, “Cathay Shi Cui” in Taichung and “Cathay Yuan Mei” in Tainan.

Amid a relatively tight interest rate environment and the government’s continued implementation of credit control policies, sales performance met or exceeded expectations, supported by product planning aligned with rigid market demand and the Company’s strong brand advantages.

In terms of revenue, the recognized construction projects include: “Cathay You Yang”, “Cathay Shi Mei” in Taipei, “Cathay The Park”, “Cathay Me He” in Taichung, “UNi PARK” (Joint venture) in Tainan, in addition to unsold housing units from the previous year’s completed projects. The total annual revenue amounted to approximately NT\$13,543,250,000.

(II) Budget Implementation

There was no budget implementation in 2025 due to undisclosed financial forecasting.

(III) Please refer to pages 150-151 for the analysis of financial revenue and profitability in 2025.

(IV) Research and Development Status

As of the current stage, the high cost of raw materials and wage remain a significant issue faced by the real estate market. By monitoring shifts in the labor and material field, reviewing standard construction costs, and refining the grading of building materials and equipment to increase competitiveness, the Company keeps up its efforts to improve cost management and organizational efficiency. Furthermore, as consumer awareness and product information become increasingly transparent, the Company continues to incorporate digital and AI transformation to increase product and service value and

deepen brand impact while consolidating its core business. In terms of future development strategies, in addition to planning advantageous designs and layouts, the Company considers the needs of different generations and incorporates them into product planning to better meet client expectations. With the goal of providing customers with a high-quality living experience, we implemented a three-tier quality control system and standard operating procedures, introduced planning and design guidelines, strengthened drawing review mechanisms, and stabilized customer reputation. In 2025, the Company marked its 61st anniversary. During the year, the Company conducted anniversary-related initiatives and enhanced communication with diverse customer segments through digital media outreach, supporting the continued strengthening of its brand presence. The Company has also long been committed to studying recent developments within the real estate sector. Developed through closely examining and analyzing newly launched real estate projects in the market, the “Cathay Real Estate Index” was published in partnership with academic institutions. Along with publishing survey findings, the Company has grown to become a significant source of information on Taiwan’s real estate trends by acting as a guide for the public’s home purchasing and investment decisions.

II. A Summary of the Business Plan for 2026

In 2026, the AI wave is expected to continue, while lingering U.S. tariff effects and the fading impact of early restocking pose challenges amid a high comparison base and slowing global trade momentum. According to the Taiwan Institute of Economic Research, Taiwan’s GDP growth is projected to exceed 4%. Although the Central Bank’s seventh wave of credit control policies remains tight, strong capital inflows into AI-related heavyweight stocks at the end of 2025 lifted market sentiment. If the government maintains a cautious regulatory stance, the real estate market is expected to remain driven by end-user demand, with prices in major urban areas staying stable and project performance determined by product competitiveness. Assuming market sentiment remains unchanged, the housing market is likely to see stable transaction volume with relatively steady prices.

(I) Business policy, expected sales and basis for the current year

In 2026, the Company plans to launch one construction project each in Taipei, Taichung, Tainan, and Kaohsiung, for a total of four projects nationwide, and sales are expected to reach an amount with the combined project expenses approximately NT\$23 billion. The Company’s launch rhythm will be adjusted according to the economic situation while we continue to increase land reserves through diversified development methods, steadily proceeding towards our aim of being a comprehensive developer.

The Company will continue to closely monitor market trends and policy directions, maintaining an operating strategy that balances flexibility with discipline. We will focus on acquiring prime land, carefully selecting partners, and working with high-quality contractors to advance our business development at a steady pace. In pursuing long-term

corporate value and sustainable operations, we remain committed to providing consumers with quality residential options and to delivering truly reliable homes for the public.

(II) The Company's important production and sales policies this year

1. Moving towards a comprehensive developer

Looking back on the previous five years' efforts and reviewing the goals of the five-year plan goals set in 2021, which consists of quality performance, expanding our reach, and sustainable branding; in the second year of our five-year plan, we integrated San-Ching Engineering Co., Ltd. as a subsidiary of Cathay Real Estate Development Co., Ltd., making the real estate group's portfolio more complete. This achievement led to an impressive performance of NT\$60 billion in project launches during our 60th anniversary celebration in 2024. In order to secure our first government-initiated urban renewal project, strategic alliances with partners were established. Through partnerships with commercial establishments and other resources, we are also now presented with more options and prospects for mixed-use developments.

2. Talent-Driven Stability, Precision-Built Quality, AI-Powered Efficiency, Resilient Cyber-Defense.

In 2026, the Company marks over 60 years since its founding and has successfully completed three consecutive five-year plans. In recent years, we have expanded our development scale and revenue through diversified project strategies. This year, our focus remains on deepening professional capabilities, strengthening construction quality, enhancing employee efficiency through AI-driven digital transformation, and maintaining strong organizational resilience amid market changes. With information security embedded in our daily operations and strengthened cross-departmental collaboration, we aim to further solidify our core business while driving sustainable innovation.

III. Future Development Strategy

(I) Short-term development strategy

1. Deeply cultivate the Company's excellent brand value
2. Diversified compound land development strategies
3. Optimize product planning to create sales
4. Implement knowledge management digital transformation
5. Enhance customer service and stabilize company reputation
6. Continue to diversify into investment management

(II) Long-term development strategy

1. Strengthen the Company's sustainable brand value
2. Comprehensive development opportunities with multi-angle layout
3. Planning for sustainable energy-saving and carbon-reducing buildings
4. Refine the overall quality of engineering technology
5. Impressive after-sales service to improve living standards
6. Steady and diversified business operation growth

IV. Influences from External, Regulatory and Overall Business Environment

(I) External competition environment

In view of market supply and demand, according to statistics from the Construction and Planning Agency of the Ministry of the Interior, as of the end of 2025, the total floor area of residential units obtaining building permits nationwide decreased by 10% by the end of 2025, as compared to 2024, which disrupted the growth momentum established in the prior year. In terms of land transaction volume, activity declined sharply by nearly 30% year-on-year. Compared with the broadly optimistic sentiment prevailing among industry peers in the first half of 2024, developer confidence in land acquisition was shaken in 2025 by the combined impact of the seventh round of credit controls and the U.S. reciprocal tariff policy on the overall housing market. This shift reflects a cautious and conservative industry outlook toward the market's future trajectory. With no signs of policy relaxation from the Central Bank toward the end of 2025, the market is expected to remain in a wait-and-see mode throughout 2026, under the continued pressure of tightening housing market policies. According to the Cathay Real Estate Index quarterly research report, although 2025 was marked by robust export growth that drove outstanding economic performance-culminating in the Taiwan Stock Exchange surpassing the 30,000-point milestone in early 2026-the government's implementation of credit control measures effectively eliminated speculative investment demand from the market. Only select projects with strong brand recognition and prime location advantages were able to attract solid end-user buyers. As a result, transaction volumes fell to a multi-year low, the domestic housing market cooled noticeably, and the simultaneous price-and-volume appreciation trend seen in 2024 came to an end, with the market reverting to a phase of contracting volume and consolidating prices.

Looking ahead to 2026, exports are expected to maintain steady growth, supported by the continued global expansion of the AI industry. However, with the Central Bank yet to lift its seventh-round credit controls, housing market buying activity will remain suppressed. This is expected to reinforce the ongoing trend toward solid demand for owner-occupied

residential products, with the market likely to sustain a divergent pattern of performance across individual projects.

In terms of land supply, Taiwan's urban areas are densely populated with limited land available for construction. After decades of development by the construction industry, suitable building sites have become increasingly scarce, especially in prime areas where almost all of the land has been developed, causing land prices to continue rising. As public awareness of property rights increases, government-initiated land consolidation and the regulatory environment surrounding zone expropriation has become significantly more challenging, making land acquisition more difficult. In Taipei particularly, recent property developments have primarily focused on urban renewal and reconstruction of unsafe and old buildings

(II) Regulatory environment

1. Urban planning regulations

The government continues to advance policies related to urban renewal and the reconstruction of structurally unsafe and aging buildings, while strengthening associated supporting measures. In addition to the Executive Yuan's approval in 2022 to extend the tax incentives applicable to unsafe and aging building reconstruction through 2027, the Ministry of the Interior has also proposed the "Unsafe and Old Buildings Statute 2.0" amendment draft, aimed at improving the efficiency of public asset participation in reconstruction projects. Driven by these policy incentives, the number of unsafe and aging building reconstruction cases accepted by local governments across various counties and cities has increased significantly in recent years. Furthermore, the government introduced tax incentives for urban renewal projects in 2023 and expanded the applicable scope of original floor area ratios in 2024, with the aim of encouraging greater resource allocation toward urban renewal and unsafe building reconstruction, thereby accelerating urban regeneration and improving the overall urban environment.

2. Other regulations

In previous years, in response to escalating residential price volatility and the prevalence of pre-sale housing assignment transactions, the Executive Yuan introduced a series of measures, including the "Healthy Real Estate Market Plan" and "Real Price Registration 2.0." In early 2023, the government further tightened regulations governing the resale of pre-sale housing units and property purchases by private legal entities through the passage of amendments to the Equalization of Land Rights Act, with the objective of curbing speculative activity and steering the market toward healthier development. Since the second half of 2024, against the backdrop of rising bank lending levels and a continuously heating housing market, the Central

Bank launched its seventh round of credit control measures to stabilize the market and prevent an excessive concentration of credit resources in the real estate sector. These measures significantly raised lending thresholds, shifting overall market sentiment toward a wait-and-see stance. Concurrently, the "New housing loan program for young homebuyers" was introduced to channel demand toward owner-occupier and solid end-user buyers. In the fourth quarter of 2025, the Central Bank indicated that its credit control measures have achieved their preliminary intended effects. To prevent a resurgence of the overheating trend in the real estate sector, it stated that the current level of control intensity would be maintained in the near term. On a separate note, the "New housing loan program for young homebuyers" is scheduled to expire in July 2026; however, the government has indicated that a policy review and optimization process will be initiated, with the underlying direction of supporting first-time buyers and owner-occupier demand remaining unchanged. Looking ahead, government real estate policy developments will continue to serve as a key factor shaping market trends. The Company will maintain close monitoring of policy changes and their implications for the industry.

(III) Overall operation environment

In 2025, The number of housing transactions in the six municipalities was 204,000, representing a 25% decrease from the previous year and falling to its lowest level in eight years, underscoring a pronounced market slowdown. This suggests that the overall market continues to be constrained by credit control policies, with investment-driven demand having largely withdrawn. Internationally, as inflation gradually eased, major central banks began entering interest-rate-cut cycles, improving global liquidity. However, domestic credit control measures adopted by the Central Bank to maintain financial stability continued to significantly suppress housing market sentiment, extending the consolidation and correction phase of Taiwan's real estate market for more than a year.

Looking ahead to 2026, the international landscape expects major central banks to sustain their rate-cutting cycles. Furthermore, U.S. tech giants continue to benefit from the thriving AI industry, providing a robust foundation for the U.S. economy and bolstering the performance of other major economies. Consequently, global growth momentum is anticipated to remain stable. However, the future economic and trade policies of the Trump administration present high levels of uncertainty, the impacts of which on global finance and the real economy warrant close observation.

Domestically, exports of electronics-related products continue to expand. As the global economy gradually recovers, small and medium-sized enterprises (SMEs) are expected to join the recovery cycle. The Directorate-General of Budget, Accounting and Statistics (DGBAS) forecasts that Taiwan will continue to benefit from AI-driven demand in 2026, sustaining an expansionary trend in exports. This is expected to maintain the growth

trajectory established in 2025. Major institutions also generally predict that, despite the high base set in 2025, the domestic economic growth rate for 2026 will remain above the 3% threshold.

Overall, with domestic prices remaining under control and Taiwan's economic outlook becoming clearer, rising mortgage rates, tighter bank lending standards, and conservative appraisals continue to weigh on buyer confidence. Nevertheless, government policies continue to safeguard the interests of first-time buyers, supporting steady transaction momentum for affordable housing products. Looking ahead to 2026, with expectations of sustained economic momentum and continued government support for first-time buyers and owner-occupiers as a key policy focus, the housing market is expected to stable transaction volume with relatively steady prices.

Chairman: Chang, Ching-Kuei

Chapter 2. Report on Corporate Governance

I. Information on Directors, Supervisors, President, Vice Presidents, Senior Managers, and Heads of Departments and Branches

(I) Information on directors and supervisors (1)

April 14, 2026

Title (Note 1)	Nationality/ Place of Registration	Name	Gender Age (Note 2)	Date Elected (Appointed) Date	Tenure	Date First Elected (Appointed) (Note 3)	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Experience (Education) (Note 4)	Other Position Concurrently Held at the Company and Other Companies	Executives, Directors or Supervisors who Are Spouses or within the Second Degree of Kinship			Remark (Note 5)
							Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)			Title	Name	Relationship	
Chairman	Republic of China	He Xin Industrial Co., Ltd. Representative: Chang, Ching-Kuei	Male 71~80	2023.06.09	3 years	2017.06.16	22,000,000	1.90%	22,000,000	1.90%	0	0	0	0	Feng Chia University (Bachelor of Architecture)	Chairman of Cathay Real Estate Management Co., Ltd. Chairman of Cathay Healthcare Management Co., Ltd. Chairman of Cymbal Medical Network Co., Ltd. Chairman of Cymlin Co., Ltd. Supervisor of Taiwan Real Estate Management Co., Ltd. Chairman of Cathay Real Estate Culture & Education Foundation	None		None	
						2000.01.19	20,822	0	20,822	0										
Director	Republic of China	He Xin Industrial Co., Ltd. Representative: Tsai, Chung-Yan	Male 41~50	2023.06.09	3 years	2017.06.16	22,000,000	1.90%	22,000,000	1.90%	0	0	0	0	San Francisco State University (Master of Public Administration, MPA)	Senior Executive Vice President of Cathay Real Estate Development Co., Ltd. Director of Cathay Financial Holdings Co., Ltd. Director of Cathay Life Insurance Co., Ltd. Vice Chairman of Cathay Healthcare Management Co., Ltd. Director of Cymbal Medical Network Co., Ltd. Director of Cymlin Co., Ltd. Executive Vice President of Liang Ting Industrial Co., Ltd. Director of Cathay Real Estate Culture & Education Foundation	None		None	
						2009.03.11	0	0	0	0										

Title (Note 1)	Nationality/ Place of Registration	Name	Gender Age (Note 2)	Date Elected (Appointed) Date	Tenure	Date First Elected (Appointed) (Note 3)	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Experience (Education) (Note 4)	Other Position Concurrently Held at the Company and Other Companies	Executives, Directors or Supervisors who Are Spouses or within the Second Degree of Kinship			Remark (Note 5)
							Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)			Title	Name	Relationship	
Director	Republic of China	He Xin Industrial Co., Ltd. Representative: Lee, Hung-Ming	Male 51-60	2023.06.09	3 years	2017.06.16	22,000,000	1.90%	22,000,000	1.90%	0	0	0	0	Chinese Culture University (Bachelor of law)	President of Cathay Real Estate Development Co., Ltd. Director & President of Cathay Real Estate Management Co., Ltd. Chairman of Cathay Hospitality Management Co., Ltd. Chairman of Cathay Hospitality Consulting Co., Ltd. Chairman of Cathay Food & Beverage Group Co., Ltd. Chairman of Nankang International No.1 Co., Ltd. Chairman of Nankang International No. 2 Co., Ltd.	None		None	
						2015.03.23	0	0	0	0										
Director	Republic of China	Employee Welfare Committee of Cathay Real Estate Development Co., Ltd. Representative: Lin, Chin-Liang	Male 61-70	2023.06.09	3 years	2017.06.16	2,754,800	0.24%	2,754,800	0.24%	0	0	0	0	National Cheng Kung University (Bachelor of Architecture)	Senior Executive Vice President of Cathay Real Estate Development Co., Ltd. Director of Cathay Real Estate Management Co., Ltd. Director of Cathay Hospitality Management Co., Ltd. Director of Cathay Hospitality Consulting Co., Ltd. Director of Cathay Food & Beverage Group Co., Ltd. Director of Nankang International No.1 Co., Ltd. Director of Nankang International No. 2 Co., Ltd. Director of Symphox Information Co., Ltd. Chairman & President of Jinhua Realty Co., Ltd. Chairman & President of Bannan Realty Co., Ltd. Chairman & President of Sanhong Realty Co., Ltd. Chairman & President of Zhulun Realty Co., Ltd. Director of Xiangyang Realty Co., Ltd. Director of Cathay Charity Foundation	None		None	
						2011.06.10	0	0	0	0										

Title (Note 1)	Nationality/ Place of Registration	Name	Gender Age (Note 2)	Date Elected (Appointed) Date	Tenure	Date First Elected (Appointed) (Note 3)	Shareholding When Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Experience (Education) (Note 4)	Other Position Concurrently Held at the Company and Other Companies	Executives, Directors or Supervisors who Are Spouses or within the Second Degree of Kinship			Remark (Note 5)
							Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)			Title	Name	Relationship	
Director	Republic of China	Cathay Charity Foundation Representative: Chuang, Wan-Hua	Female 51~60	2023.06.09	3 years	2017.06.16	5,941,332	0.51%	5,941,332	0.51%	0	0	0	0	University of Surrey (Bachelor of International Hospitality Management)	Director and President of Cathay Hospitality Management Co., Ltd. Director and President of Cathay Hospitality Consulting Co., Ltd. Director and President of Cathay Food & Beverage Group Co., Ltd. Director of Cathay Real Estate Culture & Education Foundation	None			None
Director	Canada	Cathay Real Estate Culture & Education Foundation Representative: Chu, Chung-Chang	Male 61~70	2023.06.09	3 years	2017.06.16	2,353,690	0.20%	2,353,690	0.20%	0	0	0	0	York University (Master of Business Administration, MBA)	Chairman of May Foong Woolen & Worsted Textile Mill Co., Ltd. Chairman of May Foong Development Co., Ltd. Director of Cathay Life Insurance Co., Ltd.	None			None
Independent Director	Republic of China	Chang, Yuan-Hsiao	Male 71~80	2023.06.09	3 years	2017.06.16	0	0	0	0	0	0	0	0	Southern Methodist University (Doctor of Laws)	Independent Director of Mercuries F&B Co., Ltd.	None			None
Independent Director	Republic of China	Yu, Tsu-Kang	Male 71~80	2023.06.09	3 years	2023.06.09	0	0	0	0	0	0	0	0	Chinese Culture University (Bachelor of Business Administration)	Chairman of Union Group Corporation Chairman of Union Electric Corporation Chairman of Tzu Feng Cultural Educational Foundation Director of Sinox Co., Ltd. Director of Lunghwa University of Science and Technology Director of Fengyuan Education Foundation	None			None
Independent Director	Republic of China	Lee, Li-Kun	Male 71~80	2023.06.09	3 years	2023.06.09 Note: Served as a supervisor from 2008.06.13 to 2017.06.15	0	0	0	0	0	0	0	0	Chinese Culture University (Bachelor of law)	Director of Health Care Foundation	None			None

Note 1. For juristic person shareholders, their names and representatives shall be stated (for representatives, the names of juristic person shareholders they represent shall be indicated respectively) and filled in Table 1.

- Note 2. Please list actual ages and express them in intersectional manner, e.g., 41-50 years old or 51-60 years old.
- Note 3. Please list the first date to take the charge of director or supervisor of the Company and note with illustrations for any disruption of duty occurred.
- Note 4. For the experience related to holding the current position, if one has worked in the CPA firm conducting the auditing and attesting business or related company, he/she shall state the job title and responsible position. Assistant vice president, regardless of job title, should also be disclosed.
- Note 5. Where the Chairman of the board of directors and the President or person of an equivalent post (the highest level manager) of the Company are the same person, spouses, or relatives within the first degree of kinship, an explanation shall be given of the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto (for example, increase the number of independent directors, and there shall be more than half of the directors who do not concurrently serve as employees or managers).
- Note 6. The directors' part-time job shall be subject to the information on April 14, 2026.
- Note 7. The Company has set up an Audit Committee replacing the supervisor since June 16, 2017 in accordance with the provisions of Article 14-4 of the Securities Exchange Act.

Table 1: Major Shareholders of Institutional Shareholders

April 14, 2026

Name of corporate shareholder (Note 1)	Major Shareholders of Corporate Shareholders (Note 2)
He Xin Industrial Co., Ltd.	Tsai, Cheng-Ta 45%, Tsai, Hung-Tu 45%, Tsai, Cheng-Chiu 10%
Cathay Charity Foundation	Not applicable (Cathay Life Insurance Co. Ltd. (50%) (the founder); Cathay Real Estate Development Co., Ltd. (50%) (the founder))
Employee Welfare Committee of Cathay Real Estate Development Co., Ltd.	Not applicable (Not a corporate entity, contributions to employee' welfare are made monthly by Cathay Real Estate Development Co., Ltd. through monthly revenue.)
Cathay Real Estate Culture & Education Foundation	Not applicable (Cathay Life Insurance Co. Ltd. (97.5%) (the founder); Cathay Real Estate Development Co., Ltd. (2.5%) (the founder))

Note 1. For Directors and Supervisors who are the representatives of institutional shareholders, the names of the institutional shareholders shall be disclosed.

Note 2. Fill in the name of the major shareholders of these juristic person shareholders (include top 10 major shareholders by shareholding percentage) and their shareholding percentages. If the major shareholder is a juristic person, the shareholder's name shall be filled in Table 2 below.

Note 3. For institutional shareholders who are not under the organization of the Company, the name and shareholding of the shareholders shall be disclosed, i.e., name of the investor or donor and their contribution or donation ratio (refer to the notice issued by the Judicial Yuan for reference); if the donor has passed away, indicate "Passed away".

Table 2: Substantial shareholder of substantial shareholders as legal person in Table 1

April 14, 2026

Name of legal person (Note 1)	Substantial shareholder of legal person (Note 2)
None.	None.

Note 1. If the major shareholder of institutional shareholders as shown in Table 1 is a juristic person, the name of the juristic person should be filled.

Note 2. Fill in the name of the major shareholders of these juristic persons (include top 10 major shareholders by shareholding percentage) and their shareholding percentages.

Note 3. For institutional shareholders who are not under the organization of the Company, the name and shareholding of the shareholders shall be disclosed, i.e., name of the investor or donor and their contribution or donation ratio (refer to the notice issued by the Judicial Yuan for reference); if the donor has passed away, indicate "Passed away".

(I) Information Regarding Directors and Supervisors (2)

April 14, 2026

1. Disclosure of professional qualifications of directors and supervisors and independence of independent directors:

Qualifications Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Chang, Ching-Kuei Director	<p>Professional Qualification: At least 5 years of experience in business, legal, financial, accounting and corporate business of several companies. Specialized occupation and the technical personnel architect qualification.</p> <p>Experience: Chairman of Cathay Real Estate Development Co., Ltd., Chairman of Cathay Real Estate Management Co., Ltd., Chairman of Cathay Healthcare Management Co., Ltd., Chairman of Cymbal Medical Network Co., Ltd., Chairman of Cymlin Co., Ltd., Supervisor of Taiwan Real Estate Management Co., Ltd., and Chairman of Cathay Real Estate Culture & Education Foundation, etc.</p> <p>Circumstances in the subparagraphs of Article 30 of the Company Act: None</p>	<p>(1) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or is ranked in the top 10 in shareholdings.</p> <p>(2) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship to the individuals listed in the preceding paragraphs.</p> <p>(3) Not a Director, Supervisor, or employee of a company with a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person.</p> <p>(4) Not a Director (member of the governing board), Supervisor (member of the supervising board), managerial officer or shareholder who holds more than 5% of shares of companies or institutions that have financial or business dealings with the Company.</p> <p>(5) Not a professional individual, sole proprietorship, partnership, owner of a company or institution, partner, director, supervisor, managerial officer or spouse thereof that provides auditing service for the company or any of its affiliates, or provides commercial, legal, financial, or accounting service with cumulative remuneration less than NT\$500,000 in the past two years.</p> <p>(6) Not a spouse or relative within the second degree of kinship of any other director of the Company.</p> <p>(7) They spouse, or relative within the second degree of kinship serves as a Director, Supervisor or employee</p>	None

Qualifications Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
		<p>of the Company or its affiliates: None.</p> <p>(8) Shareholding amount and ratio of he himself: 20,822 shares (approx. 0%). Shareholding amount and ratio of his spouse, or relative within the second degree of kinship (or in the name of others): None.</p> <p>(9) Not serve as a Director, Supervisor or employee of a company that has a specific relationship with the Company (pursuant to the provisions of Article 3, Paragraph 1, Subparagraphs 6 and 8 of the Regulations on the Establishment of Independent Directors of Public Companies and Matters to be Complied with).</p> <p>(10) Amount of remuneration for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years: Please refer to page 33 and page 33 of the 2024 annual report.</p>	
Tsai, Chung-Yan Director	<p>Professional Qualification: At least 5 years of experience in business, legal, financial, accounting and corporate business of several companies. Experience: Senior Executive Vice President of Cathay Real Estate Development Co., Ltd., Director of Cathay Financial Holdings Co., Ltd., Director of Cathay Life Insurance Co., Ltd., Vice Chairman of Cathay Healthcare Management Co., Ltd., Director of Cymbal Medical Network Co., Ltd., Director of Cymlin Co., Ltd., Executive Vice President of Liang Ting Industrial Co., Ltd., and Director of Cathay Real Estate Culture & Education Foundation, etc. Circumstances in the subparagraphs of Article 30 of the Company Act: None</p>	<p>(1) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or is ranked in the top 10 in shareholdings.</p> <p>(2) Not a Director, Supervisor, or employee of a company with a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person.</p> <p>(3) Not a Director (member of the governing board), Supervisor (member of the supervising board), managerial officer or shareholder who holds more than 5% of shares of companies or institutions that have financial or business dealings with the Company.</p> <p>(4) Not a professional individual, sole proprietorship, partnership, owner of a company or institution, partner, director, supervisor,</p>	None

Qualifications Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
		<p>managerial officer or spouse thereof that provides auditing service for the company or any of its affiliates, or provides commercial, legal, financial, or accounting service with cumulative remuneration less than NT\$500,000 in the past two years.</p> <p>(5) Not a spouse or relative within the second degree of kinship of any other director of the Company.</p> <p>(6) Whey spouse, or relative within the second degree of kinship serves as a Director, Supervisor or employee of the Company or its affiliates: None.</p> <p>(7) Shareholding amount and ratio of himself, his spouse, or relative within the second degree of kinship (or in the name of others): None.</p> <p>(8) Not serve as a Director, Supervisor or employee of a company that has a specific relationship with the Company (pursuant to the provisions of Article 3, Paragraph 1, Subparagraphs 6 and 8 of the Regulations on the Establishment of Independent Directors of Public Companies and Matters to be Complied with).</p> <p>(9) Amount of remuneration for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years: Please refer to page 33and page 33 of the 2024 annual report.</p>	
Lee, Hung-Ming Director	<p>Professional Qualification: At least 5 years of experience in business, legal, financial, accounting and corporate business of several companies. Experience: President of Cathay Real Estate Development Co., Ltd., Director & President of Cathay Real Estate Management Co., Ltd., Chairman of Cathay Hospitality Management Co., Ltd., Chairman of Cathay Hospitality Consulting Co., Ltd., Chairman of Cathay Food & Beverage Group Co., Ltd., Chairman of Nankang International No.1 Co., Ltd., and Chairman of Nankang International No. 2 Co., Ltd.,</p>	<p>(1) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or is ranked in the top 10 in shareholdings.</p> <p>(2) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship to the individuals listed in the preceding paragraphs.</p> <p>(3) Not a Director, Supervisor, or employee of a company with a</p>	None

Qualifications Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
	etc. Circumstances in the subparagraphs of Article 30 of the Company Act: None	<p>majority of the Company's director seats or voting shares and those of any other company are controlled by the same person.</p> <p>(4) Not a Director (member of the governing board), Supervisor (member of the supervising board), managerial officer or shareholder who holds more than 5% of shares of companies or institutions that have financial or business dealings with the Company.</p> <p>(5) Not a professional individual, sole proprietorship, partnership, owner of a company or institution, partner, director, supervisor, managerial officer or spouse thereof that provides auditing service for the company or any of its affiliates, or provides commercial, legal, financial, or accounting service with cumulative remuneration less than NT\$500,000 in the past two years.</p> <p>(6) Not a spouse or relative within the second degree of kinship of any other director of the Company.</p> <p>(7) Whely spouse, or relative within the second degree of kinship serves as a Director, Supervisor or employee of the Company or its affiliates: None.</p> <p>(8) Shareholding amount and ratio of himself, his spouse, or relative within the second degree of kinship (or in the name of others): None.</p> <p>(9) Not serve as a Director, Supervisor or employee of a company that has a specific relationship with the Company (pursuant to the provisions of Article 3, Paragraph 1, Subparagraphs 6 and 8 of the Regulations on the Establishment of Independent Directors of Public Companies and Matters to be Complied with).</p> <p>(10) Amount of remuneration for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years: Please refer to page 33 and page 33 of the 2024 annual report.</p>	

Qualifications Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Lin, Chin-Liang Director	<p>Professional Qualification: At least 5 years of experience in business, legal, financial, accounting and corporate business of several companies.</p> <p>Experience: Senior Executive Vice President of Cathay Real Estate Development Co., Ltd., Director of Cathay Real Estate Management Co., Ltd., Director of Cathay Hospitality Management Co., Ltd., Director of Cathay Hospitality Consulting Co., Ltd., Director of Cathay Food & Beverage Group Co., Ltd., Director of Nankang International No.1 Co., Ltd., Director of Nankang International No. 2 Co., Ltd., Director of Symphox Information Co., Ltd., Chairman & President of Jinhua Realty Co., Ltd., Chairman & President of Bannan Realty Co., Ltd. Chairman & President of Sanchong Realty Co., Ltd., Chairman & President of Zhulun Realty Co., Ltd., Director of Xiangyang Realty Co., Ltd. and Director of Cathay Charity Foundation, etc.</p> <p>Circumstances in the subparagraphs of Article 30 of the Company Act: None</p>	<p>(1) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or is ranked in the top 10 in shareholdings.</p> <p>(2) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship to the individuals listed in the preceding paragraphs.</p> <p>(3) Not a Director, Supervisor, or employee of a company with a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person.</p> <p>(4) Not a Director (member of the governing board), Supervisor (member of the supervising board), managerial officer or shareholder who holds more than 5% of shares of companies or institutions that have financial or business dealings with the Company.</p> <p>(5) Not a professional individual, sole proprietorship, partnership, owner of a company or institution, partner, director, supervisor, managerial officer or spouse thereof that provides auditing service for the company or any of its affiliates, or provides commercial, legal, financial, or accounting service with cumulative remuneration less than NT\$500,000 in the past two years.</p> <p>(6) Not a spouse or relative within the second degree of kinship of any other director of the Company.</p> <p>(7) Whey spouse, or relative within the second degree of kinship serves as a Director, Supervisor or employee of the Company or its affiliates: None.</p> <p>(8) Shareholding amount and ratio of himself, his spouse, or relative within the second degree of kinship (or in the name of others): None.</p> <p>(9) Not serve as a Director, Supervisor</p>	None

Qualifications Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
		<p>or employee of a company that has a specific relationship with the Company (pursuant to the provisions of Article 3, Paragraph 1, Subparagraphs 6 and 8 of the Regulations on the Establishment of Independent Directors of Public Companies and Matters to be Complied with).</p> <p>(10) Amount of remuneration for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years: Please refer to page 33 and page 33 of the 2024 annual report.</p>	
Chuang, Wan-Hua Director	<p>Professional Qualification: At least 5 years of experience in business, legal, financial, accounting and corporate business of several companies. Experience: Director and President of Cathay Hospitality Management Co., Ltd., Director and President of Cathay Hospitality Consulting Co., Ltd., Director and President of Cathay Food & Beverage Group Co., Ltd. and Director of Cathay Real Estate Culture & Education Foundation, etc. Circumstances in the subparagraphs of Article 30 of the Company Act: None</p>	<p>(1) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or is ranked in the top 10 in shareholdings.</p> <p>(2) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship to the individuals listed in the preceding paragraphs.</p> <p>(3) Not a Director, Supervisor, or employee of a company with a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person.</p> <p>(4) Not a Director (member of the governing board), Supervisor (member of the supervising board), managerial officer or shareholder who holds more than 5% of shares of companies or institutions that have financial or business dealings with the Company.</p> <p>(5) Not a professional individual, sole proprietorship, partnership, owner of a company or institution, partner, director, supervisor, managerial officer or spouse thereof that provides auditing service for the company or any of its affiliates, or provides commercial, legal, financial, or</p>	None

Qualifications Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
		<p>accounting service with cumulative remuneration less than NT\$500,000 in the past two years.</p> <p>(6) Not a spouse or relative within the second degree of kinship of any other director of the Company.</p> <p>(7) Whely spouse, or relative within the second degree of kinship serves as a Director, Supervisor or employee of the Company or its affiliates: None.</p> <p>(8) Shareholding amount and ratio of himself, his spouse, or relative within the second degree of kinship (or in the name of others): None.</p> <p>(9) Not serve as a Director, Supervisor or employee of a company that has a specific relationship with the Company (pursuant to the provisions of Article 3, Paragraph 1, Subparagraphs 6 and 8 of the Regulations on the Establishment of Independent Directors of Public Companies and Matters to be Complied with).</p> <p>(10) Amount of remuneration for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years: Please refer to page 33 and page 33 of the 2024 annual report.</p>	
Chu, Chung-Chang Director	<p>Professional Qualification: At least 5 years of experience in business, legal, financial, accounting and corporate business of several companies.</p> <p>Experience: Chairman of May Foong Woolen & Worsted Textile Mill Co., Ltd., Chairman of May Foong Development Co., Ltd., and Director of Cathay Life Insurance Co., Ltd., etc.</p> <p>Circumstances in the subparagraphs of Article 30 of the Company Act: None</p>	<p>(1) Not employed by the Company or any of its affiliated companies.</p> <p>(2) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or is ranked in the top 10 in shareholdings.</p> <p>(3) Not a managerial officer listed in (1) or a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship listed in (2).</p> <p>(4) Not a director, supervisor or employee of a corporate shareholder who directly holds more than 5% of the total number of issued shares of the Company or</p>	None

Qualifications Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
		<p>is ranked top five in terms of the number of shares held or is designated as a Director or Supervisor of the Company pursuant to Paragraph 1 or 2, Article 27 of the Company Act.</p> <p>(5) Not a Director, Supervisor, or employee of a company with a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person.</p> <p>(6) Not a director (or a managing director), supervisor, or employee of another company or institution where the Chairman, the President, or person holding an equivalent position of the Company and a person in an equivalent position at another company or institution are the same person or are spouses.</p> <p>(7) Not a Director (member of the governing board), Supervisor (member of the supervising board), managerial officer or shareholder who holds more than 5% of shares of companies or institutions that have financial or business dealings with the Company</p> <p>(8) Not a professional individual, sole proprietorship, partnership, owner of a company or institution, partner, director, supervisor, managerial officer or spouse thereof that provides auditing service for the company or any of its affiliates, or provides commercial, legal, financial, or accounting service with cumulative remuneration less than NT\$500,000 in the past two years.</p> <p>(9) Not a spouse or relative within the second degree of kinship of any other director of the Company.</p> <p>(10) Whey spouse, or relative within the second degree of kinship serves as a Director, Supervisor or employee of the Company or its affiliates: None.</p> <p>(11) Shareholding amount and ratio of he himself: 11,719 shares (approx. 0%). Shareholding amount and ratio of</p>	

Qualifications Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
		<p>his spouse, or relative within the second degree of kinship (or in the name of others): None.</p> <p>(12) Not serve as a Director, Supervisor or employee of a company that has a specific relationship with the Company (pursuant to the provisions of Article 3, Paragraph 1, Subparagraphs 5~8 of the Regulations on the Establishment of Independent Directors of Public Companies and Matters to be Complied with).</p> <p>(13) Amount of remuneration for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years: Please refer to page 33 and page 33 of the 2024 annual report.</p>	
Chang, Yuan-Hsiao Independent Director	<p>Professional Qualification: At least 5 years of experience in business, legal, financial, accounting and corporate business of several companies; qualification of lawyer for professional and technology; and lecture in private junior college or above.</p> <p>Experience: Lawyer at Law Offices of Donald T. Dunham & Associates, Associate Professor of Soochow University Law School and Independent Director of Mercuries F&B Co., Ltd., etc.</p> <p>Circumstances in the subparagraphs of Article 30 of the Company Act: None</p>	<p>(1) Not employed by the Company or any of its affiliated companies.</p> <p>(2) Not serving as the Director and Supervisor of the Company or any of its affiliated companies.</p> <p>(3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or is ranked in the top 10 in shareholdings.</p> <p>(4) Not a spouse, relative within two generations or direct blood relatives within three generations of the executive listed in (1) or person listed in (2) or (3).</p> <p>(5) Not a director, supervisor or employee of a corporate shareholder who directly holds more than 5% of the total number of issued shares of the Company or is ranked top five in terms of the number of shares held or is designated as a Director or Supervisor of the Company pursuant to Paragraph 1 or 2, Article 27 of the Company Act.</p> <p>(6) Not a Director, Supervisor, or employee of a company with a majority of the Company's director</p>	1

Qualifications Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
		<p>seats or voting shares and those of any other company are controlled by the same person.</p> <p>(7) Not a director (or a managing director), supervisor, or employee of another company or institution where the Chairman, the President, or person holding an equivalent position of the Company and a person in an equivalent position at another company or institution are the same person or are spouses.</p> <p>(8) Not a Director (member of the governing board), Supervisor (member of the supervising board), managerial officer or shareholder who holds more than 5% of shares of companies or institutions that have financial or business dealings with the Company.</p> <p>(9) Not a professional individual, sole proprietorship, partnership, owner of a company or institution, partner, director, supervisor, managerial officer or spouse thereof that provides auditing service for the company or any of its affiliates, or provides commercial, legal, financial, or accounting service with cumulative remuneration less than NT\$500,000 in the past two years.</p> <p>(10) Not a spouse or relative within the second degree of kinship of any other director of the Company.</p> <p>(11) No Government Apparatus agency, juristic person or its representative is elected under Article 27 of the Company Act.</p> <p>(12) When any of himself, his spouse, or relative within the second degree of kinship serves as a Director, Supervisor or employee of the Company or its affiliates: None.</p> <p>(13) Shareholding amount and ratio of himself, his spouse, or relative within the second degree of kinship (or in the name of others): None.</p> <p>(14) Not serve as a Director, Supervisor or employee of a company that has a specific relationship with the Company (pursuant to the provisions of Article 3, Paragraph</p>	

Qualifications Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
		<p>1, Subparagraphs 5~8 of the Regulations on the Establishment of Independent Directors of Public Companies and Matters to be Complied with).</p> <p>(15) Did not received remuneration for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years.</p>	
Yu, Tsu-Kang Independent Director	<p>Professional Qualification: At least 5 years of experience in business, legal, financial, accounting and corporate business of several companies. Experience: Chairman of Union Group Corporation, Chairman of Union Electric Corporation, Chairman of Tzu Feng Cultural Educational Foundation, Director of Sinox Co., Ltd., Director of Lung hwa University of Science and Technology and Director of Feng yuan Education Foundation, etc. Circumstances in the subparagraphs of Article 30 of the Company Act: None</p>	<p>(1) Not employed by the Company or any of its affiliated companies. (2) Not serving as the Director and Supervisor of the Company or any of its affiliated companies. (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or is ranked in the top 10 in shareholdings. (4) Not a spouse, relative within two generations or direct blood relatives within three generations of the executive listed in (1) or person listed in (2) or (3). (5) Not a director, supervisor or employee of a corporate shareholder who directly holds more than 5% of the total number of issued shares of the Company or is ranked top five in terms of the number of shares held or is designated as a Director or Supervisor of the Company pursuant to Paragraph 1 or 2, Article 27 of the Company Act. (6) Not a Director, Supervisor, or employee of a company with a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person. (7) Not a director (or a managing director), supervisor, or employee of another company or institution where the Chairman, the President, or person holding an equivalent position of the Company and a person in an equivalent position at</p>	None

Qualifications Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
		<p>another company or institution are the same person or are spouses.</p> <p>(8) Not a Director (member of the governing board), Supervisor (member of the supervising board), managerial officer or shareholder who holds more than 5% of shares of companies or institutions that have financial or business dealings with the Company.</p> <p>(9) Not a professional individual, sole proprietorship, partnership, owner of a company or institution, partner, director, supervisor, managerial officer or spouse thereof that provides auditing service for the company or any of its affiliates, or provides commercial, legal, financial, or accounting service with cumulative remuneration less than NT\$500,000 in the past two years.</p> <p>(10) Not a spouse or relative within the second degree of kinship of any other director of the Company.</p> <p>(11) No Government Apparatus agency, juristic person or its representative is elected under Article 27 of the Company Act.</p> <p>(12) When any of himself, his spouse, or relative within the second degree of kinship serves as a Director, Supervisor or employee of the Company or its affiliates: None.</p> <p>(13) Shareholding amount and ratio of himself, his spouse, or relative within the second degree of kinship (or in the name of others): None.</p> <p>(14) Not serve as a Director, Supervisor or employee of a company that has a specific relationship with the Company (pursuant to the provisions of Article 3, Paragraph 1, Subparagraphs 5~8 of the Regulations on the Establishment of Independent Directors of Public Companies and Matters to be Complied with).</p> <p>(15) Did not received remuneration for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years.</p>	

Qualifications Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
Lee, Li-Kun Independent Director	Professional Qualification: At least 5 years of experience in business, legal, financial, accounting and corporate business of several companies. Experience: Director of Health Care Foundation. Circumstances in the subparagraphs of Article 30 of the Company Act: None	(1) Not employed by the Company or any of its affiliated companies. (2) Not serving as the Director and Supervisor of the Company or any of its affiliated companies. (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of 1% or more of the total number of outstanding shares of the Company or is ranked in the top 10 in shareholdings. (4) Not a spouse, relative within two generations or direct blood relatives within three generations of the executive listed in (1) or person listed in (2) or (3). (5) Not a director, supervisor or employee of a corporate shareholder who directly holds more than 5% of the total number of issued shares of the Company or is ranked top five in terms of the number of shares held or is designated as a Director or Supervisor of the Company pursuant to Paragraph 1 or 2, Article 27 of the Company Act. (6) Not a Director, Supervisor, or employee of a company with a majority of the Company's director seats or voting shares and those of any other company are controlled by the same person. (7) Not a director (or a managing director), supervisor, or employee of another company or institution where the Chairman, the President, or person holding an equivalent position of the Company and a person in an equivalent position at another company or institution are the same person or are spouses. (8) Not a Director (member of the governing board), Supervisor (member of the supervising board), managerial officer or shareholder who holds more than 5% of shares of companies or institutions that have financial or business dealings with the Company.	None

Qualifications Name	Professional qualifications and experience (Note 1)	Independence Criteria (Note 2)	Number of Other Public Companies where the Individual Concurrently Serves as an Independent Director
		<p>(9) Not a professional individual, sole proprietorship, partnership, owner of a company or institution, partner, director, supervisor, managerial officer or spouse thereof that provides auditing service for the company or any of its affiliates, or provides commercial, legal, financial, or accounting service with cumulative remuneration less than NT\$500,000 in the past two years.</p> <p>(10) Not a spouse or relative within the second degree of kinship of any other director of the Company.</p> <p>(11) No Government Apparatus agency, juristic person or its representative is elected under Article 27 of the Company Act.</p> <p>(12) When any of himself, his spouse, or relative within the second degree of kinship serves as a Director, Supervisor or employee of the Company or its affiliates: None.</p> <p>(13) Shareholding amount and ratio of himself, his spouse, or relative within the second degree of kinship (or in the name of others): None.</p> <p>(14) Not serve as a Director, Supervisor or employee of a company that has a specific relationship with the Company (pursuant to the provisions of Article 3, Paragraph 1, Subparagraphs 5~8 of the Regulations on the Establishment of Independent Directors of Public Companies and Matters to be Complied with).</p> <p>(15) Did not received remuneration for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years.</p>	

Note 1. Professional qualifications and experience: state the professional qualifications and experience of individual directors and supervisors. If they are members of the Audit Committee and have accounting or financial expertise, their accounting or financial background and work experience should be stated. Also state whether there are any circumstances under Article 30 of the Company Act.

Note 2. Independent directors should state their independence, including but not limited to whether they, their spouse, or relatives within the second degree of kinship serve as directors, supervisors or employees of the Company or its affiliates; The number and proportion of the Company's shares held by relatives (or in the name of others);

whether they serve as directors, supervisors or employees that have a specific relationship with the Company (refer to the provisions of Article 3, Paragraph 1, Subparagraphs 5 to 8 of the Regulations on the Establishment of Independent Directors of Public Companies and Matters to be Complied with); the amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years.

A. Diversity of the Board of Directors:

The Company has provided diversity policy in Article 22, paragraph 2 of its "Corporate Governance Code of Practice" and relevant measures of the Board of Directors, aiming to diversify the board members, think and judge from different standpoints, so as to improve the board structure and improve corporate governance.

1. The diversity policy includes: The selection criteria for directors is open to different nationalities, age groups, genders, etc.: with the target of non-nationality members, there are currently 9 directors, including 1 member of non-Republic of China nationality, accounting for 11%; Targeting various age groups, with an interval of ten years starting from forty-one years old: one subject in the 41-50 age group, two subjects in the 51-60 age group, two subjects in the 61-70 age group, four subjects in the 71-80 age group, with at least one person in each interval, achieving a 100% success rate; the ratio of female directors is over 10%, or 1 among the 9 directors, accounting for 11%.
2. The selection criteria for directors in respect of professional qualifications and experience or background are the target shall have 2 or more different attributes. At present, there are 9 directors, each of whom has professional qualifications, experience or background with 2 or more different attributes, with a ratio of 100%.
3. If the number of directors of either gender on the board of directors of a TWSE or TPEX listed company is less than one-third, explain the reasons and the planned measures to be taken to enhance director gender diversity: In the selection of director candidates, the Company considers not only their professional competence and practical experience, but also emphasizes gender equality and diversity in the composition of the Board. In line with its diversity policy, the Company will continue to actively seek suitable candidates to gradually optimize the structure of the Board and increase the proportion of female directors, thereby enhancing sound corporate governance.

B. Independence of the Board of Directors:

Among the 9 directors of the Company, 3 are independent directors, accounting for 33%. In addition, an Audit Committee has been set up in accordance with the law and relevant organizational rules have been formulated. All of the members are independent directors, so there is no supervisor.

The Company adopts a cumulative voting system and a candidate nomination system for the selection and appointment of directors and independent directors. Shareholders are encouraged to participate. Shareholders who hold more than a certain number of shares may submit a list of candidates. The qualifications of the candidates are reviewed on whether they violate the items provided in Article 30 of the Company Act. The relevant acceptance are conducted and announced in accordance with the law to protect the rights and interests of shareholders, and avoid monopoly or excessive nomination rights, and to maintain independence. The "Measures for Performance Evaluation of the Board of Directors" is also established for performance evaluation. Through the self-evaluation by executive units, directors, and functional committees, it is confirmed that there are no circumstances stipulated in paragraphs 3 and 4 of Article 26-3 of the Securities Exchange Act. According to the latest evaluation results, there is no relationship of spouses or relatives within the second degree of kinship between directors, between independent directors, and between directors and independent directors, which meets the requirements of relevant laws and regulations. For the independence of directors, please refer to pages 13-26 for details.

(II) Information on President, Senior Executive Vice President, Executive Vice Presidents, Senior Vice President and Heads of Department and Branches

April 14, 2026

Title (Note 1)	Nationality	Name	Gender	Date Elected (Appointed)	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Main Experience (Education Background) (Note 2)	Currently Holding Concurrent Posts in the Company and Other Companies	Managerial Officer who Are Spouses or within the Second Degree of Kinship			Remark (Note 3)
					Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)			Title	Name	Relationship	
President	Republic of China	Lee, Hung- Ming	Male	2015.03.01	0	0	0	0	0	0	Chinese Culture University (Bachelor of law)	Director & President of Cathay Real Estate Management Co., Ltd. Chairman of Cathay Hospitality Management Co., Ltd. Chairman of Cathay Hospitality Consulting Co., Ltd. Chairman of Cathay Food & Beverage Group CO., Ltd. Chairman of Nankang International No.1 Co., Ltd. Chairman of Nankang International No. 2 Co., Ltd.	None			None
Senior Executive Vice President	Republic of China	Tsai, Chung- Yan	Male	2020.01.01	0	0	0	0	0	0	San Francisco State University (Master of Public Administration, MPA)	Director of Cathay Financial Holdings Co., Ltd. Director of Cathay Life Insurance Co., Ltd. Vice Chairman of Cathay Healthcare Management Co., Ltd. Director of Cymbal Medical Network Co., Ltd. Director of Cymlin Co., Ltd. Executive Vice President of Liang Ting Industrial Co., Ltd. Director of Cathay Real Estate Culture & Education Foundation.	None			None

Title (Note 1)	Nationality	Name	Gender	Date Elected (Appointed)	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Main Experience (Education Background) (Note 2)	Currently Holding Concurrent Posts in the Company and Other Companies	Managerial Officer who Are Spouses or within the Second Degree of Kinship			Remark (Note 3)
					Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)			Title	Name	Relationship	
Senior Executive Vice President	Republic of China	Lin, Chin- Liang	Male	2023.07.19	0	0	0	0	0	0	National Cheng Kung University (Bachelor of Architecture)	Director of Cathay Real Estate Management Co., Ltd. Director of Cathay Hospitality Management Co., Ltd. Director of Cathay Hospitality Consulting Co., Ltd. Director of Cathay Food & Beverage Group Co., Ltd. Director of Nankang International No.1 Co., Ltd. Director of Nankang International No. 2 Co., Ltd. Director of Symphox Information Co., Ltd. Chairman & President of Jinhua Realty Co., Ltd. Chairman & President of Bannan Realty Co., Ltd. Chairman & President of Sanchong Realty Co., Ltd. Chairman & President of Zhulun Realty Co., Ltd. Director of Xiangyang Realty Co., Ltd. Director of Cathay Charity Foundation.	None			None
Executive Vice President	Republic of China	Ku, Shang- Chieh	Male	2023.07.19	0	0	0	0	0	0	Tamkang University (Bachelor of Architecture)	Director of Jinhua Realty Co., Ltd. Director & Chief Executive Officer of Bannan Realty Co., Ltd. Director & Chief Executive Officer of Sanchong Realty Co., Ltd. Director & Chief Executive Officer of Zhulun Realty Co., Ltd. Director & Chief Executive Officer of Xiangyang Realty Co., Ltd.	None			None

Title (Note 1)	Nationality	Name	Gender	Date Elected (Appointed)	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Main Experience (Education Background) (Note 2)	Currently Holding Concurrent Posts in the Company and Other Companies	Managerial Officer who Are Spouses or within the Second Degree of Kinship			Remark (Note 3)
					Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)			Title	Name	Relationship	
Executive Vice President	Republic of China	Guo, Jun- Her	Male	2023.07.19	0	0	0	0	0	0	National Taiwan University of Science and Technology (Master of Civil & Construction Engineering)	Director of San-Ching Engineering Co., Ltd. Director of Jinhua Realty Co., Ltd. Director of Bannan Realty Co., Ltd. Director of Sanchong Realty Co., Ltd. Director of Zhulun Realty Co., Ltd.	None			None
Executive Vice President	Republic of China	Liao, Li-Chi	Female	2023.07.19	0	0	0	0	0	0	National Chengchi University MBA	Supervisor of Cathay Real Estate Management Co., Ltd. Supervisor of Jinhua Realty Co., Ltd. Supervisor of Bannan Realty Co., Ltd. Supervisor of Sanchong Realty Co., Ltd. Supervisor of Zhulun Realty Co., Ltd. Supervisor of Xiangyang Realty Co., Ltd. Director of San Hsiung Fongshan LaLaport Co., Ltd.	None			None
Senior Vice President of Development Department	Republic of China	Liu, Pang- Ho	Male	2023.07.19	0	0	0	0	0	0	National Central University (Master of Business Management)	None	None			None
Senior Vice President of Project Department I	Republic of China	Hsiao, Chia- Ming	Female	2023.07.19	0	0	0	0	0	0	National Cheng Kung University (Master of Architecture)	None	None			None
Senior Vice President of Project Department II	Republic of China	Pong, Fei-Yi	Female	2023.07.19	0	0	0	0	0	0	China Industrial and Commercial College (Bachelor of Construction Engineering)	None	None			None
Senior Vice President of Project Department III	Republic of China	Chang, Chia- Lun	Male	2023.07.19	2,651	0	0	0	0	0	National Chengchi University (Bachelor of Land Economics)	Chief Executive Officer of Jinhua Realty Co., Ltd.	None			None
Chief Auditor of Auditing Office	Republic of China	Yang, Po- Shan	Male	2021.11.25	887	0	0	0	0	0	Alabama State University (Master of Business Administration, MBA)	None	None			None
Senior Vice President of Administration Management Department. & Corporate Governance Officer	Republic of China	Chen, Chia- Yen	Male	2024.07.01	7	0	0	0	0	0	Tamkang University (Master of Business Administration)	Director of Lin Yuan Property Management Co., Ltd.	None			None
Senior Vice President of Finance	Republic of China	Chang, Yi- Chun	Female	2024.07.01	0	0	0	0	0	0	National Chengchi University MBA	Accounting Supervisor of Jinhua Realty Co.,	None			None

Title (Note 1)	Nationality	Name	Gender	Date Elected (Appointed)	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Main Experience (Education Background) (Note 2)	Currently Holding Concurrent Posts in the Company and Other Companies	Managerial Officer who Are Spouses or within the Second Degree of Kinship			Remark (Note 3)
					Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)	Number of Shares	Proportion of shareholdings (%)			Title	Name	Relationship	
Management Department.												Ltd. Accounting Supervisor of Bannan Realty Co., Ltd. Accounting Supervisor of Sanchong Realty Co., Ltd. Accounting Supervisor of Zhulun Realty Co., Ltd. Accounting Supervisor of Cathay Real Estate Management Co., Ltd.				

Note 1. Information regarding President, Senior Executive Vice Presidents, Executive Vice Presidents, heads of departments and branches shall be included, whereas information regarding positions equivalent to President, Senior Executive Vice President or Executive Vice Presidents shall be disclosed regardless of job title.

Note 2. For the experience related to holding the current position, if one has worked in the CPA firm conducting the auditing and attesting business or related company, he/she shall state the job title and responsible position. Assistant vice president, regardless of job title, should also be disclosed.

Note 3. In case that the President or his/her equivalent (top manager) is assumed concurrently by the Chairman, or his/her spouse or a relative within one degree of kinship, the reason, rationality, necessity and corresponding measures (such as increasing the number of Independent Directors, and more than half of the Directors not concurrently serving as employees or managers) should be described.

Range of Remuneration

Range of Remuneration Paid to Directors	Name of Director			
	Total Amount of Remuneration (A+B+C+D)		Total Amount of Remuneration (A+B+C+D+E+F+G)	
	The Company (Note 8)	All companies in the Financial Report (Note 9)	The Company (Note 8)	All companies in the Financial Report (Note 9)
Less than NT\$1,000,000	Tsai, Chung-Yan, Lee, Hung-Ming, Lin, Chin-Liang, Chu, Chung-Chang, Chuang, Wan-Hua, Cathay Charity Foundation, Cathay Real Estate Culture & Education Foundation, Employee Welfare Committee of Cathay Real Estate Co., Ltd.	Tsai, Chung-Yan, Lee, Hung-Ming, Lin, Chin-Liang, Chu, Chung-Chang, Cathay Charity Foundation, Cathay Real Estate Culture & Education Foundation, Employee Welfare Committee of Cathay Real Estate Co., Ltd.	Chu, Chung-Chang, Chuang, Wan-Hua, Cathay Charity Foundation, Cathay Real Estate Culture & Education Foundation, Employee Welfare Committee of Cathay Real Estate Co., Ltd.	Chu, Chung-Chang, Cathay Charity Foundation, Cathay Real Estate Culture & Education Foundation, Employee Welfare Committee of Cathay Real Estate Co., Ltd.
NT\$ 1,000,000 (inclusive) to NT\$ 2,000,000 (exclusive)	Chang, Yuan-Hsiao, Yu, Tsu-Kang, Lee, Li-Kun, and He Xin Industrial Co., Ltd.	Chang, Yuan-Hsiao, Yu, Tsu-Kang, Lee, Li-Kun, and He Xin Industrial Co., Ltd.	Chang, Yuan-Hsiao, Yu, Tsu-Kang, Lee, Li-Kun, and He Xin Industrial Co., Ltd.	Chang, Yuan-Hsiao, Yu, Tsu-Kang, Lee, Li-Kun, and He Xin Industrial Co., Ltd.
NT\$2,000,000 (inclusive)~NT\$3,500,000 (exclusive)	0	0	0	0
NT\$3,500,000 (inclusive)~NT\$5,000,000 (exclusive)	0	0	Lin, Chin-Liang	Lin, Chin-Liang
NT\$5,000,000 (inclusive)~NT\$10,000,000 (exclusive)	0	Chuang, Wan-Hua	Tsai, Chung-Yan	Tsai, Chung-Yan, Chuang, Wan-Hua
NT\$10,000,000 (inclusive)~NT\$15,000,000 (exclusive)	Chang, Ching-Kuei	Chang, Ching-Kuei	Chang, Ching-Kuei, Lee, Hung-Ming	Chang, Ching-Kuei, Lee, Hung-Ming
NT\$15,000,000 (inclusive)~NT\$30,000,000 (exclusive)	0	0	0	0
NT\$30,000,000 (inclusive)~NT\$50,000,000 (exclusive)	0	0	0	0
NT\$50,000,000 (inclusive)~NT\$100,000,000 (exclusive)	0	0	0	0
Over NT\$100,000,000	0	0	0	0
Total	13	13	13	13

Note 1. Name of directors should be listed separately (For institutional shareholders, their names and the name of their representatives should be listed separately), and the amount of remuneration paid to them should be disclosed collectively. Director(s), who is also the President, Senior Executive Vice Presidents or Executive Vice Presidents, is/are already listed in this table and the Table below (3-2).

Note 2. Compensation received by a director in the most recent fiscal year (including director's salary, job-related allowances, separation pay, various bonuses and incentives).

Note 3. Fill in the amount of remuneration for directors approved by the board of directors in the most recent year.

- Note 4. Refers to the execution expenses of relevant businesses of directors in the most recent year (including travel expenses, special expenses, allowances, dormitories, car supplies and other material supplies, etc.). If housing, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rental fees and fuel costs calculated based on the actual amount or fair market value, and other payments should be disclosed. If a driver is provided, please indicate the amount of compensation paid to the driver by the Company, excluding remuneration, in a separate note. The relevant remuneration paid by all companies in the Company's consolidated financial statements to the driver is NT\$ 1,587 thousands.
- Note 5. Salary, job-related allowances, separation pay, various bonuses, incentives, transportation allowance, special allowance, various allowances, accommodation allowance and vehicle received by Directors who concurrently serve as employees (including President, Senior Executive Vice President, Executive Vice Presidents, other managerial officers and employees) in the most recent fiscal year. If housing, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rental fees and fuel costs calculated based on the actual amount or fair market value, and other payments should be disclosed. If a driver is provided, please indicate the amount of compensation paid to the driver by the Company, excluding remuneration, in a separate note. In addition, the remuneration expenses recognized in accordance with IFRS 2 "Share Base Payment", including the acquisition of employee warrants, new shares restricting employee rights and shares subscribed by participation in capital increase in cash, shall also be included in the remunerations. The relevant remuneration paid by all companies in the Company's consolidated financial statements to the driver is NT\$ 2,867 thousands and the car rental fees NT\$ 686 thousands.
- Note 6. For Directors concurrently serving as employees (including President, Senior Executive Vice President, Executive Vice Presidents, other managerial officers and employees) who receive employee rewards (including shares and cash), the amount of employee rewards that have been approved by the Board of Directors and are distributed to them in the most recent fiscal year shall be disclosed. If the amount of rewards cannot be estimated, the amount of rewards in the current fiscal year shall be calculated based on the ratio of the amount of rewards distributed in the previous fiscal year, and this amount shall also be filled in Table 1-3.
- Note 7. The total amount of all the remuneration paid to the Company's Directors by all the companies in the consolidated financial statements (including the Company) shall be disclosed.
- Note 8. The name of each Director shall be disclosed in the range of remuneration corresponding to the amount of all the remuneration paid to the Director by the Company.
- Note 9. The total amount of remuneration paid to each director of the Company by all enterprises (including the Company) in the consolidated report should be disclosed, the name of director shall be disclosed in the corresponding range.
- Note 10. Net income after taxes refers to net income after taxes in the parent company only or individual financial statements in the most recent fiscal year.
- Note 11. a. The amount of remuneration received from subsidiaries other than investment companies by the Company's directors shall be stated clearly in this column.
- b. If a director of the Company receives remuneration from investment companies other than subsidiaries, the amount of remuneration received by the director from investment companies other than subsidiaries shall be combined into Column I of the table for ranges of remuneration, and this column shall be renamed as "All Investment Companies".

- c. Remuneration refers to the compensation, rewards (including compensation distributed to employees, Directors and Supervisors) and remuneration related to business expenses that are received by the Company's Directors who serve as Directors, Supervisors or managerial officers at investee companies other than subsidiaries.

*A different concept is used for the content of remuneration disclosed in this table compared to that in the Income Tax Act. This table is used for information disclosure, but not for taxation.

2. Remuneration paid to President, Senior Executive Vice Presidents and Executive Vice Presidents (range of remuneration with name disclosure)

Unit: NT\$ thousands

Title	Name (Note 1)	Salary (A) (Note 2)		Severance Pay and Pension (B)		Bonuses and Allowances, etc. (C) (Note 3)		Employee Compensation (D) (Note 4)				Sum of items A, B, C and D to NIAT Ratio (%) (Note 8)		Remuneration paid to Directors from investees other than the Company's subsidiaries or parent company (Note 9)
		The Company	All the Companies in Consolidated Financial Statements of the Company (Note 5)	The Company	All the Companies in Consolidated Financial Statements of the Company (Note 5)	The Company	All the Companies in Consolidated Financial Statements of the Company (Note 5)	The Company		All the Companies in Consolidated Financial Statements of the Company (Note 5)		The Company	All the Companies in Consolidated Financial Statements of the Company (Note 5)	
								Cash Amount	Stock Amount	Cash Amount	Stock Amount			
President	Lee, Hung-Ming													
Senior Executive Vice President	Tsai, Chung-Yan													
Senior Executive Vice President	Lin, Chin-Liang	18,435	18,435	0	0	16,849	16,849	124	0	124	0	Total: 35,408 Proportion: 1.08%	Total: 35,408 Proportion: 1.08%	0
Executive Vice President	Ku, Shang-Chieh													
Executive Vice President	Guo, Jun-Her													
Executive Vice President	Liao, Li-Chi													

Range of Remuneration

Range of Remuneration Paid to President, Senior Executive Vice Presidents and Executive Vice Presidents of the Company	Names of President, Senior Executive Vice Presidents and Executive Vice Presidents of the Company	
	The Company (Note 7)	All Investment Companies (E) (Note 8)
Less than NT\$1,000,000	0	0
NT\$1,000,000 (inclusive)~NT\$2,000,000 (exclusive)	0	0
NT\$2,000,000 (inclusive)~NT\$3,500,000 (exclusive)	0	0
NT\$3,500,000 (inclusive)~NT\$5,000,000 (exclusive)	Liao, Li-Chi, Ku, Shang-Chieh, Guo, Jun-Her and Lin, Chin-Liang	Liao, Li-Chi, Ku, Shang-Chieh, Guo, Jun-Her and Lin, Chin-Liang
NT\$5,000,000 (inclusive)~NT\$10,000,000 (exclusive)	Tsai, Chung-Yan	Tsai, Chung-Yan
NT\$10,000,000 (inclusive)~NT\$15,000,000 (exclusive)	Lee, Hung-Ming	Lee, Hung-Ming
NT\$15,000,000 (inclusive)~NT\$30,000,000 (exclusive)	0	0
NT\$30,000,000 (inclusive)~NT\$50,000,000 (exclusive)	0	0
NT\$50,000,000 (inclusive)~NT\$100,000,000 (exclusive)	0	0
Over NT\$100,000,000	0	0
Total	6	6

Note 1. Names of the President, Senior Executive Vice Presidents and Executive Vice Presidents should be listed separately, and the amount of remuneration paid to them should be disclosed collectively. If a director concurrently serves as a President, Senior Executive Vice Presidents or Executive Vice Presidents, his/her name and the amount of remuneration paid to him/her shall be listed in Table (1-2) above.

- Note 2. Fill in the salary, job-related allowances and separation pay received by the President, Senior Executive Vice Presidents and Executive Vice Presidents in the most recent fiscal year.
- Note 3. Fill the amount of various bonuses, incentives, transportation allowance, special allowance, various allowances, accommodation and vehicle received by the President, Senior Executive Vice Presidents and Executive Vice Presidents in the most recent fiscal year. If housing, vehicle and other modes of transportation or personal expenses are provided, the nature and cost of the assets provided, the rental fees and fuel costs calculated based on the actual amount or fair market value, and other payments should be disclosed. If a driver is provided, please indicate the amount of compensation paid to the driver by the Company, excluding remuneration, in a separate note. In addition, the remuneration expenses recognized in accordance with IFRS 2 “Share Base Payment”, including the acquisition of employee warrants, new shares restricting employee rights and shares subscribed by participation in capital increase in cash, shall also be included in the remunerations. The relevant remuneration paid by all companies in the Company's consolidated financial statements to the driver is NT\$ 2,867 thousands and the car rental fees NT\$ 686 thousands.
- Note 4. Fill in the amount of employee bonuses (including shares and cash) that have been approved by the Board of Directors and are distributed to the President, Senior Executive Vice Presidents and Executive Vice Presidents in the most recent fiscal year. If the amount of bonuses cannot be estimated, the calculation shall be calculated based on the ratio of the amount distributed in the previous fiscal year, and this amount shall also be filled in Table 1-3. Net income after taxes refers to net income after taxes in the most recent fiscal year. Where IFRS is adopted, net income after taxes refers to net income after taxes recorded in the parent company only or individual financial statements in the most recent fiscal year.
- Note 5. The total amount of all the remuneration paid to the Company's President, Senior Executive Vice Presidents and Executive Vice Presidents by all the companies (including the Company) listed in its consolidated financial statements shall be disclosed.
- Note 6. The name of each President, Senior Executive Vice Presidents and Executive Vice Presidents shall be disclosed in the range of remuneration corresponding to the amount of all the remuneration paid to the President, Senior Executive Vice Presidents and Executive Vice Presidents by the Company.
- Note 7. The total amount of all the remuneration paid to each President, Senior Executive Vice Presidents and Executive Vice Presidents of the Company by all companies listed in its consolidated financial statements (including the Company) shall be disclosed. The name of each President, Senior Executive Vice Presidents and Executive Vice Presidents shall be disclosed in the range of remuneration corresponding to the total amount.
- Note 8. Net income after taxes refers to net income after taxes in the most recent fiscal year. Where IFRS is adopted, net income after taxes refers to net income after taxes recorded in the parent company only or individual financial statements in the most recent fiscal year.
- Note 9. a. The amount of remuneration received from investment companies other than subsidiaries by the Company's President, Senior Executive Vice Presidents and Executive Vice Presidents shall be stated clearly in this column.
- b. If the President, Senior Executive Vice Presidents and Executive Vice Presidents of the Company receives remuneration from investee companies other than subsidiaries, the amount of remuneration received by the President, Senior Executive Vice Presidents and Executive Vice Presidents from investment companies other

than subsidiaries shall be combined into Column E of the table for ranges of remuneration, and this column shall be renamed as "All Investment Companies".

- c. Remuneration refers to the compensation, rewards (including rewards distributed to employees, Directors and Supervisors) and remuneration related to business expenses that are received by the Company's President, Senior Executive Vice Presidents and Executive Vice Presidents who serve as Directors, Supervisors or managerial officers at investee companies other than the Company's subsidiaries.

* A different concept is used for the content of remuneration disclosed in this table compared to that in the Income Tax Act. This table is used for information disclosure, instead of taxation.

3. Names of Managers and the Distribution of Employee Bonus

April 14, 2026; Unit: NT\$ thousands

	Title (Note 1)	Name (Note 1)	Stock	Cash (Note 5)	Total	Ratio of Total Amount to Net Income After Tax (%)
Manager	President	Lee, Hung-Ming	0	290	290	Total amount 290 Percentage 0.0088%
	Senior Executive Vice President	Tsai, Chung-Yan				
	Senior Executive Vice President	Lin, Chin-Liang				
	Executive Vice President	Ku, Shang-Chieh				
	Executive Vice President	Guo, Jun-Her				
	Executive Vice President	Liao, Li-Chi				
	Senior Vice President of Development Department	Liu, Pang-Ho				
	Senior Vice President of Project Department I	Hsiao, Chia-Ming				
	Senior Vice President of Project Department II	Peng, Fei-I				
	Senior Vice President of Project Department III	Chang, Chia-Lun				
	Senior Vice President of Technology Department (Resigned on March 12, 2026)	Chang, Chih-Chiang				
	Chief Auditor of Auditing Office	Yang, Po-Shan				
	Senior Vice President of Administration Management Department & Corporate Governance Officer	Chen, Chia-Yen				
	Senior Vice President of Finance Management Department	Chang, Yi-Chun				

Note 1. Names and positions shall be listed individually, and the amount of profit distributed shall be disclosed collectively.

Note 2. Fill in the amount of employee compensation (including shares and cash) that has been approved by the Board of Directors and proposed by the managerial officers in the most recent fiscal year. If this amount cannot be estimated, the calculation should be based on the ratio of the amount distributed in the previous fiscal year. Net income after taxes refers to net income after taxes in the most recent fiscal year. Where IFRS is adopted, net income after taxes refers to net income after taxes recorded in the parent company only or individual financial statements in the most recent fiscal year.

Note 3. The scope of application for the term "managerial officer" shall follow the approved document with Ref. No. Tai Tsai Cheng San Tzu 0920001301 dated March 27, 2003. Its scope of application shall be as follows:

- (1) President and its equivalent
- (2) Vice President and its equivalent
- (3) Associate Vice President and its equivalent
- (4) Supervisor of Finance Department
- (5) Supervisor of Accounting Department
- (6) Other Personnel Authorized to Manage the Company's Affairs and Sign for Approval

Note 4. Directors, President, Senior Executive Vice Presidents and Executive Vice Presidents who receive employee rewards (including shares and cash) shall be listed not only in Table 1-2, but also in this table.

4. Remuneration paid to the five officers of TWSE/TPEX listed company with the highest remuneration (disclosure of the names and remuneration method of individual officers)

Title	Name (Note 1)	Salary (A) (Note 2)	Severance Pay and Pension (B)		Bonuses and Allowances, etc. (C) (Note 3)		Employee Compensation (D) (Note 4)				Sum of items A, B, C and D to NIAT Ratio (%) (Note 8)	Whether or not the person receives remuneration from other non-subsidiary companies that the Company has invested in (Note 9)	
		The Company	The Company	The Company	The Company	The Company	The Company	The Company	All the Companies in Consolidated Financial Statements of the Company (Note 5)	The Company	All the Companies in Consolidated Financial Statements of the Company (Note 5)		
		All the Companies in Consolidated Financial Statements of the Company (Note 5)	All the Companies in Consolidated Financial Statements of the Company (Note 5)	All the Companies in Consolidated Financial Statements of the Company (Note 5)	All the Companies in Consolidated Financial Statements of the Company (Note 5)	All the Companies in Consolidated Financial Statements of the Company (Note 5)	The Company	Cash Amount	Stock Amount	Cash Amount	Stock Amount		
N/A													

5. Compare the ratio of total remuneration paid to the Company's Directors, Supervisors, President, Senior Executive Vice Presidents and Executive Vice Presidents in the most recent two years to the net income after tax by the Company and all companies in the consolidated statements, and explain the policies, standards and combinations of remuneration payment, the procedures for determining remuneration, and the relevance with business performance and future risks:

- (1) Ratio of total remuneration paid to the Company's Directors, Supervisors, President, Senior Executive Vice President and Executive Vice Presidents in the most recent two years to the net income after tax:

The total amount of emoluments paid by the Company to directors, supervisors, President, Senior Executive Vice Presidents and Executive Vice Presidents in 2025 and 2024 were NT\$54,870 thousand and NT\$48,510 thousand respectively, accounting for 1.67% and 3.08% of the net profit after tax in each year.

- (2) Remuneration policies, standards and packages, and their correlations with the Company's business performance and future risk exposure:

The remunerations paid by the Company to directors, President and Vice Presidents are based on the Company's regulations in the "Remuneration Standards for Directors", "Performance Evaluation Standards for Directors",

"Remuneration Standards for Managers" and "Performance Evaluation Standards for Managers", taking into account the functions of individual directors and managers and the general market conditions, as well as factors such as their contribution value, performance evaluation, and expected or actual risks.

(A) "Directors' Remuneration Standards" (hereinafter referred to as the "Standards") stipulates that directors' remuneration includes remuneration, remuneration, transportation expenses and other allowances etc.

A. Remuneration: The company's independent directors and directors involved in business execution (Chairman/Vice Chairman) may be awarded monthly fixed remuneration; directors involved in business execution shall be awarded with reference to the director's participation in the company's operations, value of contribution, and the usual level of peers. Monthly remuneration and bonuses are awarded based on the manager's overall operating performance of the company and personal performance results for the year. All remunerations are submitted to the salary and the Remuneration Committee for review and are issued after approval by the board of directors.

B. Remuneration: According to the company's articles of association, when there is profit in the year, the director's remuneration may be within an amount not exceeding 1% of the current year's profit as the director's remuneration for that year.

C. Transportation expenses and other allowances will be paid in accordance with the standards specified in these guidelines.

(B) The Company has established the "Remuneration Payment Standards for Managers", which includes monthly salary, bonus, welfare allowance, etc.

The remuneration for managers is paid based on the Company's "Remuneration Standards for Managers" and the salary level of the position in the industry market, the scope of powers and responsibilities of the position in the Company, and the individual's performance achievement rate and contribution to the Company's performance.

(C) In order to improve the corporate governance system and effectively urge directors and managers to perform their duties, the Company has established "Performance Evaluation Standards for Directors" and "Performance Evaluation Standards for Managers", and set indicators such as board attendance rate, social responsibility performance, business, financial operation supervision, internal audit and internal control and

annual target achievement, internal control, leadership and management capabilities for directors and managers, respectively, and use the evaluation results as the basis for salary adjustment and bonus award of executive directors and managers, which shall be examined and evaluated by the Remuneration Committee every year and submitted to the Board of Directors for approval.

(3) According to the Company's regulations, the Remuneration Committee will review the performance appraisal and remuneration payment methods every three years and may review and revise them at any time as required.

6. Policy on Linking Senior Managerial Officer Remuneration with ESG-Related Performance Evaluation

(1) Managerial Officer Performance

In order to strengthen the corporate governance system and effectively supervise managerial officers in fulfilling their responsibilities, to enhance the Company's operational strength, connect to the achievement of the Company's operational strategies and objectives, and serve as a reference for executive salary and bonus payments, Cathay Real Estate has established the "Performance Evaluation Standards for Managers." These standards clearly stipulate that the President, Senior Executive Vice President, Executive Vice Presidents, Financial Managers, Corporate Governance Officers, Information Security Officers, or other managerial officers with management responsibilities and signing authority should formulate personal performance goals based on the Company/unit's annual strategic focus objectives, position responsibilities (including internal control implementation effectiveness, risk management effectiveness), and other annual key tasks (such as: sustainability development effectiveness). Thereby ensuring that managerial officer performance goals are closely linked to company/unit strategies. Cathay Real Estate's managerial officer performance indicators are as follows:

Proportion	Indicators
60%	Annual Target Achievement
40%	Business Acumen
	Operational Integration Capability
	Leadership for Change
	Internal Control Implementation and Risk Management Effectiveness
	Sustainability Development Effectiveness

(2) Cathay Real Estate Managerial Officer Compensation

To create long-term shareholder value and implement compensation linked to position responsibilities to attract and motivate outstanding talent, Cathay Real Estate has established the "Remuneration Payment Standards for Managers," which clearly stipulates the standards for various salary and reward items for managerial officers. Fixed compensation is determined based on position responsibilities, performance, and capabilities, with reference to external compensation benchmark markets. Variable compensation is determined according to the "Performance Evaluation Standards for Managers," which include financial performance indicators, relative financial indicators, company operational strategy development indicators, internal control and risk management, and corporate sustainability operations. The annual operational performance of the Company and the achievement of individual indicators are reviewed and approved by the Remuneration Committee and the Board of Directors. Taking the President as an example, variable compensation accounts for approximately 30-50% of annual salary.

To ensure the reasonableness of managerial officers' compensation, a salary competitiveness analysis is conducted every year to evaluate the compensation of individual managerial officers, and the "Remuneration Payment Standards for Managers" are regularly reviewed every three years. These are submitted to the The Remuneration Committee for review and to the Board of Directors for approval in accordance with regulations.

(3) 2025 Sustainability Development Promotion Results

Cathay Real Estate has established sustainability and Lifestyles of Health and Sustainability (LOHAS)" as the core principles in designing new lifestyles for customers. We have continuously optimized high-standard service quality, aiming to create happy and secure residences for homeowners, fulfilling our promise to be a lifelong pillar of support for our customers, and continuously championing sustainable development. The 2025 sustainability development promotion results are as follows:

- A. Implementing Corporate Governance: The 2024 evaluation results placed us in the 36%-50% bracket.
- B. Protecting Intellectual Property: A total of 66 valid trademarks as of December 2025.
- C. Emphasizing Ethical Management: Senior executives have signed the "Statement of Compliance with Integrity Management Policy," an independent whistleblower mailbox has been established, and online materials are provided to all employees for ethical management education and training.

- D. Developing Sustainable Environment: In 2025, 1 planned and designed projects obtained green building label agreements or candidate certificates.
- E. Promoting Social Prosperity: Including employee care, customer support, and social welfare initiatives.
- F. Regular Greenhouse Gas Inventory: The Company continues to conduct regular greenhouse gas inventory in accordance with ISO 14064-1. In 2025, the Company engaged SGS Taiwan Ltd. (SGS) to perform greenhouse gas verification and obtained a greenhouse gas verification statement.
- G. Enhancing Information Disclosure: The Company received the "Platinum Award" in the Corporate Sustainability Reporting category for Real Estate and Construction Industry, improving the transparency of sustainability governance.
- H. Deepening Brand Value: Honored with the Gold Trusted Brand Award.

II. Implementation of Corporate Governance

(I) Operations of the Board of Directors

The 20th term of Directors (Statistical period: 2025.1.1 to 2025.12.31)

A total of 6 meetings [A] of the Board of Directors were held in the most recent year. The attendance (appearance) of Directors and Supervisors was as follows:

Title	Name (Note 1)	Number of Actual Attendance (Appearance) (B)	Times of Attendance by Proxy	Actual Attendance (Appearance) Rate (%) [B/A] (Note 2)	Remark
Chairman	He Xin Industrial Co., Ltd. Representative: Chang, Ching-Kuei	6	0	100%	
Director	He Xin Industrial Co., Ltd. Representative: Tsai, Chung-Yan	5	1	83.3%	
Director	He Xin Industrial Co., Ltd. Representative: Lee, Hung-Ming	6	0	100%	
Director	Cathay Real Estate Culture & Education Foundation Representative: Chu, Chung-Chang	6	0	100%	
Director	Employee Welfare Committee of Cathay Real Estate Development Co., Ltd. Representative: Lin, Chin-Liang	6	0	100%	

Title	Name (Note 1)	Number of Actual Attendance (Appearance) (B)	Times of Attendance by Proxy	Actual Attendance (Appearance) Rate (%) [B/A] (Note 2)	Remark
Director	Cathay Charity Foundation Representative: Chuang, Wan-Hua	6	0	100%	
Independent Director	Chang, Yuan-Hsiao	6	0	100%	
Independent Director	Yu, Tsu-Kang	6	0	100%	
Independent Director	Lee, Li-Kun	6	0	100%	

Note 1. For directors and supervisors who are juristic persons, the name of juristic person shareholders and their representatives shall be disclosed.

Note 2. (1) Where a director or a supervisor resigns before the end of the fiscal year, the Remark column shall be filled with the director's or supervisor's resignation date, whereas his/her percentage of attendance in person (%) shall be calculated based on the number of Board of Directors' meetings held and the actual attendance in person during the period during his/her term of office.

(2) When the election of directors and supervisors is held before the end of the year, the names of both the incoming and outgoing directors and supervisors shall be listed in the remark column with annotations specifying whether the directors and supervisors are outgoing, incoming or re-elected, as well as the date of the election. The Director's rate of attendance in person (%) shall be calculated based on the number of Board of Directors' Meetings held and the actual attendance in person during his/her term of office.

Other matters to be recorded:

I. With regard to the implementation of the Board of Directors, if any of the following circumstances occurs, the dates, terms of the meetings, contents of motions, all independent directors' opinions and the Company's handling of such opinions shall be specified: None.

(I) Matters referred to in Article 14-3 of the Securities and Exchange Act.

(II) In addition to the preceding matter, other resolutions of the Board of Directors on which independent directors have dissenting opinions or qualified opinions, and that are documented or issued through written statements.

II. In regards the recusal of Independent Directors from voting due to conflict of interests, the name of the Independent Directors, the resolutions, reasons for recusal due to conflict of interests and voting outcomes shall be stated:

Name of Director	Proposal	Reason for Recusal	Participation in Voting
Chang, Ching-Kuei, Tsai, Chung-Yan, Lee, Hung-Ming, Lin, Chin-Liang	2024 annual bonus and special incentive payments for directors and managers actively involved in the year's business operations.	Directors on the left were involved in the contents of motion.	Did not participate in discussion and voting.

Name of Director	Proposal	Reason for Recusal	Participation in Voting
Chang, Yuan-Hsiao, Yu, Tsu-Kang, Lee, Li-Kun	The establishment of the Company's Corporate Sustainability Committee and the appointment of its committee members.	Directors on the left were involved in the contents of motion.	Did not participate in discussion and voting.
Lee, Hung-Ming	The appointment of the Chief Sustainability Officer.	Directors on the left were involved in the contents of motion.	Did not participate in discussion and voting.
Tsai, Chung-Yan, Chu, Chung-Chang	The Company intends to acquire the right-of-use assets of Taipei International Tower and Cathay Landmark Tainan from the related party Cathay Life Insurance Co., Ltd.	Directors on the left were involved in the contents of motion.	Did not participate in discussion and voting.
Chang, Ching-Kuei, Tsai, Chung-Yan, Lee, Hung-Ming, Lin, Chin-Liang	The remuneration assessment and adjustment for executive directors and managers actively involved in the 2024's business operations.	Directors on the left were involved in the contents of motion.	Did not participate in discussion and voting.
Chang, Yuan-Hsiao, Yu, Tsu-Kang, Lee, Li-Kun	The remuneration assessment for independent directors and executive directors in 2024.	Directors on the left were involved in the contents of motion.	Did not participate in discussion and voting.
Chang, Ching-Kuei, Tsai, Chung-Yan, Lee, Hung-Ming, Lin, Chin-Liang, Chuang, Wan-Hua, Chu, Chung-Chang	Deliberation on 2024's Distribution of Employee and Director Compensation	Directors on the left were involved in the contents of motion.	Did not participate in discussion and voting.
Tsai, Chung-Yan	To lift the restrictions on competition prohibition for managers of the Company.	Directors on the left were involved in the contents of motion.	Did not participate in discussion and voting.
Lee, Hung-Ming, Lin, Chin-Liang	The Participation in the cash capital increase of Nankang International No. 1 Co., Ltd. and Nankang International No. 2 Co., Ltd.	Directors on the left were involved in the contents of motion.	Did not participate in discussion and voting.

III. A listed company shall disclose information regarding cycle, period, scope, and method of self- (or peer) evaluation of the Board of Directors and fill out the implementation status of the evaluation of the Board:

Frequency (Note 1)	Period (Note 2)	Scope (Note 3)	Method (Note 4)	Content (Note 5)
Once a year	From January 1, 2025 to December 31, 2025.	<ul style="list-style-type: none"> ■ the Board of Directors as a Whole ■ The Audit Committee. ■ The Remuneration Committee. ■ The Corporate 	<ul style="list-style-type: none"> ■ Evaluation by the executing unit, self-evaluation by each director and each functional committee (including the Audit Committee, the Remuneration Committee and the Corporate 	<p>The performance evaluation indicators of the Company's Board of Directors and functional committees (including the Audit Committee, the Remuneration Committee and the Corporate Sustainability Committee.) should respectively include the following five aspects, with each aspect divided into "qualitative measurement indicators" and "quantitative measurement indicators":</p> <ul style="list-style-type: none"> ■ Aspects of the Board of Directors'

Frequency (Note 1)	Period (Note 2)	Scope (Note 3)	Method (Note 4)	Content (Note 5)
		Sustainability Committee.	Sustainability Committee.). ■ The assessment results are divided into three levels: beyond the standard, meeting the standard and to be strengthened.	Performance Evaluation: 1. Degree of participation in the Company's operations. 2. Improvement in the quality of decision-making of the Board of Directors. 3. Composition and structure of the Board of Directors. 4. Election and continuing education of the Directors. 5. Internal control. ■ Performance Evaluation Criteria for Functional Committees: 1. Degree of participation in the Company's operations. 2. Responsibility awareness of functional committees. 3. Enhancing the quality of decision- making skills. 4. The composition and selection of members. 5. Internal control.

The performance evaluation of the Directors of the Company includes monitoring the main responsibility indicators such as "company business execution", "financial operation status", "internal audit and internal control", "risk management, legal compliance" and "corporate performance of corporate social responsibility", "board attendance rate" and other reference indicators, and the evaluation process is composed of self-evaluation, reevaluation and ratification, etc.

Note 1. Fill in the execution period of the evaluation of Board of Directors.

Note 2. Fill in the period covered by the evaluation of Board of Directors.

Note 3. The scope of evaluation covers the evaluation of the performance of the Board of Directors, individual Directors, and functional committees.

Note 4. Methods of evaluations include the self-evaluation of the board, self-evaluation by individual board members, peer evaluation, and evaluation by appointed external professional institutions, experts, or other appropriate methods.

Note 5. The contents of the evaluation shall include at least the following items:

- (1) Performance evaluation of the Board of Directors: The evaluation shall include at least the "participation in the operations 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".
- (2) Performance evaluation of individual Directors: The evaluation shall include at least the "familiarity with the goals and missions of the Company", "knowledge of the duties of Directors", "degree of participation in the Company's operations",

"management of internal relations and communication", "professional and continuous education of Directors", and "internal control".

- (3) Performance evaluation of functional committees: Degree of participation in the Company's operations, knowledge of the duties of the functional committee, improvement in the quality of functional committee decisions, functional committee composition and election of members, and internal control.

IV. The Board of Directors Performance Linkage and Evaluation Result:

In accordance with the revised "Performance Evaluation Measures for the Board of Directors and Functional Committees" approved by the Board of Directors, the Company conducts annual performance evaluations of the Board of Directors and various functional committees (including the Audit Committee, the Remuneration Committee and the Corporate Sustainability Committee) in December each year.

The evaluation targets include the overall operation of the Board of Directors, the performance of individual directors, and of functional committees (including the Audit Committee, the Remuneration Committee and the Corporate Sustainability Committee) The performance evaluation indicators of the Company's Board of Directors and functional committees are branched into the following five major dimensions, and each dimension is further divided into "qualitative measurement indicators" and "quantitative measurement indicators":

1. Aspects of the Board of Directors' Performance Evaluation:

- (1) Degree of participation in the Company's operations.
- (2) Improvement in the Board of Directors' decision-making capability.
- (3) The composition and structure of the Board of Directors.
- (4) The election and appointment as well as continuing education of Directors.
- (5) Internal control.

2. Performance Evaluation Criteria for Functional Committees:

- (1) Degree of participation in the Company's operations.
- (2) Responsibility awareness of functional committees.
- (3) Enhancing the quality of decision-making skills.
- (4) The composition and selection of members.
- (5) Internal control.

The assessment results are divided into three levels: beyond the standard, meeting the standard and to be strengthened, i.e. when the achieving rate of the quantitative measurement indicators and qualitative measurement indicators is 90% or more, it is beyond the standard; when it is more than 80% and less than 90%, it is meeting the standard; when it is less than 80%, it is to be strengthened.

The internal performance evaluation results of the Company's Board of Directors and functional committees (including the Audit Committee, the Remuneration Committee and the Corporate Sustainability Committee) for fiscal year 2025 were all "exceeding standards". The results were reported to the Board of Directors on March 12, 2026, demonstrating the Company's success in enhancing the efficacy of the Board of Directors and functional committees. The "Performance Evaluation Measures for the Board of Directors and Functional Committees" has been disclosed on the Public Information Observatory and the Company's website, the performance evaluation results of the Board of Directors and functional committees (including the Audit Committee, the Remuneration Committee and the Corporate Sustainability Committee) were also published in the annual report and on the Company's website for reference.

- V. Targets for strengthening the functions of the Board of Directors in the current fiscal year and the most recent fiscal year (e.g., establishing an audit committee and enhancing information transparency), and evaluation of target implementation:

Strengthen the functions of the Board of Directors.

The Board of Directors of the Company consists of 9 directors. In order to strengthen the professional function of the Board of Directors and to be in line with international standards, the Company has set up a The Remuneration Committee to formulate and evaluate the performance evaluation and remuneration standards of the Company's directors and managers, aiming to effectively establish the remuneration and performance appraisal system for the directors and managers of the Company, and further improve the Company's operational performance; an Audit Committee is also set up, consisting of all independent directors, to assist the Board of Directors to improve corporate governance performance. The members of the Board of Directors of the Company are diverse and include different professional experience/fields of work and backgrounds. In order to strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors, the "Policy on Diversity of Board Members" is covered in paragraph 2, Article 22 of the Company's Corporate Governance Best-Practice Principles. The relevant content and implementation are as follows:

To improve the structure of the Board of Directors, the members of the Board of Directors should be diverse, such as with different professional experience, gender or work field, etc., and should generally possess the knowledge, skills and qualities necessary to perform their duties. To achieve the ideal goal of corporate governance, the Board of Directors shall possess the following abilities:

1. Operational judgment ability.
2. Accounting and financial analysis ability.
3. Operation and management ability.
4. Crisis handling capability.
5. Industrial knowledge.
6. International market view.
7. Leadership.
8. Decision-making ability.

The current Board of Directors of the Company consists of 9 Directors, including 3 Independent Directors with extensive experience and expertise in the fields of business, construction, and law. In addition, the Company also focuses on gender equality in the composition of the Board of Directors; the ratio of female Directors is at least 10%. Currently there are 9 Directors, including a female director and the ratio is 11%.

The implementation is as follows:

Diversified core Item Name of Director	Basic Composition						Experience/ Field of Work						Backgrounds							
	Nationality/Place of Incorporation (Note)	Gender	A Concurrent Employee of the Company	Age				Seniority of Independent Director		Real Estate	Health Management\Medical Treatment	Hotel Tourism	Financing Control\Banking\Insurance	Information\Telecom\Media	Manufacturing\Investment\Others	Business	Building	Law	Public Administration	Business Management
				41 or 50	51 or 60	61 or 70	71 or 80	Less than 3 years	3 to 9 years											
Chang, Ching-Kuei	1	Male							✓	✓				✓	✓					
Lee, Hung-Ming	1	Male	✓						✓		✓	✓		✓	✓		✓			
Tsai, Chung-Yan	1	Male	✓						✓	✓		✓		✓				✓		
Lin, Chin-Liang	1	Male	✓						✓		✓	✓	✓	✓	✓					
Chuang, Wan-Hua	1	Female		1	2	2	4		✓		✓			✓						
Chu, Chung-Chang	2	Male							✓			✓		✓	✓				✓	
Chang, Yuan-Hsiao	1	Male						✓	✓					✓			✓			
Yu, Tsu-Kang	1	Male						✓		✓				✓	✓				✓	
Lee, Li-Kun	1	Male						✓	✓	✓				✓			✓			

Note: Nationality/Place of Incorporation: 1. Republic of China, 2. Canada.

(II) Operations of the Audit Committee

The Company's Audit Committee is solely composed of all Independent Directors. The goal of the Audit Committee is to provide assistance to the Board of Directors in performing its duty of supervising the Company on accounting, auditing, financial reporting process and quality of financial control, and integrity related matters.

The tasks of the Audit Committee mainly include the following:

1. Adoption or amendment of internal control systems in accordance with Article 14-1 of the Securities and Exchange Act
2. Assessment of the effectiveness of the internal control system
3. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.

4. Items that involve the director's own interests.
5. Major assets or derivatives transactions.
6. Significant loaning of funds, providing endorsements/guarantees.
7. Raising, issuing or privately placing equity-type securities.
8. Appointment, dismissal, and compensation of CPAs.
9. Appointment and dismissal of finance manager, accounting manager, and head of internal audit.
10. The annual financial report signed or stamped with the seal of the Chairman, managerial officer, and chief accounting officer.
11. Business report.
12. Proposal of profits distribution or deficit compensation.
13. Other major items required by the Company or the competent authority.

Key auditing items include:

1. Review financial statements:

The Board of Directors prepared the Company's 2024 annual Business Report, Financial Statements (including consolidated financial statements), and an earnings distribution proposal, among which the Financial Statements (including consolidated financial statements) have been audited by Lin, Shu-Wan and Shao, Chih-Ming, CPAs at Deloitte & Touche, by whom an audit report has been issued. The above-mentioned reports presented by the Board of Directors have been verified by the Audit Committee, and it is considered that there is no inappropriate content. After review and approval by the company's audit committee on March 12, 2025, the company's 2025 regular shareholders' meeting report will be submitted.

2. Assessment of the effectiveness of the internal control system:

The Audit Committee has assessed the effectiveness of the Company's internal control system policies and procedures (including control measures such as finance, operation, risk management, information security, outsourcing, regulatory compliance, Sustainability Information, etc.) and audited The Company's audit department and CPAs, as well as management's periodic reports, including risk management and regulatory compliance. In reference to the Internal Control - Integrated Framework issued by The Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 2013, as well as the Effective Internal Control over Sustainability Reporting (ICSR): Building Trust and Confidence through the

COSO Internal Control - Integrated Framework, and the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA) and other relevant regulations, the Audit Committee believes that the Company's risk management and internal control systems are effective. The Company has adopted necessary control mechanisms to monitor and correct violations.

3. Appointment of CPAs

In order to ensure the neutrality of financial statements, the Audit Committee is entrusted with the responsibility of overseeing the independence of the certified public accounting firm. The Company's appointment of CPAs is on an annual basis. Generally speaking, apart from tax-related services listed in the "Pre-approval Policy for Non-assurance Services of Certified Public Accountants" or specially approved items, the certified public accounting firm may not provide the Company with other services.

The remuneration of certified public accountants should be approved by the Audit Committee to ensure the independence of the certified public accounting firm. The Audit Committee evaluates the independence, professionalism, and suitability of the CPAs by referring to Article 47 of the Certified Public Accountant Act and Bulletin No.10 "Integrity, Fairness, Objectivity and Independence" of the Certified Public Accountant's Code of Professional Ethics, as well as the "Audit Quality Indicators" (hereinafter referred to as AQI) provided by the firm. The evaluation includes examining whether there is a related party relationship, business or financial interests between the firm and the Company, and the AQIs (encompassing professionalism, quality control, independence, supervision, and innovation capability), the accountants' personal resumes (including relevant experience, professional qualifications, and major clients), and other items. The CPAs are also required to issue an independence statement. Please refer to pages 58-59 for the AQI assessment results of our company.

The 3rd term of Audit Committee (Statistical period: 2025.1.1 to 2025.12.31)

The Audit Committee held 5 meetings (A) in the most recent year; the appearance of members is summarized as follows:

Title	Name	Attendance in person (B)	Attendance by proxy	Actual Attendance Rate (%) (B/A) (Note 1, Note 2)	Remark
Independent Director	Chang, Yuan-Hsiao	5	0	100%	

Title	Name	Attendance in person (B)	Attendance by proxy	Actual Attendance Rate (%) (B/A) (Note 1, Note 2)	Remark
Independent Director	Yu, Tsu-Kang	5	0	100%	
Independent Director	Lee, Li-Kun	5	0	100%	

Note:

1. If an Independent Director resigns before the end of the year, the resignation date shall be specified in the Note column. The percentage of attendance in person (%) shall be calculated based on the number of meetings held by the audit committee and the number of actual attendance during the term of service.
2. If an Independent Director is elected before the end of the year, incoming and outgoing Independent Directors shall be listed accordingly, and the Note column shall indicate whether the status of an Independent Director is "outgoing," "incoming," or "re-elected," and the date of re-election. Actual attendance rate (%) was calculated based on the number of board meetings held during each director's term and the number of meetings actually attended by that director.

Other matters to be recorded:

- I. If the operation of the Audit Committee falls under any of the following circumstances, the meeting date of the Audit Committee, the session, the content of the proposals, the independent directors' objections, reservations or major proposals, the results of the Audit Committee's resolutions, and the Company's handling of the comments of the Audit Committee:

(I) Items listed in Section 5, Article 14 of Securities and Exchange Act are explained as follows:

the Audit Committee	Proposal	Matters referred to in Article 14-5 of the Securities and Exchange Act:	Other resolutions passed by two thirds of all Directors but yet to be approved by the Audit Committee
The 3rd Session of the 9th Meeting on 2025.1.23	1. The establishment of the Company's Corporate Sustainability Committee and the appointment of its committee members.	✓	✗
	2. It is proposed to have the subsidiary "San-Ching Engineering Co., Ltd." undertake the new construction project of the Company in Rongxing Section, Zhongshan District, Taipei City.	✓	✗
Results of the Audit Committee resolution (January 23, 2025):			

the Audit Committee	Proposal	Matters referred to in Article 14-5 of the Securities and Exchange Act:	Other resolutions passed by two thirds of all Directors but yet to be approved by the Audit Committee
	<p>The 1st proposal : Regarding the appointment of Independent Directors Chang, Yuan-Hsiao and Yu, Tsu-Kang as members of the Company's First-Term Corporate Sustainability Committee, Independent Directors Chang, Yuan-Hsiao and Yu, Tsu-Kang recused themselves in accordance with applicable regulations, and the remaining Independent Director Lee, Li-Kun voted in favor of the resolution as proposed.</p> <p>Regarding the appointment of Independent Director Lee, Li-Kun as a member of the Company's First-Term Corporate Sustainability Committee, Independent Director Lee, Li-Kun recused himself in accordance with applicable regulations, and all other attending Independent Directors unanimously voted in favor of the resolution as proposed.</p> <p>For the remaining proposals: unanimously approved by all members of the Audit Committee.</p> <p>The Company's actions in response to the opinions of the Audit Committee: Approved by all the attending directors. (Note: See pages 44-45 for details on the implementation of directors' withdrawal from interest-related proposals)</p>		
The 3rd Session of the 10th Meeting on 2025.3.12	1. Submission of the "Internal Control System Statement for the Year 2024" to the Securities and Futures Bureau, Financial Supervisory Commission for the Company.	✓	✗
	2. 2024 Annual Business Report.	✓	✗
	3. 2024 Parent Company Only Financial Statements and Consolidated Financial Statements.	✓	✗
	4. 2025 CPA Appointment and Remuneration Review.	✓	✗
	5. The appointment of the Chief Sustainability Officer.	✓	✗
	6. The Company plans to launch capital raising plan for long-term development	✓	✗
	<p>Results of the Audit Committee resolution (March 12, 2025): The 1st proposal to the 6th proposal were passed with the consent of all the attending members of the Audit Committee.</p> <p>The Company's actions in response to the opinions of the Audit Committee: Approved by all the attending directors. (Note: See pages 44-45 for details on the implementation of directors' withdrawal from interest-related proposals)</p>		
The 3rd Session of the 11th Meeting on 2025.4.28	1. 2024 annual earnings distribution.	✓	✗
	2. Consolidated Financial Report for the first quarters of 2025.	✓	✗
	3. The Company's subscription to shares of San-An Construction Co., Ltd. and the establishment of a joint venture with Mitsui Fudosan Taiwan Co., Ltd. for residential development projects.	✓	✗
	4. Providing endorsement and guarantee for San-an Development Co., Ltd.	✓	✗
	5. Amendments to the Company's "Operating Procedures for the Loaning of Funds and Making of Endorsements and Guarantees".	✓	✗
	6. Amendments to the Company's "Internal Control System".	✓	✗
	7. Amendments to the Company's "Internal Control System for the Share Administration Unit".	✓	✗

the Audit Committee	Proposal	Matters referred to in Article 14-5 of the Securities and Exchange Act:	Other resolutions passed by two thirds of all Directors but yet to be approved by the Audit Committee
	8. The Company intends to acquire the right-of-use assets of Taipei International Tower and Cathay Landmark Tainan from the related party "Cathay Life Insurance Co., Ltd.	✓	✗
	Results of the Audit Committee resolution (April 28, 2025): The 1st proposal to the 8th proposal were passed with the consent of all the attending members of the Audit Committee.		
	The Company's actions in response to the opinions of the Audit Committee: Approved by all the attending directors. (Note: See pages 44-45for details on the implementation of directors' withdrawal from interest-related proposals)		
The 3rd Session of the 12th Meeting on 2025.8.6	1. Consolidated Financial Report for the first half of 2025.	✓	✗
	2. Amendments to the Company's "Internal Control System" and "Internal Audit Implementation Rules".	✓	✗
	3. To lift the restrictions on competition prohibition for managers of the Company.	✓	✗
	4. It is proposed to have the subsidiary "San-Ching Engineering Co., Ltd." undertake the new construction project of the Company in Fuduxin Section, Xinzhuang District, New Taipei City.	✓	✗
	5. It is proposed to have the subsidiary "San-Ching Engineering Co., Ltd." undertake the new construction project of the Company in Wanhe Section, Sanmin District, Kaohsiung City.	✓	✗
	6. It is proposed to have the subsidiary "San-Ching Engineering Co., Ltd." undertake the new construction project of the Company in Changming Section, Nantun District, Taichung City.	✓	✗
	7. It is proposed to have the subsidiary "San-Ching Engineering Co., Ltd." undertake the new construction project of the Company in Beiyuan Section, North District, Tainan City.	✓	✗
	8. It is proposed to have the subsidiary "San-Ching Engineering Co., Ltd." undertake the new construction project of the Company in Pingshi Section, East District, Tainan City.	✓	✗
	Results of the Audit Committee resolution (August 6, 2025): The 1st proposal to the 8th proposal were passed with the consent of all the attending members of the Audit Committee.		
	The Company's actions in response to the opinions of the Audit Committee: Approved by all the attending directors (Note: See pages 44-45for details on the implementation of directors' withdrawal from interest-related proposals)		
The 3rd Session of the 13th Meeting on 2025.11.5	1. Consolidated Financial Report for the first three quarters of 2025.	✓	✗
	2. The participation in the cash capital increase of Nankang International No. 1 Co., Ltd. and Nankang International No. 2 Co., Ltd.	✓	✗
	3. Amendments to the Company's "Internal Control System" and "Internal Audit Implementation Rules".	✓	✗

the Audit Committee	Proposal	Matters referred to in Article 14-5 of the Securities and Exchange Act:	Other resolutions passed by two thirds of all Directors but yet to be approved by the Audit Committee
Results of the Audit Committee resolution (November 5, 2025): The 1st proposal to the 3rd proposal were passed with the consent of all the attending members of the Audit Committee.			
The Company's actions in response to the opinions of the Audit Committee: Approved by all the attending directors (Note: See pages 44-45 for details on the implementation of directors' withdrawal from interest-related proposals)			

(II) In addition to the items in the preceding sentence, other resolutions passed by two-thirds of all the directors but yet to be approved by the Audit Committee: None.

II. In regards the recusal of Independent Directors from voting due to conflict of interests, the name of the Independent Directors, the resolutions, reasons for recusal due to conflict of interests and voting outcomes shall be stated.

Name of Independent Director	Proposal	Reason for Recusal	Participation in Voting
Chang, Yuan-Hsiao, Yu, Tsu-Kang, Lee, Li-Kun	The establishment of the Company's Corporate Sustainability Committee and the appointment of its committee members.	Independent Directors on the left were involved in the contents of motion.	Did not participate in discussion and voting

III. Communications between independent directors and head of internal audit and CPAs (material methods and outcomes related to the Company's financial and business status should be included).

1. The Company's Audit Committee is composed of Independent Directors solely. The CPA reports at least once a year to the Independent Directors on the Company's financial status and internal control check. In the absence of general directors and the management, it reports to the independent directors, and communicates the impact of major adjustments or legislative amendments. Summary of previous communications:

Date	Nature	Key Communications Points	Communication Results
2025.3.12	Board of Directors Pre-meeting conference	1. Auditor's Independence Statement. 2. The accountant describes the audit operations for the 2024 financial statement, including the scope of the Group's audits,	1. The Audit Committee has approved the 2024 annual financial statements and submitted them to the Board of Directors for

Date	Nature	Key Communications Points	Communication Results
		<p>the key audit items, significant risk as well as reporting on the company's cooperation during the audit, the execution and results of internal control tests.</p> <p>3. The audit opinions being issued by the accountant in the year 2024.</p> <p>4. IFRS Sustainability Disclosure Standards.</p> <p>5. Impacts of recent amendments to securities, tax, and corporate governance laws.</p>	<p>approval, followed by announcement and reporting as scheduled.</p> <p>2. Independent Directors' Suggestion: None.</p>

2. At least once a year, the Chief Auditing Officer of the Company communicates on the audit report and the follow-up implementation to the independent directors in the absence of general directors and management. The summary of the communication is as follows:

Date	Nature	Key Communications Points	Communication Results
2025.3.12	Board of Directors Pre-meeting conference	1. Audit performance for the whole year of 2024.	<p>1. The independent directors were fully informed of the subsequent proposed improvements.</p> <p>2. Independent Directors' Suggestion: None.</p>

(III) Implementation Status of Corporate Governance and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof

Item	Operation			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
I. Does the Company establish and disclose its corporate governance best-practice principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	V		The Company has established the "Corporate Governance Best-practice Principles" on March 19, 2020, and disclosed the principles on the Market Observation Post System (MOPS) and the Company website. (https://www.cathay-red.com.tw/tw/About/ManageRegulation)	No significant difference.
II. Shareholding structure & shareholders' rights				
(I) Has the Company established an internal operating procedure for handling matters related to shareholders' recommendations, doubts, disputes and lawsuits, and implemented them accordingly?	V		When dealing with shareholders' suggestions or disputes, the spokesman, acting spokesman and the stock affairs unit are responsible for summarizing and dealing with them.	No significant difference.
(II) Does the Company maintain a register of major shareholders with controlling power as well as a register of persons exercising ultimate control over those major shareholders?	V		The Company reports information regarding changes in shareholding of major shareholders to TWSE monthly in accordance with Article 25 of the Securities and Exchange Act, and makes sure that the register of shareholders and the application materials are consistent when the stock transfer is stopped to keep abreast of the shareholding of major shareholders. The Company also discloses the list of all shareholders with a stake of 5% or greater in the quarterly (annually) financial statements.	No significant difference.
(III) Has the Company established and implemented risk control and firewall mechanisms among its affiliated companies?	V		The financial operations of the Company and its affiliates operate independently, and a subsidiary supervision operation system has been established.	No significant difference.
(IV) Has the Company formulated internal regulations that prohibit insiders of the Company from trading securities using undisclosed information in the market?	V		The Company has formulated the Insider Trading Prevention Management Regulations and Code of Ethical Conduct. Any sensitive information that may significantly impact securities trading prices that insiders have become aware of during the course of their duties shall be kept strictly confidential in accordance with the Securities and Exchange Act before said information is publicly disclosed. Insiders shall also not engage in insider trading through taking advantage of said information.	No significant difference.
III. Composition and responsibilities of the Board of Directors				
(I) Does the Board develop and implement a diversified policy and specific management targets for the composition of its members?	V		The Company has established a diversified policy for the composition of the Board in Corporate Governance Best Practice Principles, taken into account the gender of members, covered all professional fields, and led to a prosperous development of the operations of the Company. Please refer to pages 27-28.	No significant difference.
(II) Does the Company voluntarily establish other functional committees in addition to the legally-required The Remuneration Committee and Audit Committee?	V		In addition to establishing a Compensation Committee and an Audit Committee in accordance with applicable laws and regulations, the Company established a Corporate Sustainability Development Committee on January 23, 2025, which was subsequently renamed the Corporate Sustainability Development and Nomination Committee on March 12, 2026.	No significant difference.
(III) Does the Company formulate the performance evaluation methods for the Board of Directors, conduct performance evaluations annually and regularly, and report the results of the performance evaluations to the Board of Directors, and use them as a reference for individual directors' remuneration and nomination and renewal?	V		The Company has formulated rules and procedures for evaluating the Board of Directors and Functional Committees' performance and conducts it annually. Please refer to pages 39-43 and 45-48.	No significant difference.
(IV) Does the Company regularly evaluate the independence of CPAs?	V		The Company's appointment of CPAs is on an annual basis. When appointing the accounting firm, the Company obtains a declaration of independence from the CPAs and evaluates their performance based on the dimensions of	No significant difference.

Item	Operation			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>the "Audit Quality Indicators" (hereinafter referred to as AQI) provided by the firm, encompassing of "professionalism", "quality control", "independence", and "supervision." The evaluation of the certified public accountants is as follows:</p> <p>Professionalism: Whether the accounting firm and certified public accountants have sufficient audit experience.</p> <ol style="list-style-type: none"> Whether the accounting firm and certified public accountants have sufficient audit experience? Whether the accountants and firm employees have sufficient education and training hours? Whether the turnover rate of the firm is reasonable and holds sufficient support from other professional departments? <p>Quality Control: <ol style="list-style-type: none"> Whether the number of audit clients for an accountant is reasonable or overloaded? The status of the Engagement Quality Control Review (EQCR) and whether the support from the quality control department is sufficient? </p> <p>Independence: <ol style="list-style-type: none"> Whether the proportion of non-assurance services provided by the accounting firm is appropriate? The accounting firm's familiarity with the case and whether the accountant have provided audit services for less than seven consecutive years? </p> <p>supervision: <ol style="list-style-type: none"> Whether the certified public accountant has been free of any legal proceedings, or any sanctions, investigations, or corrective actions imposed by competent authorities? Whether the audit services provided by the certified public accountant and the audit team are of satisfactory quality? </p> <p>Submit the assessment results above to the audit committee and the board of directors for discussion and use as a reference for the board to appoint a visa accountant.</p> <p>The assessment results of the recent two years have been reported to the Board of Directors for approval on March 12, 2025, and March 12, 2026, respectively. The assessment report is published on the Company's website. (https://www.cathay-red.com.tw/Content/Upload/files/about/ManageOthers/07.pdf)</p>	
IV. Whether the TWSE/TPEX listed companies are equipped with competent and appropriate number of corporate governance personnel, and specify the head of corporate governance to be responsible for corporate governance related matters (including but not limited to providing data required by Directors and Supervisors in the execution of business, assisting Directors and Supervisors to comply with laws and regulations, handling relevant matters of meetings of the Board of directors and shareholders' meeting in accordance with laws, and preparing records for the Board of Directors and shareholders' meetings, etc.)?	V		<p>Pursuant to a resolution of the Board of Directors on June 14, 2024, the Company appointed Chen, Jia-Yan as the corporate governance supervisor who has over three years of managerial experience in finance or corporate governance-related functions at publicly listed companies and is responsible for matters related to corporate governance, effective July 1, 2024.</p> <ol style="list-style-type: none"> The implementation of corporate governance is as follows: <ol style="list-style-type: none"> Handling of matters relating to the meetings of the Board of Directors and Shareholders' Meetings in compliance with law. Produce meeting minutes for the meetings of the Board of Directors and Shareholders' Meetings. Assist the Directors in taking office and continuing education. 	No significant difference.

Item	Operation			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>(4) Provision of information required for performance of duties by the Directors.</p> <p>(5) Assistance in the directors' and supervisors' compliance of law.</p> <p>(6) Report to the Board of Directors on whether the qualifications of independent directors comply with relevant laws and regulations during their nomination, election, and term of office.</p> <p>(7) Handle matters related to the changes in the board of directors</p> <p>(8) Other matters set forth in the Company's Articles of Incorporation or contracts.</p> <p>2. Operations carried out in 2025:</p> <p>(1) Revise relevant regulations</p> <ul style="list-style-type: none"> ● Formulate the Corporate Sustainability Committee Charter. ● Amend the Performance Evaluation Measures for the Board of Directors and Functional Committee. <p>(2) Establishment of the Company's Corporate Sustainability Committee.</p> <p>(3) Completion of the Board of Directors and Functional Committees performance evaluation for the year 2025.</p> <p>(4) Completion of the Board of Independent Directors' qualification evaluation for the year 2025.</p> <p>(5) Handle matters relating to the meetings of the Board of Directors and Shareholders' Meetings.</p> <p>3. Training hours and content of the Chief Corporate Governance Officer in 2025:</p> <p>(1) Taiwan Stock Exchange/Building a New Low-Carbon Era through Sustainability Knowledge Seminar/6hrs</p> <p>(2) Securities and Futures Institute/2025 Insider Trading Prevention Seminar /3hrs</p> <p>(3) Taiwan Corporate Governance Association/Greenhouse Gas Management Workshop and Sustainable Development Promotion Seminar/9hrs</p> <p>(4) Securities and Futures Institute/2025 Seminar on Legal Compliance for Insider Share Trading/3hrs</p>	
V. Has the Company established channels of communication with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), dedicated a section of the Company's website for stakeholder affairs and adequately responded to stakeholders' inquiries on significant corporate social responsibility issues?	V		Please refer to pages 102-105.	No significant difference.
VI. Does the Company commission a professional shareholder services agency to arrange shareholders' meetings and other relevant affairs?		V	As the Company handles its own stock affairs and has a stock affair unit responsible for handling shareholders' issues and affairs of shareholders' meeting, no stock affair agency has been appointed.	No significant difference.
VII. Information disclosure (I) Has the Company established a website to disclose information on financial operations and corporate governance?	V		The Company has established website ("Investor Section" and "Corporate Sustainability Section") to disclose both financial standings and the status of corporate governance. (https://www.cathay-red.com.tw/tw/Investor/FinanceStatement)	No significant difference.

Item	Operation			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			(https://www.cathay-red.com.tw/tw/About/ManageDirectors)	
(II) Does the Company have other information disclosure channels (e.g., building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, and making the process of investor conferences available on the corporate website)?	V		Designate specific personnel to collect company information and disclose it both on the Company's Chinese and English websites, and implement a spokesperson system. The making the process of investor conferences has been made available on the company's official website. (https://www.cathay-red.com.tw/tw/Investor/Others)	No significant difference.
(III) Does the Company publicly announce and file the annual financial reports within two months after the close of the given fiscal year and publicly announce and file the first, second, and third quarterly financial reports and the operation of each month ahead of the required deadline?		V	In accordance with the relevant provisions of the Securities and Exchange Act, the Company announces and files its monthly revenue within the statutory deadlines, as well as its first-quarter, semi-annual, first three quarters, and annual financial reports that have been reviewed or audited by certified public accountants.	No significant difference.
VIII. Is there any other important information to facilitate a better understanding of the Company's corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchase of liability insurance for directors and supervisors)?	V		Please refer to pages 100-105.	No significant difference.
IX. Please explain the improvements which have been made in accordance with the results of the Corporate Governance Evaluation System released by the Corporate Governance Center, Taiwan Stock Exchange, and provide the priority enhancement measures. (Leave this section blank if the Company is not included in the evaluation process)	V		<p>1. Completed improvements:</p> <ol style="list-style-type: none"> (1) Corporate Value Enhancement Plan were formulated on an annual basis, with annual reporting to the Board of Directors. (2) Risk management policy and procedures were formulated, with annual reporting to the Board of Directors. (3) Disclosed Scope 3 greenhouse gas emissions by category and the annual emission volumes for the preceding year. (4) Developed employee training and development plans to enhance career capabilities and disclosed the content and implementation status thereof. (5) Established a personal data protection policy and disclosed its content and implementation status. (6) Regularly conduct employee satisfaction surveys and disclose the results, implementation status, and related improvement plans. <p>Priorities and measures:</p> <ol style="list-style-type: none"> (1) Authorized by the Board of Directors, the Company established the Corporate Sustainability Development and Nomination Committee on March 12, 2026, with responsibilities covering director nomination and qualification review, as well as the promotion and supervision of sustainability policies and disclosures. 	No significant difference.

Item	Operation			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
X. Does the Company have an intellectual property management plan linked to its business objectives and disclose its implementation on the Company website or in the annual report and report to the Board at least once a year?	V		<p>The Company deeply cultivates Taiwan's real estate market with four major guarantees. In order to protect the brand value, maintain the brand value, reduce the intellectual property risk, and enhance the competitiveness, the Company has formulated an intellectual property management plan. The implementation result of the above-mentioned plan as well as that of the sustainable development strategy will be reported to the Board of Directors annually. The 2025 Intellectual Property Management Plan, along with a review of the corporate sustainability development implementation effectiveness was submitted to the Board of Directors on March 12, 2026.</p> <p>The intellectual property rights management plan includes:</p> <ol style="list-style-type: none"> 1. Patents: 1 new patent has been obtained since its introduction in 2021. In the future, we will regularly review the current status and management of patents, and in response to the rapid development of technology and economic environment, pay attention to relevant laws and regulations and future developments, and encourage colleagues to develop and innovate their businesses, strive for and protect patents of the Company. 2. Trademarks: There are a total of 66 registered trademarks. In order to implement trademark management, safeguard the Company's rights and interests and control risks, and maintain a competitive advantage in operations, the Company regularly reviews the status of trademark applications and maintenance every year. The Company also dynamically manages trademark registration and maintenance to effectively protect the Company's trademark rights and corporate identity in line with business development needs. 3. Copyright: The Company agrees on the ownership of copyright with employees and external vendors, and shall not infringe the copyright of others, so as to maintain and manage the Company's copyright. 4. Trade secrets: In the internal regulations such as Labor Contracts, Employee Codes of Conduct, Ethical Codes of Conduct, and Ethical Corporate Management Best-Practice Principles, the Company's personnel are required to keep confidential the business information they know directly or indirectly through the performance of business. Information security management and control is carried out to reduce the risk of leakage of confidential information, and a leakage reporting mechanism has also been established to reduce related impacts. The information outsourcing contract includes confidentiality clauses, penalties, damages claim and other related provisions to ensure that the cooperative vendors comply with the confidentiality obligations. <p>The company will continue to plan the management policy of intellectual property rights such as patents, trademarks, copyrights and trade secrets in accordance with its</p>	No significant difference.

Item	Operation			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			operating goals and development strategies, in order to provide a strong backing for business development.	

(IV) Composition, Responsibilities and Operations of the Remuneration Committee

1. Information regarding the members of the Remuneration Committee

April 14, 2026

Title (Note 1)	Qualifications	Professional qualifications and experience (Note 2)	Independence Criteria (Note 3)	Number of publicly listed companies in which the member concurrently serves as a The Remuneration Committee member
	Name			
Independent Director (Convener)	Chang, Yuan-Hsiao	Refer to pages 21-26.	Refer to pages 21-26.	1
Independent Director	Yu, Tsu-Kang	Refer to pages 21-26.	Refer to pages 21-26.	0
Independent Director	Lee, Li-Kun	Refer to pages 21-26.	Refer to pages 21-26.	0

Note 1. Please specify in the form the relevant working years, professional qualifications and experience and independence of the members of the Remuneration Committee. If they are independent directors, please indicate to refer to Schedule 1 on page 00 and the Directors and Supervisors (I) for details. For title, please identify whether the person is an Independent Director or other (if a convener, please specify).

Note 2. Professional qualifications and experience: describe the professional qualifications and experience of individual The Remuneration Committee members.

Note 3. Independence: state the independence of the members of the Remuneration Committee, including but not limited to whether they, their spouse, or relatives within the second degree of kinship serve as directors, supervisors or employees of the Company or its affiliates; The number and proportion of the Company's shares held by relatives (or in the name of others); whether they serve as directors, supervisors or employees that have a specific relationship with the Company (refer to the provisions of Article 6, Paragraph 1, Subparagraphs 5 to 8 of the Regulations on the Establishment of The Remuneration Committee of TWSE/TPEX Listed Companies and Performance of Functions); the amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years.

2. Operations of the Remuneration Committee

- (1). The Company's 5th term of The Remuneration Committee consists of 3 members. Term of office of the 5th term: June 21, 2023 to June 8, 2026. A total of 3 meetings (A) was conducted by the Remuneration Committee in the most recent fiscal year, where the qualifications and attendance of the members are as follows: (statistical period: 2025.1.1-2025.12.31)

Title	Name	Attendance in Person (B)	Attendance by Proxy	Actual Attendance Rate (%) (B/A) (Note)	Remark
Convener	Chang, Yuan-Hsiao	3	0	100%	
Committee Member	Yu, Tsu-Kang	3	0	100%	
Committee Member	Lee, Li-Kun	3	0	100%	

Note:

1. Where a member of the The Remuneration Committee resigns before the end of the fiscal year, the Remark column shall be filled with the member's resignation date, whereas his/her rate of attendance in person (%) shall be calculated based on the number of meetings held by the The Remuneration Committee and the actual number of meetings attended during his/her term of office.
2. If members of the Remuneration Committee are re-elected before the end of the fiscal year, incoming and outgoing members shall be listed accordingly, and the Remark column shall indicate whether the status of a member is "outgoing", "incoming" or "re-elected", and the date of re-election. The actual attendance rate (%) is calculated based on the number of meetings held by the Remuneration Committee and the actual number of meetings attended during his/her term of office.

- (2). Resolutions of the Remuneration Committee:

The Company has clearly stated the remuneration policy, scope, type and regular review mechanism for directors and managers in the remuneration payment standards. The remuneration of directors and managers is based on the results of performance evaluation and the usual standards of the industry every year, and is submitted to the Remuneration Committee for review on a case-by-case basis, and then submitted to the Board of Directors for approval, and the remuneration of directors and managers is regularly assessed every three years.

The Remuneration Committee	Date	Important resolutions:
The 6th Session of the 5th Meeting	2025.1.23	<p>1. Approval of amendment to the Company's "Remuneration Payment Standards for Managers".</p> <p>2. Approval of the granting of year-end bonuses and special incentive payments, etc., to directors and managers who participated in business execution of the fiscal year 2024.</p> <p>Resolution result: the above important resolutions were passed by all the directors attending the committee meeting without objection The Company's response: Submit to the Board of Directors for adoption by all directors present. (Note: See pages 44-45 for details on the implementation of directors' withdrawal from interest-related proposals)</p>
The 7th Session of the 5th Meeting	2025.4.28	<p>1. Approval of the adjustment proposal of the assessment of remuneration for directors and managerial officers who participated in business operations in 2024.</p> <p>2. Approval of evaluation of independent directors' compensation for the fiscal year 2024.</p> <p>3. Approval of deliberation on the distribution of employee and director compensation for the fiscal year 2024.</p> <p>4. Approval of amendments to the Company's "Performance Evaluation Measures for the Board of Directors and Functional Committees".</p> <p>5. Approval of the amendments to the Company's "Articles of Incorporation".</p> <p>Resolution result: the above important resolutions were passed by all the directors attending the committee meeting without objection The Company's response: Submit to the Board of Directors for adoption by all directors present. (Note: See pages 44-45 for details on the implementation of directors' withdrawal from interest-related proposals)</p>
The 8th Session of the 5th Meeting	2025.8.6	<p>1. Approval of amendments to the Company's "Remuneration Payment Standards for Managers".</p> <p>Resolution result: the above important resolutions were passed by all the directors attending the committee meeting without objection The Company's response: Submit to the Board of Directors for adoption by all directors present. (Note: See pages 44-45 for details on the implementation of directors' withdrawal from interest-related proposals)</p>

3. Other matters that should be recorded:

- (1) If the Board of Directors refuses to adopt or amends a recommendation of the Remuneration Committee, the date of the meeting, session, content of the motion, resolution by the Board of Directors, and the Company's response to the Remuneration Committee's opinion (e.g., if the remuneration passed by the Board of Directors exceeds the recommendation of the Remuneration Committee, the circumstances and cause for the difference shall be specified) shall be specified: None.
- (2) If the members of the Remuneration Committee has any dissenting opinion or qualified opinions on the resolutions of the Remuneration Committee, where such opinions are documented or issued through written statements, the date and

session of the meeting of the Remuneration Committee, resolutions, all the members' opinions and handling of these opinions shall be stated: None.

(V) Composition, Responsibilities and Operations of the Corporate Sustainability Committee

1. Information regarding the members of the Corporate Sustainability Committee

April 14, 2026

Title (Note 1)	Qualifications	Professional qualifications and experience (Note 2)	Independence Criteria (Note 3)	Number of publicly listed companies in which the member concurrently serves as a The Corporate Sustainability Committee
	Name			
Independent Director (Convener)	Chang, Yuan-Hsiao	Refer to pages 21-26.	Refer to pages 21-26.	0
Independent Director	Yu, Tsu-Kang	Refer to pages 21-26.	Refer to pages 21-26.	0
Independent Director	Lee, Li-Kun	Refer to pages 21-26.	Refer to pages 21-26.	0

Note 1. Please specify in the form the relevant working years, professional qualifications and experience and independence of the members of the Corporate Sustainability Committee If they are independent directors, please indicate to refer to Schedule 1 on page 00 and the Directors and Supervisors (I) for details. For title, please identify whether the person is an Independent Director or other (if a convener, please specify).

Note 2. Professional qualifications and experience: describe the professional qualifications and experience of individual the Corporate Sustainability Committee.

Note 3. Independence: state the independence of the members of the Corporate Sustainability Committee, including but not limited to whether they, their spouse, or relatives within the second degree of kinship serve as directors, supervisors or employees of the Company or its affiliates; The number and proportion of the Company's shares held by relatives (or in the name of others); whether they serve as directors, supervisors or employees that have a specific relationship with the Company; the amount of remuneration received for providing business, legal, financial, accounting and other services to the Company or its affiliates in the last two years.

2. Operations of the Corporate Sustainability Committee

The Company's 1st term of the Corporate Sustainability Committee consists of 3 members. Term of office of the 1st term: January 23, 2025, to June 8, 2026. A total of 4 meetings (A) was conducted by the Corporate Sustainability Committee in the most recent fiscal year, where the qualifications and attendance of the members are as follows: (statistical period: 2025.1.1-2025.12.31)

Title	Name	Attendance in Person (B)	Attendance by Proxy	Actual Attendance Rate (%) (B/A) (Note)	Remark
Convener	Chang, Yuan-Hsiao	4	0	100%	
Committee Member	Yu, Tsu-Kang	4	0	100%	
Committee Member	Lee, Li-Kun	4	0	100%	

Note:

1. Where a member of the Corporate Sustainability Committee resigns before the end of the fiscal year, the Remark column shall be filled with the member's resignation date, whereas his/her rate of attendance in person (%) shall be calculated based on the number of meetings held by the Corporate Sustainability Committee and the actual number of meetings attended during his/her term of office.

2. If members of the Corporate Sustainability Committee

are re-elected before the end of the fiscal year, incoming and outgoing members shall be listed accordingly, and the Remark column shall indicate whether the status of a member is "outgoing", "incoming" or "re-elected", and the date of re-election. The actual attendance rate (%) is calculated based on the number of meetings held by the Corporate Sustainability Committee and the actual number of meetings attended during his/her term of office.

The Corporate Sustainability Committee	Date	Important resolutions:
The 1st Session of the 1st Meeting	2025.3.12	<ol style="list-style-type: none"> 1. Implementation Status Report on the Adoption Plan of the Sustainability Disclosure Standards for the Fourth Quarter of 2024. 2. Approval of the Corporate Sustainability Development Strategy Plan for 2025. 3. Approval of the review of the implementation result of corporate sustainable development and integrity management in 2024. 4. Approval of the amendments to the Company's "The Corporate Sustainability Committee" and "The Ethical Corporate Management Best Practice Principles". 5. Approval of the Personnel case of the Company's new Chief sustainability officer. <p>The Company's response: Submit to the Board of Directors for adoption by all directors present. (Note: See pages 44-45 for details on the implementation of directors' withdrawal from interest-related proposals)</p>
The 2nd Session of the 1st Meeting	2025.4.28	<ol style="list-style-type: none"> 1. Implementation Status Report on the Adoption Plan of the Sustainability Disclosure Standards for the First Quarter of 2025. 2. Implementation Status Report on the Greenhouse Gas Inventory for the First Quarter of 2025. <p>The Company's response: Submit to the Board of Directors for adoption by all directors present.</p>

The Corporate Sustainability Committee	Date	Important resolutions:
		(Note: See pages 44-45 for details on the implementation of directors' withdrawal from interest-related proposals)
The 3rd Session of the 1st Meeting	2025.8.6	<ol style="list-style-type: none"> 1. Implementation Status Report on the Adoption Plan of the Sustainability Disclosure Standards for the Second Quarter of 2025. 2. Implementation Status Report on the Greenhouse Gas Inventory for the Second Quarter of 2025. 3. Approval of the Company's "Risk Management Policy". 4. Approval of the sustainability report for the year 2024. <p>The Company's response: Submit to the Board of Directors for adoption by all directors present. (Note: See pages 44-45 for details on the implementation of directors' withdrawal from interest-related proposals)</p>
The 4th Session of the 1st Meeting	2025.11.5	<ol style="list-style-type: none"> 1. Implementation Status Report on the Adoption Plan of the Sustainability Disclosure Standards for the Third Quarter of 2025. 2. Implementation Status Report on the Operation of Risk Management for 2025. 3. Implementation Status Report on the Formulation of the Enterprise Value Enhancement Plan for 2025. 4. Implementation Status Report on the Greenhouse Gas Inventory for the Third Quarter of 2025. <p>The Company's response: Submit to the Board of Directors for adoption by all directors present. (Note: See pages 44-45 for details on the implementation of directors' withdrawal from interest-related proposals)</p>

(VI) Implementation of the promotion of sustainable development and the differences and reasons from the Sustainable Development Best Practice Principles for TWSE or TPEX Listed Companies

Promoted Item	Status of Implementation (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
I. 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	V		<p>In order to effectively promote the implementation of corporate sustainable development responsibility, the Company established the CSR Committee in 2014, which was renamed as Corporate Sustainable Development Committee in 2022, and appoints a chairman served by the President of the Company and the committee members are served by senior executive.</p> <p>Since January 23, 2025, upon resolution passed by the Board of Directors, a functional committee, the Corporate Sustainability Committee, will be established, composed of all independent directors, to supervise the implementation of the Company's sustainable development-related initiatives. In addition, a Corporate Sustainability Executive</p>	No significant difference.

Promoted Item	Status of Implementation (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
management to handle related matters under the supervision of the board?			<p>Committee will be established as a dedicated (or concurrent) unit, with the Company's President appointed as the Chief Sustainability Officer and Chairperson, to ensure the promotion of the Company's sustainable development efforts. Based on the nature of the tasks, the executive committee has established five specialized teams, including "Corporate Governance," "Customer Care," "Employee Care," "Environmental Protection," and "Social Welfare," with members comprised of cross-departmental personnel from the Company. Regular meetings are convened to supervise actions related to environmental, economic, and social aspects, facilitate cross-departmental communication, and track sustainability trends. Two meetings were held in 2025, and external consultants were invited to conduct advocacy for the company's employees on climate change management in the construction materials industry, as well as aligning sustainability trends, including TISFD-related topics. The committee reviews the performance related to significant sustainability issues, risk issues, and climate-related issues yearly, and formulates target guidelines for these issues.</p> <p>The "Corporate Sustainability Executive Committee" has designated the Company's General Manager's Office as the dedicated unit for promoting the Committee's work, assisting in coordinating the Committee's affairs, and regularly submitting proposals to the Corporate Sustainability Committee and the Board of Directors to report on the implementation status. On March 12 and August 6, 2025, 2024 implementation review reports and publication reports were presented to the Corporate Sustainability Committee and the Board of Directors. (A review of the effective implementation of corporate sustainability development in 2025 was presented to the Corporate Sustainability Committee and the Board of Directors on March 12, 2026.)</p> <p>Supervision by the Company's Board of Directors: The Committee consolidates ESG-oriented short-, medium- and long-term strategic plans according to the actual implementation status, which are submitted to the Chairman for approval and to the Board of Directors for resolution, so as to give full play to the Board of Directors' supervisory and management functions to ensure sustainability goals are achieved.</p>	
II. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the	V		The Company's risk assessment boundary is mainly based on the Company, including the existing business locations in Taiwan. The scope of the sustainability report covers Cathay Real Estate Development Co., Ltd. and part of the sustainability results of the investee companies in the consolidated financial statements (Cathay Real Estate Management Co., Ltd.,	No significant difference.

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company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies? (Note 2)			<p>Cathay Healthcare Management Co., Ltd. and Cathay Hospitality Consulting Co., Ltd.).</p> <p>The Company's 2024 sustainability report has a special chapter (Chapter 1, Sections 1.1-1.3, P19-47) for the analysis of major sustainability issues. After comparing the risk issues with the material issues, the Company's annual material issues are listed, and management policies and guidelines are discussed in the subsequent chapters.</p> <p>Based on the assessed risks, relevant risk management policies or strategies are formulated:</p> <table border="1"> <thead> <tr> <th>Material issues</th> <th>Risk assessment items</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>Environment</td> <td>Environmental impact and energy resource management</td> <td> <ol style="list-style-type: none"> Upholding the five major sustainable building policies of environmental friendly design, environmental friendly construction materials, life cycle assessment, innovative R&D, and amicableness. The Sustainability Committee refers to the TCFD guidelines and industry recommendations, as well as the TCFD application cases compiled by WBCSD, identify items of significant risks and opportunities, analyze their potential financial impacts on the Company's operations, and stipulate further formulated response measures based on these information. The Company follows the Environmental Protection Administration's "Construction Waste Management Strategy", implements construction site waste reduction and classification operations, and formulated a waste treatment process management system. The Company's construction projects fully adopt 100% </td> </tr> </tbody> </table>	Material issues	Risk assessment items	Description	Environment	Environmental impact and energy resource management	<ol style="list-style-type: none"> Upholding the five major sustainable building policies of environmental friendly design, environmental friendly construction materials, life cycle assessment, innovative R&D, and amicableness. The Sustainability Committee refers to the TCFD guidelines and industry recommendations, as well as the TCFD application cases compiled by WBCSD, identify items of significant risks and opportunities, analyze their potential financial impacts on the Company's operations, and stipulate further formulated response measures based on these information. The Company follows the Environmental Protection Administration's "Construction Waste Management Strategy", implements construction site waste reduction and classification operations, and formulated a waste treatment process management system. The Company's construction projects fully adopt 100% 	
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				<p>green building ideologies, modular construction, and BIM technology; laying the foundation for smart buildings. Energy-saving designs are introduced to reduce building energy consumption, in line with green building and environmental sustainability principles.</p> <p>5. Beginning in fiscal year 2026, the Company will adopt the GHG Protocol methodology to conduct greenhouse gas inventories. Concurrently, energy-saving and carbon reduction initiatives will be implemented to achieve effective and efficient resource and energy management.</p> <p>6. The scope of the inventory includes the energy consumption across offices of Cathay Real Estate in the north, center and south of Taiwan, as well as Kaohsiung. With the addition of the reception center, warehouse, buildings, and uncompleted construction projects, while implementing energy-saving and carbon reduction initiatives to achieve effective resource management.</p>	
			Society	Occupational safety	<p>In order to reduce the occurrence of occupational hazards and safeguard the health and safety of employees, Cathay Real Estate formulated regulations and measures such as the "Implementation Measures for Protection of Maternal Health of Female Workers", "Prevention Plan for Diseases Caused by Abnormal Workloads", "Prevention Plan for</p>

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			<p>Human Factors Hazards", and "Occupational Safety and Health Management Plan" in accordance with the regulations. Employee health seminars are regularly held every year, and prevention mechanisms and management measures are established on the construction sites to create a safe workplace environment.</p> <p>Construction quality and safety</p>	
			<p>Corporate governance</p> <p>Client and consumer relationship management</p>	<p>1. The Company has established a sound supplier selection and screening process for business partners, and require all suppliers to sign the "Corporate Social Responsibility Clause".</p> <p>2. The Company implements the three-level quality control system and standard operating procedures for construction, and hold "Seminars on New Materials, New Equipment, and New Construction Methods" every quarter to analyze the latest technology and combine them with market demands, and ensure good quality of construction projects with refined product design.</p> <p>1. To establish long-term, close and trustful relationship with customers, the Company has four service guarantees, including clearly-established ownership, construction in line with the drawings, timely completion, and sustainable service.</p> <p>2. We proactively conduct customer satisfaction surveys at each stage of house purchase, and analyze statistical</p>

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				<p>data for further feedback in order to continuously improve customer service experience and implement the Company's sustainable services.</p> <p>3. Community care activities are held on a regular basis, and customer relationship management is reinforced through social networking website and customer service repair website.</p> <p>4. For a long time, we have been involved in the Lin Yuan Library, blood donation activities, after-school care and tutoring programs, Cathay Excellence Scholarship Program, providing warmth in the winter, and sponsorship of the "Teach For Taiwan" program.</p>
				<p>Stakeholders communication</p> <p>The Company regularly carries out survey of major issues towards internal and external stakeholders (customers/consumers, employees, partners, government agencies, investors, media, neighboring communities), and discloses the results in the Sustainability Report. Through the material topic analysis questionnaire system, we invite all stakeholders to assess the impact significance of the "scope or severity" and "likelihood of occurrence" for each item. Based on the responses, we analyze the significant impacts of Cathay Real Estate on the economy, environment, and society (human rights), and identify the significant impacts of concern to stakeholders of all categories. Various communication channels are established to respond to and meet the</p>

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				expectations of stakeholders for Cathay Real Estate.	
III. Environmental issues (I) Has the Company established a suitable environmental management system based on its industrial characteristics?	V		<p>The Company perceives that environmental protection is an important issue for people all over the world to work together and faces up to the importance of global warming to the ecological impact and environmental protection. The Company is in the construction investment industry with no qualification as a construction plant and entrusts the related businesses to the professional engineering management consulting firm and sets up Technology Department to manage the supervision, coordination, and management of construction of construction companies, actively promotes actual environmental protection activities such as energy conservation and carbon reduction to fulfill the social responsibilities of enterprises.</p> <p>Since 2019, the Company has continued to conduct annual greenhouse gas inventory in accordance with ISO 14064-1:2018, tracking emission reduction performance and publicly disclosing it in the Sustainability Report and on the Company website: https://cathayred-csr.com/</p> <p>In response to the Financial Supervisory Commission's requirements for alignment with IFRS Sustainability Standards and taking into account companies' readiness and the revision timeline of the GHG Protocol, the Financial Supervisory Commission requires companies to complete such alignment no later than 2027. The Company will therefore adopt the GHG Protocol methodology in advance to ensure the quality of greenhouse gas inventories, align with international standards, and avoid subsequent adjustment pressures arising from first-year transitional provisions. Beginning in fiscal year 2026, Scope 1 and Scope 2 greenhouse gas inventories will be fully conducted and disclosed in accordance with the relevant standards, with the GHG Protocol consistently applied for both calculation and disclosure.</p>		No significant difference.
(II) Does the Company endeavor to utilize all resources more efficiently and use renewable materials that have low impact on the environment?	V		<p>In response to world sustainability, environmental protection trends and corporate social responsibility, the Company actively introduces relevant strategic solutions such as green building, universal design, full-age housing, and environmental protection to create environmentally friendly spaces; in addition, it also actively promotes various energy reduction measures, adopts equipment designed for high energy efficiency and energy-saving to reduce the energy consumption of the Company and its products, aiming to optimize the energy use efficiency.</p> <ul style="list-style-type: none"> ➢ In 2025, the proportion of newly constructed green buildings reached 33%. ➢ In 2025, the green building concept will be fully 		No significant difference.

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			<p>introduced for new construction projects.</p> <ul style="list-style-type: none"> ➤ Since 2024, 100% of new construction projects have adopted BIM technology, digitizing project information to reduce construction risks and improve overall project efficiency. ➤ Completed the renovation of the entire building's air conditioning system and updating the eco-friendly elevators, improving energy efficiency. ➤ Promote remote video conferencing, the introduction of electronic whiteboards and paperless meetings to reduce carbon emissions from transportation and paper production. ➤ Hiring 100% qualified waste disposal contractors to handle the relevant construction waste. <p>In order to maintain the environment and care for the environment protection, the Company uses building material equipment with low impact on the environmental load.</p> <ol style="list-style-type: none"> 1. Use energy-saving T5, LED lamps. 2. Set up a rainwater recovery system and use water-saving toilets, faucets, sensor faucets in the public area and other appliances. 3. Set energy-saving sensitization control and solar power generation equipment. 4. Replace the traditional ballast with the electronic energy-saving ballast. 5. Increase window opening and light guiding in architectural planning. 6. Increase ventilation and heat convection in equipment planning and use natural ventilation to reduce heat. 7. Use frequency conversion and energy saving host as air conditioning equipment. 8. Carry out shade tree planting green design on roof and in garden. 9. Give priority to use green building material seal for interior and exterior decoration. 10. The new project of the building aims to obtain the green building certificate. In 2024, 6 projects obtained the green building candidate certificate or mark. 11. Require builders to strengthen environmental maintenance on the site, including air pollution prevention, noise control and water pollution prevention. 12. Invest in energy-saving or green energy-related machinery and equipment: In 2025, three high-floor elevators at the Kaohsiung Central Plaza Building were upgraded, with a total cost of NT\$12.7 million. Following the upgrade, the annual electricity consumption of the elevators is estimated to be reduced by approximately 77,000 kWh compared to the previous equipment, 	

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			resulting in estimated annual electricity cost savings of approximately NT\$422 thousands.	
(III) Has the Company evaluated the current and future potential risks and opportunities of climate change, and adopted countermeasures against relevant issues?	√		<p>The Company has a "Corporate Sustainability Executive Committee" as the sustainability implementation unit, with the President serving as the Chairman. The Corporate Sustainability Committee systematically identifies and evaluates climate change-related risks and opportunities every year, look into its financial impact on corporate operations, take responsibility for formulating and promoting corporate social responsibility policies, systems and implementation plans, and regularly report environment-related implementation results to the Board of Directors and the Corporate Sustainability Committee.</p> <p>The Corporate Sustainability Executive Committee and five functional teams under its purview. These serve as platforms for cross-departmental communication and management of corporate social responsibility issues. They are responsible for executing and promoting major sustainability issues, risk issues, and climate-related initiatives, and regularly report to the Board of Directors and the corporate Sustainability Committee on the performance of environmental-related programs. In each year, the Sustainability Executive Committee refers to the TCFD guidelines, industry-specific recommendations, and WBCSD's compilation of TCFD application cases to identify material risks and opportunities. The committee analyzes their potential financial impact on the company's operations and uses this as a basis for further developing subsequent response measures.</p> <p>The Company has identified climate-related risks and opportunities, including physical risks such as the increasing severity of extreme weather events like typhoons, floods, and droughts, as well as transition risks such as rising raw material costs, increased pricing of greenhouse gas emissions, and higher costs associated with transitioning to low-carbon technologies. Furthermore, we have analyzed and cross-referenced the impacts of climate-related opportunities and compiled the potential financial implications on Cathay Real Estate's operations. To this end, the Company further developed follow-up countermeasures and implemented energy-saving and carbon-reduction projects to achieve the purpose of energy management through a two-pronged approach at the same time. The Company is committed to fully introducing the concept of green building in new projects and sets the relevant green reduction goals accordingly. Subsequently, the Company aims to integrate climate-related risks and opportunities progressively, establish management indicators and</p>	No significant difference.

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			goals as the basis for the evaluation of results, and fulfill the responsibility to create a friendly environment. The Company's detailed analysis of climate change risks and opportunities has been disclosed in the Company's sustainability report. (https://cathayred-csr.com/download.html)																																							
(IV) Does the Company collect data for greenhouse gas emissions, water usage and waste quantity in the past two years, and set greenhouse gas emissions reduction, water usage reduction, and other waste management policies?	√		<p>1. The company established a greenhouse gas inventory mechanism in accordance with the ISO 14064-1: 2018 Greenhouse Gas Inventory Standard published by the International Organization for Standardization (ISO). And from 2025 onwards, we will include subsidiaries in the consolidated financial report and regularly conduct annual inventories of greenhouse gas emissions for both our company and subsidiaries in the consolidated financial report, accurately tracking emission conditions and dedicated to promoting greenhouse gas reduction. The Company completed verification in 2024 and expects to complete third-party verification of subsidiaries included in the consolidated financial reports by 2027.</p> <p>In 2026, the Company will fully adopt the GHG Protocol in accordance with the Financial Supervisory Commission's requirements and international standards. The greenhouse gas inventory data for the past two years is based on the 'Operational Control Approach,' summarizing the greenhouse gas emissions (in metric tons) from our company and all subsidiaries included in the consolidated financial statements, as described below:</p> <table border="1"> <thead> <tr> <th colspan="2">Year</th> <th>2024(Note1)</th> <th>2025(Note2)</th> </tr> <tr> <th colspan="2">Item/company</th> <th>Emissions (metric tons CO2e)</th> <th>Emissions (metric tons CO2e)</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Parent Company Only</td> <td>Scope 1</td> <td>479.15</td> <td>413.62</td> </tr> <tr> <td>Scope 2</td> <td>1,255.94</td> <td>987.77</td> </tr> <tr> <td>Scope 3</td> <td>261.54</td> <td>234.05</td> </tr> <tr> <td>Subtotal</td> <td>1,996.63</td> <td>1,635.44</td> </tr> <tr> <td rowspan="4">Subsidiaries Of Consolidated financial statement</td> <td>Scope 1</td> <td>1,541.12</td> <td>1,441.37</td> </tr> <tr> <td>Scope 2</td> <td>14,679.27</td> <td>15,488.93</td> </tr> <tr> <td>Scope 3</td> <td>3,173.93</td> <td>3,813.65</td> </tr> <tr> <td>Subtotal</td> <td>19,394.32</td> <td>20,743.95</td> </tr> <tr> <td colspan="2">Total</td> <td>21,390.95</td> <td>22,379.39</td> </tr> </tbody> </table> <p>Note1: The greenhouse gas emissions disclosed for the year 2024 have been updated to verified data. Note2: The greenhouse gas emissions disclosed for the year 2025 have not yet obtained complete greenhouse gas assurance opinions prior to the annual report publication date. If there are any updates to emission figures after verification, complete assurance information will be disclosed in the Company's sustainability report.</p>	Year		2024(Note1)	2025(Note2)	Item/company		Emissions (metric tons CO2e)	Emissions (metric tons CO2e)	Parent Company Only	Scope 1	479.15	413.62	Scope 2	1,255.94	987.77	Scope 3	261.54	234.05	Subtotal	1,996.63	1,635.44	Subsidiaries Of Consolidated financial statement	Scope 1	1,541.12	1,441.37	Scope 2	14,679.27	15,488.93	Scope 3	3,173.93	3,813.65	Subtotal	19,394.32	20,743.95	Total		21,390.95	22,379.39	No significant difference.
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			<p>The data coverage of parent company only for 2025 includes offices, warehouses, unrented buildings, reception centers, and undelivered construction projects. The data coverage of Subsidiaries of Consolidated financial statement includes offices, clinics, construction sites, workshops, parking lot and business locations, as described below:</p> <table border="1"> <thead> <tr> <th rowspan="2">Company</th> <th rowspan="2">Item</th> <th>2025</th> </tr> <tr> <th>Emissions (metric tons CO₂e)</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Parent Company & Subsidiaries</td> <td>Scope 1</td> <td>1,854.99</td> </tr> <tr> <td>Scope 2</td> <td>16,476.70</td> </tr> <tr> <td>Scope 3</td> <td>4,047.70</td> </tr> <tr> <td colspan="2">Total</td> <td>22,379.39</td> </tr> </tbody> </table> <p>The total greenhouse gas emissions in 2025 amounted to 22,379.39 tons of CO₂e. Of these emissions, 16,476.70 tons of CO₂e came mainly from Scope 2 electricity emissions, accounting for 73.62% of the aforementioned emissions. Next, Scope 3 indirect greenhouse gas emissions amounted to 4,047.70 tons of CO₂e, accounting for 18.09%, followed by Scope 1 emissions of 1,854.99 tons of CO₂e, which accounted for 8.29%.</p> <ul style="list-style-type: none"> ➤ Scope 1: Direct emissions (i.e., emissions directly from sources owned or controlled by the Company) ➤ Scope 2: Indirect energy emissions (i.e., indirect GHG emissions from electricity, heat, or steam) ➤ Scope 3: Other indirect emissions (i.e., emissions from company activities that are not indirect energy emissions but originate from sources owned or controlled by other companies. Based on the Company's operating characteristics and regulatory disclosure requirements, the Company currently voluntarily discloses Scope 3 greenhouse gas emissions for Category 3 (fuel- and energy-related activities). Other categories were assessed to have low relevance to the Company's operations or insufficient data availability and are therefore not included in the scope of this year's inventory. <p>The greenhouse gas emission intensity (CO₂e/million revenue) is calculated by dividing emissions (tons of CO₂e) of parent company and subsidiaries of consolidated financial statement by the consolidated revenue (in NTD million), as described below:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Emissions (metric tons CO₂e)</th> <th>Emission Intensity (CO₂e/million revenue)</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Company	Item	2025	Emissions (metric tons CO ₂ e)	Parent Company & Subsidiaries	Scope 1	1,854.99	Scope 2	16,476.70	Scope 3	4,047.70	Total		22,379.39	Year	Emissions (metric tons CO ₂ e)	Emission Intensity (CO ₂ e/million revenue)				
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			<table border="1"> <tr> <td>2024</td> <td>21,390.95</td> <td>0.8966</td> </tr> <tr> <td>2025</td> <td>22,379.39</td> <td>0.9214</td> </tr> </table> <p>The Company has designated fiscal year 2024, the year in which greenhouse gas inventories were completed by its consolidated subsidiaries, as the base year for establishing its short-term, medium-term, and long-term greenhouse gas emission reduction targets.</p> <p>Short-term (the year 2026): 1% reduction in 2025 compared to the baseline year.</p> <p>Medium-term (the year 2028): 2% reduction in 2028 compared to the baseline year.</p> <p>Long-term (the year 2031 and the following years): 3% reduction in 2031 compared to the baseline year.</p> <p>To continue achieving international emission reduction trends, the Company actively promotes various energy-saving measures, selecting energy-efficient and energy-saving equipment designs to reduce corporate and product energy consumption, maximizing energy efficiency. In addition to closely monitoring the impact of climate change on operating activities, the company has formulated corporate energy conservation, carbon reduction, and greenhouse gas emission reduction policies:</p> <ul style="list-style-type: none"> ➤ Continue to cooperate with the industrial development department of the Taipei City Government to implement relevant energy-saving measures in accordance with the "Self-Governing Regulations on Energy Saving and Carbon Reduction Guidance and Management for Industries and Businesses". ➤ In alignment with Taiwan's 2050 Net-Zero Emissions policy, the Company incorporates global decarbonization standards and trends into its overarching carbon reduction planning. ➤ Continuously control the usage of office paper and various printed materials and implement paperless measures. ➤ Continuously promote no tie and suit for work, and setting the office temperature to 26°C. ➤ Installation of an automatic power-saving device controller with lunchtime and after-work lights-off mechanism. ➤ Biannually, a professional institution is commissioned to conduct office lighting and CO₂ environmental testing. ➤ Continue to implement the environmental management and greenhouse gas management systems, establish mechanisms for measuring office water and electricity consumption, and establish energy concepts. 	2024	21,390.95	0.8966	2025	22,379.39	0.9214	
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			<p>➤ New official vehicles must be environmentally friendly and of low-fuel consumption hybrid models.</p> <p>2. Water consumption in the last 2 years:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total water consumption (M³)</th> <th>Density (M³/Million Revenue)</th> <th>Data range</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>1,574</td> <td>0.12</td> <td>Parent Company Only</td> </tr> <tr> <td>2025</td> <td>1,533</td> <td>0.12</td> <td>Parent Company Only</td> </tr> </tbody> </table> <p>The Company actively promotes water resource management across its four operating locations in Taiwan, including Taipei, Taichung, Tainan, and Kaohsiung. In 2025, total water consumption amounted to 1,533 (M³), representing a decrease of 41 M³ compared with 1,574 (M³) in the previous year, equivalent to a reduction of approximately 2.6%.</p> <p>The following measures have been implemented to reduce water consumption:</p> <ul style="list-style-type: none"> ➤ Promoting water conservation awareness internally. ➤ Upgrading office air-conditioning systems to improve operational efficiency. ➤ Incorporating water-saving facilities into building planning and design, such as water-efficient toilets, urinals, and sensor-operated faucets. The Company has set an annual water consumption reduction target of 2%. Progress toward this target is summarized as follows: ➤ In 2024, Water consumption totaled 1,574 (M³), a decrease of 258 (M³) from 1,832 (M³) in the previous year, representing a reduction of approximately 14.1%. ➤ In 2025, Water consumption totaled 1,533 (M³), a decrease of 41 (M³) from 1,574 (M³) in the previous year, representing a reduction of approximately 2.6%. <p>The 2024 Sustainability Report (P.101-104) lists the Company's relevant energy usage policies and green initiatives for office spaces, and includes disclosure of energy consumption, water usage, and related green practices at the operating locations of its subsidiaries.</p> <p>3. Waste: The Company recorded the total load of construction waste and domestic garbage generated from its construction projects and strictly controls the waste treatment process and disposal. In 2024, the total weight was 16,118.3 tons, as detailed in the 2024 Sustainability Report (P.75). In 2024, the accumulative construction or demolition waste at construction sites was</p>	Year	Total water consumption (M ³)	Density (M ³ /Million Revenue)	Data range	2024	1,574	0.12	Parent Company Only	2025	1,533	0.12	Parent Company Only	
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	Yes	No	Description	
			<p>14,511.5 tons, and the accumulative domestic waste was 1,606.8 tons.</p> <p>4. In accordance with the "Roadmap for Corporate Sustainable Development" set by the Financial Supervisory Commission, the Company has continued to promote annual greenhouse gas verification activities following the completion of third-party verification in fiscal year 2024. Relevant assurance information has been disclosed in the Company's Sustainability Report. (https://cathayred-csr.com/download.html)</p>	
<p>IV. Social issues</p> <p>(I) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</p>	V		<p>The Company has referred to the principles as in the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the United Nations Global Compact, and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, and formulated Human Rights Policy of Cathay Real Estate Development Co., Ltd. while identifying relevant stakeholders, implementing management mitigation measures, and placing relevant information on the official website as a reference for employees and the public.</p> <p>The Company has also referred to the United Nations Convention on the Rights of Persons with Disabilities, the Convention on the Elimination of All Forms of Discrimination against Women, and the Convention on Human Rights for Children and abides by the relevant labor laws and regulations. When it comes to the working conditions regarding general employees, intern hiring, working hours, salary, gender equality, and prevention of sexual harassment, the Company practices in accordance with the law, and has formulated the Code of Ethical Conduct, the Code of Integrity Management, and handling methods for reporting illegal and unethical or dishonest behaviors, and amended the "Working Codes" and announced them in accordance to related laws and regulations. For details of the Company's human rights due diligence process and its implementation status, please refer to pages 94-96.</p> <p>The Company also provided educational courses in 2025 on the "Personal Information Protection Act" and "Self-Exploration and Practical Stress-Relief Workshops" for employees, totaling to 312 hours. A total of 116 and 80 colleagues completed the training, accounting for 74% and 46% respectively of the total number of employees.</p>	No significant difference.
(II) Has the company formulated and implemented reasonable employee benefit measures	V		<p>Employees are the most precious asset of the Company. In order to create a happy and inclusive workplace environment and create a stable talent retention rate, in addition to providing salaries in line with the market, the Company also provides statutory</p>	No significant difference.

Promoted Item	Status of Implementation (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
(including remuneration, rest and annual leave, and other benefits), and appropriately reflected the operating performance or achievements in the employee remuneration?			<p>leave, and create all-round employee welfare measures including medical examination, tourism, and parent-child parties, aiming to help the employees to achieve work-life balance and protect the rights and interests of employees. The relevant measures and regulations are also clearly specified in the work rules. In addition, according to the employee's treatment, employee performance appraisal and various bonus payment methods, the employee's salary is clearly regulated and linked to the position responsibilities, performance achievements and abilities, and at the same time, it is related to the Company's operating conditions. According to the Company's Articles of Incorporation, if there is profit in the year, 0.1-1% of the profit should be allocated as employee compensation, of which no less than 50% shall be distributed to non-executive employees, with the remainder allocated to other employees. In addition, no more than 1% of profits shall be allocated as directors' remuneration. When the Company still has accumulated losses, the amount should be reserved in advance to make up; in addition, the Company sets, tracks and evaluates employees' performance goals according to the policies and annual goals, adjusts salaries and positions according to the evaluation results, and calculates and awards bonuses according to employees' performance appraisal and performance according to regulations.</p> <p>The Company also pays close attention to employee benefits, including group insurance, medical examination, marriage and maternity subsidies, community activities, etc., and hopes to use the welfare system to supplement employees' living needs and enhance the emotional connection between employees, so as to strengthen employees' sense of belonging.</p>	
(III) Does the Company provide a healthy and safe work environment and organize health and safety training for its employees on a regular basis?	V		<ol style="list-style-type: none"> 1. The Company performs office environment testing every six months (June 19, 2025 and December 19, 2025), including the measurement of lamp illuminance and CO2 concentration in order to provide an excellent workplace environment with adequate illumination and good air quality for employees. 2. The Company arranges all employees to accept health check every year (March to June, 2025), and holds health and safety lectures (In 2025 the Northern, Central, Southern and Kaohsiung seminars will be divided into five sessions on 10/14, 10/16, 10/23, 10/27) to provide health information and consulting services for employees to ensure that each employee can be in best status and has physical and psychological health. 	No significant difference.

Promoted Item	Status of Implementation (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			<p>3. The Company strictly implements the automatic check plan for official vehicles every month and completes the records of daily point inspections and monthly regular inspections to ensure the safety of official vehicles used by employees.</p> <p>4. The Company arranges 8 colleagues who accepted emergency personnel training in the office spaces and prepares general standing drugs and related medical supplies, first-aid equipment (such as: AED) to cope with the unexpected situations of employees when working in workplaces.</p> <p>5. The Company does legally offer the safety and health education training courses for occupational safety and health business executives, new employees and ordinary employees, and carries out various safety measures drills or tests (building security check and fire drill) coordinating with building management units in the office spaces to strengthen the occupational safety concept of employees and promote the maintenance of work environment safety, and then implement the safety management of workplace work. There were no occupational injuries reported in the Company in 2025.</p> <p>6. The Company has formulated Executive Measures for Maternal Health Protection of Female Workers, Prevention Plan for Illegal Immunization in Performing Jobs, Plan for Prevention of Sexual Harm and Plan for Prevention of Diseases caused by Abnormal Workload to maintain the physical and psychological health of employees and avoid unnecessary work injuries.</p> <p>7. Number of fire incidents, number of casualties, the ratio of casualties to the total number of employees in 2025, and relevant improvement measures in response to fires: No fire incidents occurred.</p>	
(IV) Does the Company establish effective career development and training plans for its employees?	√		<p>To attract and retain suitable talent, the Company has collaborated with international corporate management companies to establish career development roadmaps for various positions.</p> <p>This includes defining title standards for each job category based on six dimensions: professional knowledge, operational knowledge, leadership responsibilities, complexity of problem-solving, degree and scope of operational impact, and interpersonal relationship challenges. This is coordinated with annual performance processes (goal setting, tracking, evaluation) to discuss, formulate, and follow up on individual development plans. Based on these personal development plans, colleagues are arranged for professional, general, and competency</p>	No significant difference.

Promoted Item	Status of Implementation (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			training. In 2025, a total of 1,268 participants completed 5,475.5 hours of various types of training. The new personnel training course lasted 14 hours, and a total of 21 people completed the training, totaling 294 hours. For succession planning on pages 105-107	
(V) Does the Company follow relevant laws and regulations and international standards, and formulate relevant consumer protection policies and complaint procedures with regard to customer health and safety, customer privacy, marketing and labeling of products and services?	√		The Company follows relevant laws and regulations and various consumer protection laws and regulations, and has established strict protection methods for customer personal information confidentiality measures, which are signed by all employees. If the consumer has any appeal about the equity, the Company can provide prompt handling and reply through the email of special parts of affiliate of the Company's website or service department. The Company actively implements the protection of consumer rights, and there are also dedicated units to handle customer complaint cases. It provides continuous services to its customers by providing complete inspection procedures and housing service manuals, and organizing regular customer care activities in the community. For more details, please refer to the 2024 Sustainability Report (pages 49-57).	No significant difference.
(VI) Does the Company formulate and implement supplier management policies that require suppliers to follow relevant regulations on environmental protection, occupational safety and health or labor human rights?	√		The clause above is involved in Paragraph 3 of Article 23 of the "Corporate Sustainable Development Principles, which has been fully notified to all units and subsidiaries of the Company and incorporated into the contract with the main suppliers, subject to the strict implement and execution. If the supplier violates the terms and conditions, it will be required to correct within a time limit, or to rescind or terminate the contract. In addition to the fair selection mechanism, major suppliers are also subject to a selection system every year. If the supplier does not meet the standards, the Company will provide counseling and improvement plans or suspend the authorization as the case may be to ensure the quality of the suppliers. Every year, the Company regularly holds a construction company observation meeting to create an interactive platform for communication and exchanges with the industry. In 2025, the proportion of major suppliers who signed CSR clauses reached 100%.	No significant difference.
V. Does the Company prepare sustainable development report and other reports that disclose non-financial information by following international reporting standards or guidelines? Are the reports certified or assured by a third-party	√		In addition to following the GRI Standards guidelines, AA1000 Accountability Principles Standards, SASB and TCFD standards, the Sustainability Report published by the Company also refers to the "Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies" of the Taiwan Stock Exchange Corporation, the United Nations Sustainable Development Goals, the Organization for Economic Cooperation and Development (OECD), the United Nations Global Compact (UNGC) Principles, and the	No significant difference.

Promoted Item	Status of Implementation (Note 1)			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
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accreditation body?			ISO 26000 Social Responsibility Guidelines as disclosure points. The data has also been assured by Ernst & Young.	
VI. If the Company has established its own sustainable development practice principles according to the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies", please provide detailed information on the discrepancies between its operations and the prescribed best practices: No material discrepancy, subject to the principles.				
VII. Other important information that facilitate the understanding of the implementation of sustainable development: please refer to (VII) Corporate Responsibility and Ethical Behavior on pages 142-145 and the company website (Corporate Sustainability section: https://cathayred-csr.com).				

Note 1. If "Yes" is selected in the operating status, please specifically explain the important policies, strategies, and measures adopted, and the implementation status; if "No" is selected in the operating status, please specify the difference reason and explain related future policies and plans for strategies and measures in the column "Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof".

Note 2. The principle of materiality refers to environmental, social and corporate governance issues that have significant impacts on the Company's investors and other stakeholders.

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>The Corporate Sustainability Committee (CS Committee) established under the Board of Directors is the supervisory unit for corporate sustainability management strategies and actions. Additionally, a Corporate Sustainability Executive Committee has been established as a dedicated (or concurrent) unit with the President appointed as the Chief Sustainability Officer and Chairperson and 5 functional teams (included "Corporate Governance," "Customer Care," "Employee Care," "Environmental Protection," and "Social Welfare,") serve as a platform for cross-departmental communication and management of issues related to corporate social responsibility, and are responsible for implementing and promoting relevant plans to address material sustainability issues, risk issues, and climate-related issues. The Executive Committee regularly reports to the Board of Directors and the Corporate Sustainability Committee on the implementation results of environment related-plans.</p> <p>Each year, the company identifies material risks and opportunities with reference to the Task Force on Climate-related Financial Disclosures (TCFD) guidelines and industry-specific recommendations, as well as the TCFD practical cases consolidated by the World Business Council for Sustainable Development (WBCSD). Afterwards, the Company analyzes the potential financial impact on the Company's operations, and uses this as a basis to further develop subsequent countermeasures.</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>	<table border="1"> <thead> <tr> <th data-bbox="660 907 813 972">Risk Category and Opportunity</th> <th data-bbox="820 907 986 972">Short-term (0~3 years)</th> <th data-bbox="986 907 1235 972">Medium-term (3~10 years)</th> <th data-bbox="1235 907 1407 972">Long-term (Above 10 years)</th> </tr> </thead> <tbody> <tr> <td data-bbox="660 972 820 1077">Physical risk</td> <td data-bbox="820 972 986 1077">Typhoon, flooding, drought</td> <td data-bbox="986 972 1235 1077">-</td> <td data-bbox="1235 972 1407 1077">1. Rising average temperatures. 2. Rising sea levels.</td> </tr> <tr> <td data-bbox="660 1077 820 1426">Transition risk</td> <td data-bbox="820 1077 986 1426">-</td> <td data-bbox="986 1077 1235 1426">1. Rising raw material costs. 2. Costs of low-carbon technology transition. 3. Market information uncertainty. 4. Existing building regulations and energy efficiency requirements and supervision to replace existing products and services with low-carbon alternatives.</td> <td data-bbox="1235 1077 1407 1426">1. Increased greenhouse gas emission pricing. 2. Shifting consumer preferences.</td> </tr> <tr> <td data-bbox="660 1426 820 1937">Opportunity</td> <td data-bbox="820 1426 986 1937">1. Enhancing climate adaptability. 2. Recycling construction waste.</td> <td data-bbox="986 1426 1235 1937">1. Adoption of green (smart) buildings. 2. R&D and innovation for new product and service development. 3. Obtaining public sector incentives through carbon emission offsets. 4. Use of low-carbon energy. 5. Participation in renewable energy projects and adoption of energy-saving measures. 6. Use of more efficient production and distribution processes. 7. Diversification of business activities.</td> <td data-bbox="1235 1426 1407 1937">Energy substitution and diversification.</td> </tr> </tbody> </table>	Risk Category and Opportunity	Short-term (0~3 years)	Medium-term (3~10 years)	Long-term (Above 10 years)	Physical risk	Typhoon, flooding, drought	-	1. Rising average temperatures. 2. Rising sea levels.	Transition risk	-	1. Rising raw material costs. 2. Costs of low-carbon technology transition. 3. Market information uncertainty. 4. Existing building regulations and energy efficiency requirements and supervision to replace existing products and services with low-carbon alternatives.	1. Increased greenhouse gas emission pricing. 2. Shifting consumer preferences.	Opportunity	1. Enhancing climate adaptability. 2. Recycling construction waste.	1. Adoption of green (smart) buildings. 2. R&D and innovation for new product and service development. 3. Obtaining public sector incentives through carbon emission offsets. 4. Use of low-carbon energy. 5. Participation in renewable energy projects and adoption of energy-saving measures. 6. Use of more efficient production and distribution processes. 7. Diversification of business activities.	Energy substitution and diversification.	<table border="1"> <tbody> <tr> <td data-bbox="820 981 986 1077">Physical risk</td> <td data-bbox="986 981 1235 1077">-</td> <td data-bbox="1235 981 1407 1077">1. Rising average temperatures. 2. Rising sea levels.</td> </tr> </tbody> </table>	Physical risk	-	1. Rising average temperatures. 2. Rising sea levels.	<table border="1"> <tbody> <tr> <td data-bbox="986 1077 1235 1426">Transition risk</td> <td data-bbox="1235 1077 1407 1426">1. Rising raw material costs. 2. Costs of low-carbon technology transition. 3. Market information uncertainty. 4. Existing building regulations and energy efficiency requirements and supervision to replace existing products and services with low-carbon alternatives.</td> </tr> </tbody> </table>	Transition risk	1. Rising raw material costs. 2. Costs of low-carbon technology transition. 3. Market information uncertainty. 4. Existing building regulations and energy efficiency requirements and supervision to replace existing products and services with low-carbon alternatives.	<table border="1"> <tbody> <tr> <td data-bbox="1235 1426 1407 1937">Opportunity</td> <td data-bbox="1407 1426 1441 1937">Energy substitution and diversification.</td> </tr> </tbody> </table>	Opportunity	Energy substitution and diversification.
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<p>For transition risks and climate opportunities, the key response strategies of our company are as follows:</p> <ol style="list-style-type: none"> 1. Conducting greenhouse gas inventory to help set emission reduction targets and serve as the basis for calculating future 																											

Item	Implementation status									
	<p>carbon credit reductions in operating costs.</p> <ol style="list-style-type: none"> 2. Formulating design criteria and staying updated on regulatory changes to benefit future product design. 3. Understanding green building/low-carbon construction method trends and related regulations to benefit future product design. 4. Monitoring changes in raw material market prices. 5. Improving construction technology to increase production efficiency. 6. Increasing methods and channels for customer contact and emphasizing customer service. 7. Combining group data to comprehensively care for customers, extending from residential services to health and tourism business lifestyle experiences. 8. Reducing intellectual property risks and formulating an intellectual property management plan to maintain brand value and enhance company competitiveness. 9. Diversifying operations: Green energy investment. <p>Regarding physical risks and climate opportunities, the Company's key response strategies are as follows:</p> <ol style="list-style-type: none"> 1. Focusing on climate change issues. 2. Carefully selecting development areas. 3. Investment in energy-saving or green energy-related machinery and equipment. 									
<p>3. Describe the financial impact of extreme weather events and transformative actions.</p>	<p>Considering the analysis results of the significance of climate-related risk impacts, the Company has identified physical risks such as typhoons, floods, droughts and other extreme climates that have become more severe. The Company also assesses transition risks such as rising raw material costs, increasing pricing on greenhouse gas emissions, and increasing costs for low-carbon technology transformation. The impact of climate related opportunities is further analyzed and cross-referenced to conclude the potential financial impact on the Company's operations.</p> <p>In response to the transformation opportunity arising from the risk of climate change, the Company is leading customers towards a low-carbon sustainable future through its own energy and resource reduction. Our priority is to conduct a greenhouse gas inventory of the Company, and continue to set relevant green reduction goals. Subsequently, the Company aims to integrate climate-related risks and opportunities progressively, establish management indicators and goals as the basis for the evaluation of results, and fulfill the responsibility of earth citizens to create a friendly environment.</p> <table border="1" data-bbox="662 1456 1428 2067"> <thead> <tr> <th data-bbox="662 1456 837 1480"></th> <th data-bbox="837 1456 1161 1480">Risk/opportunity</th> <th data-bbox="1161 1456 1428 1480">Potential Financial Impact</th> </tr> </thead> <tbody> <tr> <td data-bbox="662 1480 837 1803"> <p>Transition risk/ Climate-related Risk</p> </td> <td data-bbox="837 1480 1161 1803"> <ol style="list-style-type: none"> 1. Market information uncertainty. 2. Shifting consumer preferences. 3. Diversification of business activities. </td> <td data-bbox="1161 1480 1428 1803"> <ol style="list-style-type: none"> 1. Failure to grasp market trends, resulting in decreased revenue. 2. Company policy planning transformation, increasing operations. 3. Enhancing customer trust, increasing operating income. 4. Changing the company's customer service model, increasing operating income. </td> </tr> <tr> <td data-bbox="662 1803 837 2067"> <p>Physical risk/ Climate-related Opportunities</p> </td> <td data-bbox="837 1803 1161 2067"> <ol style="list-style-type: none"> 1. Typhoons, floods, droughts. 2. Rising sea levels. 3. Enhancing climate adaptability. 4. Energy substitution and diversification. 5. Diversification of business activities. </td> <td data-bbox="1161 1803 1428 2067"> <ol style="list-style-type: none"> 1. Damage to construction sites and equipment, increasing capital costs. 2. Supply chain disruptions leading to decreased productivity and reduced revenue. 3. Damage to existing assets and properties located in high-risk climate regions. </td> </tr> </tbody> </table>		Risk/opportunity	Potential Financial Impact	<p>Transition risk/ Climate-related Risk</p>	<ol style="list-style-type: none"> 1. Market information uncertainty. 2. Shifting consumer preferences. 3. Diversification of business activities. 	<ol style="list-style-type: none"> 1. Failure to grasp market trends, resulting in decreased revenue. 2. Company policy planning transformation, increasing operations. 3. Enhancing customer trust, increasing operating income. 4. Changing the company's customer service model, increasing operating income. 	<p>Physical risk/ Climate-related Opportunities</p>	<ol style="list-style-type: none"> 1. Typhoons, floods, droughts. 2. Rising sea levels. 3. Enhancing climate adaptability. 4. Energy substitution and diversification. 5. Diversification of business activities. 	<ol style="list-style-type: none"> 1. Damage to construction sites and equipment, increasing capital costs. 2. Supply chain disruptions leading to decreased productivity and reduced revenue. 3. Damage to existing assets and properties located in high-risk climate regions.
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Item	Implementation status		
			<p>4. Strengthening climate resilience, reducing the probability of construction delays and potential losses.</p> <p>5. Innovative customer service solutions, increasing revenue.</p> <p>6. Assessing whether assets to be purchased are not in high-risk areas to avoid risk impact.</p>
		<p>1. Rising average temperatures.</p> <p>2. Adoption of green (smart) buildings.</p>	<p>1. Increased electricity consumption, leading to higher operational costs and carbon emissions.</p> <p>2. Promoting green (smart) buildings and energy-saving carbon reduction measures to improve energy efficiency.</p>
<p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p>	<p>The identification of climate-related risks and opportunities is led by the five functional teams of the Corporate Sustainability Executive Committee, which evaluate the possibility, impact level, time of occurrence, and financial impact of each risk and opportunity. The Company ranks climate-related risks and opportunities based on the analysis of possibility and impact level and lists the material risks and opportunities according to the impact level and time of occurrence. Considering the analysis results of the significance of climate-related risk impacts, the Company further analyzes and cross-references the impact on climate-related opportunities, and looks into the potential financial impact on the Company for material risks and opportunities. Based on this, the Company establishes follow-up countermeasures and incorporates them in 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>Not Applicable.</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>Not Applicable.</p>		
<p>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</p>	<p>The internal carbon pricing is still in the planning stage.</p>		

Item	Implementation status										
<p>8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.</p>	<p>The climate-related targets set by our Company and the progress towards achieving them have been disclosed in the 2024 Sustainability Report on page 47.</p> <p>Greenhouse Gas Inventory and Assurance Status</p> <table border="1" data-bbox="662 297 1406 1066"> <thead> <tr> <th data-bbox="662 297 1002 322">Work Items</th> <th data-bbox="1002 297 1406 322">Implementation Status</th> </tr> </thead> <tbody> <tr> <td data-bbox="662 322 1002 768"> <p>Continue implementing green actions (P.79-81), achieving greenhouse gas reduction targets:</p> <ol style="list-style-type: none"> Newly purchased official vehicles are primarily eco-friendly, low fuel. consumption hybrid cars. Replacing and updating old machinery and equipment as carbon reduction measures. Promoting water resource management and advocating water conservation practices. </td> <td data-bbox="1002 322 1406 768"> <ol style="list-style-type: none"> In 2025, our company newly purchased 2 environmentally friendly, low fuel consumption hybrid cars, accounting for 66.7% of the total official vehicles purchased that year (total purchases for the year: 3 vehicles). Water consumption in 2025 was 1,533(M³), a reduction of 41(M³) compared to 1574(M³) in the previous year. The primary reason is that the International Building, where the Taipei office is located, underwent a restroom renovation project. The upgrades included the installation of water-saving toilets, urinals, and sensor-activated faucets to reduce water consumption, thereby achieving both environmental sustainability and cost efficiency. </td> </tr> <tr> <td data-bbox="662 768 1002 869"> <p>Greenhouse gas inventories for the Company and subsidiaries of consolidated financial statement were completed in 2025.</p> </td> <td data-bbox="1002 768 1406 869"> <p>The greenhouse gas inventories for the parent company and subsidiaries of consolidated financial statement were completed in March 2025.</p> </td> </tr> <tr> <td data-bbox="662 869 1002 943"> <p>In 2025, greenhouse gas verification for the Company was completed.</p> </td> <td data-bbox="1002 869 1406 943"> <p>In July 2025, the Company completed the verification for 2024 and obtained the verification statement issued by SGS.</p> </td> </tr> <tr> <td data-bbox="662 943 1002 1066"> <p>In 2027, the Company plans to complete the greenhouse gas inventory for subsidiaries included in the consolidated financial report.</p> </td> <td data-bbox="1002 943 1406 1066"> <p>In progress.</p> </td> </tr> </tbody> </table>	Work Items	Implementation Status	<p>Continue implementing green actions (P.79-81), achieving greenhouse gas reduction targets:</p> <ol style="list-style-type: none"> Newly purchased official vehicles are primarily eco-friendly, low fuel. consumption hybrid cars. Replacing and updating old machinery and equipment as carbon reduction measures. Promoting water resource management and advocating water conservation practices. 	<ol style="list-style-type: none"> In 2025, our company newly purchased 2 environmentally friendly, low fuel consumption hybrid cars, accounting for 66.7% of the total official vehicles purchased that year (total purchases for the year: 3 vehicles). Water consumption in 2025 was 1,533(M³), a reduction of 41(M³) compared to 1574(M³) in the previous year. The primary reason is that the International Building, where the Taipei office is located, underwent a restroom renovation project. The upgrades included the installation of water-saving toilets, urinals, and sensor-activated faucets to reduce water consumption, thereby achieving both environmental sustainability and cost efficiency. 	<p>Greenhouse gas inventories for the Company and subsidiaries of consolidated financial statement were completed in 2025.</p>	<p>The greenhouse gas inventories for the parent company and subsidiaries of consolidated financial statement were completed in March 2025.</p>	<p>In 2025, greenhouse gas verification for the Company was completed.</p>	<p>In July 2025, the Company completed the verification for 2024 and obtained the verification statement issued by SGS.</p>	<p>In 2027, the Company plans to complete the greenhouse gas inventory for subsidiaries included in the consolidated financial report.</p>	<p>In progress.</p>
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<p>9. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).</p>	<p>Reference to P.90-93.</p>										

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

1-1-1 Greenhouse Gas Inventory Information

Describe the emission volume (metric tons CO₂e), intensity (metric tons CO₂e/NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.

As a company with a paid-in capital of over NTD 10 billion, according to the Sustainable Development Roadmap for TWSE/TPEX Listed Companies issued by the Financial Supervisory Commission in March 2022, the Company must comply with the following regulations:

1. The individual company should begin greenhouse gas inventory from 2023 (the same applies below).
2. Subsidiaries included in the consolidated financial report fall under Phase 2 companies and should begin inventory from 2025 (disclosing greenhouse gas inventory information for 2024).

Since 2019, the Company has established a greenhouse gas inventory mechanism. From 2025 onwards, the Company included its subsidiaries included in the consolidated financial report and regularly conduct annual inventories of greenhouse gas emissions for both the individual company and subsidiaries in the consolidated financial report. In accordance with the Financial Supervisory Commission's requirements, listed companies are required to consistently adopt the GHG Protocol for greenhouse gas measurement and disclosure when aligning with IFRS Sustainability Standards (Note 3). To ensure inventory quality, proactively align with international standards, and avoid potential adjustment pressures arising from transitional measures in the first year of adoption, the Company has elected to adopt the GHG Protocol methodology in advance. Accordingly, beginning in fiscal year 2026, greenhouse gas inventories will be fully conducted and disclosed in compliance with the GHG Protocol. The greenhouse gas inventory data for the past two years was compiled according to the Operational Control Method, which summarizes the greenhouse gas emissions of the Company, and all subsidiaries included in the consolidated financial report (Note 1, 2), as explained below:

Scope		2025		2026	
		Total Emissions (metric tons CO ₂ e)	Emission Intensity (CO ₂ e/million revenue)(Note 4)	Total Emissions (metric tons CO ₂ e)	Emission Intensity(CO ₂ e/million revenue) (Note 4)
Parent Company Only	Scope 1 Direct greenhouse gas emissions	479.15		413.62	
	Scope 2 Electricity emissions	1,255.94		987.77	
	Scope 3 Indirect greenhouse gas emissions	261.54		234.05	
	Subtotal (metric tons CO ₂ e)	1,996.63		1,635.44	
Subsidiaries of Consolidated financial statement	Scope 1 Direct greenhouse gas emissions	1,541.12		1,441.37	
	Scope 2 Electricity emissions	14,679.27		15,488.93	
	Scope 3 Indirect greenhouse gas emissions	3,173.93		3,813.65	
	Subtotal (metric tons CO ₂ e)	19,394.32		20,743.95	
	Total	21,390.95		0.8966	

Note 1: Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam) and other indirect emissions (scope 3, i.e., emissions from company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies. The Company voluntarily discloses Scope 3 emissions for Category 3 (fuel- and energy-related activities).

Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.

Note 3: Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol).

Note 4: The intensity of greenhouse gas emissions : By dividing emissions (tons of CO₂e) of parent company and subsidiaries of consolidated financial statement by the consolidated revenue (in NTD million).

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.			
As a company with a paid-in capital of over NTD 10 billion, according to the Sustainable Development Roadmap for TWSE/TPEX Listed Companies issued by the Financial Supervisory Commission in March 2022, the Company must comply with the following regulations:			
1. The individual parent company should begin assurance from 2024 (the same applies below).			
2. Subsidiaries included in the consolidated financial report fall under Phase 2 companies and should begin assurance from 2027.			
Assurance Scope		2024	2025
Parent Company Only	Percentage of the greenhouse gas inventory disclosed in the aforementioned Table 1-1-1	100.00%	100.00%
Subsidiaries	Percentage of the greenhouse gas inventory disclosed in the aforementioned Table 1-1-1	Omitted (Subsidiaries have not yet been assured, and assurance is expected to begin in 2027.)	
Certifying Authority		Taiwan Inspection Technology Co., Ltd. (SGS)	Taiwan Inspection Technology Co., Ltd. (SGS)
Assurance Information		Verification criteria: Verified in accordance with ISO14064-3: 2019 and complies with the guidelines set by the International Organization for Standardization (ISO) in ISO 14064-1: 2018.	The assurance for 2025 is currently ongoing. The complete assurance information will be disclosed in the Sustainability Report.
Assurance Opinion		A greenhouse gas assurance Opinion n with a “reasonable assurance level” has been obtained.	The assurance for 2025 is currently ongoing. The complete assurance information will be disclosed in the Sustainability Report.

Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. If the Company has not obtained a complete greenhouse gas assurance opinion by the date of printing of the annual report, it shall note that “Complete assurance information will be disclosed in the sustainability report.” If the Company does not prepare a sustainability report, it shall note that “Complete assurance information will be disclosed on the Market Observation Post System (MOPS),” and shall disclose the complete assurance information in the annual report of the following fiscal year.

Note 2: The assurance institutions meet the directions regarding assurance of sustainability reports prescribed by the TWSE and the TPEX.

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

Specify the greenhouse gas reduction base year and its data, the reduction targets, strategy and concrete action plan, and the status of achievement of the reduction targets.

Base Year for Greenhouse Gas Emissions Reductions	The Company completed the inventory check of the 2024 consolidated financial statements in 2025. Therefore, the company has designated the year 2024 as the baseline year for the greenhouse gas inventory.
Baseline Year Data	The greenhouse gas emissions of the Company and the subsidiaries included in the consolidated financial report for the year 2024 Category 1, Category 2, and Category 3 are 21,390.95 tons of CO ₂ e.
Reduction Target	<p>The company's greenhouse gas reduction target plan is based on the year 2024 as the baseline year. The reduction targets for each period are as follows :</p> <p>Short-term (the year 2026): 1% reduction in 2026 compared to the baseline year.</p> <p>Medium-term (the year 2028): 2% reduction in 2028 compared to the baseline year.</p> <p>Long-term (the year 2031 and the following years): 3% reduction in 2031 compared to the baseline year.</p>
Management Strategy	Actively reducing the carbon emissions generated from the daily use of buildings, we introduced the ISO 14064-1 Greenhouse Gas Inventory System in 2016 and further adopted the latest ISO 14064-1:2018 standard for inventory in 2019. In 2022, we expanded the scope of the inventory. In addition to the offices of Cathay Real Estate in the north, central, south, and Kaohsiung regions, we added the reception center, warehouse, buildings, and undelivered construction projects. We inventoried all energy consumption at our operating sites and implemented energy-saving and carbon reduction projects to achieve effective energy resource management. Starting from 2026, the Company will adopt the GHG Protocol for its comprehensive greenhouse gas inventory and disclose the results in accordance with the relevant guidelines.
Concrete Action Plan	Cathay Real Estate takes the environment and ecology as its basis, exploring the possibilities of green buildings from various stages of the building life cycle. Through contractor observation meetings, it shares experiences in green buildings, and some of its projects have obtained domestic and international green building certifications. Starting from 2022, Cathay Real Estate has been fully introducing the mindset of green buildings, deepening the contribution of the building life cycle to the environment. It continuously promotes energy-saving actions in the office workplace, not only procuring or leasing energy-saving equipment such as official vehicles and office machines internally but also reaching a consensus with the building owner on replacing and upgrading energy-saving equipment such as elevators and air conditioners. At the same time, it also conducts internal vigorous promotion to establish good work habits of reducing plastic and saving energy among employees.

Achievement Status	<ol style="list-style-type: none"> 1. Introduce energy-saving design, reduce building energy consumption, in response to green building and environmental sustainability thinking. 2. Plan Kaohsiung residences and Taichung livable architecture according to local conditions. 3. Adopt emerging technologies such as Building Information Modeling (BIM) and modular construction 100% to enhance construction efficiency. 4. Recycle and reuse the usable waste generated during construction. 5. Digital transformation: Introduce customer service APP/online construction material and equipment selection system. 6. Some building components and materials are prefabricated in the factory, then transported to the construction site for integrated assembly and installation. This not only reduces noise and dust pollution around the construction site, but also reduces the risks during construction and minimizes potential waste or loss of raw materials during the construction process. 7. Continue to implement various green initiatives (for example: replace old energy-consuming equipment, focus on environmentally friendly, low fuel-consumption hybrid vehicles when purchasing new official vehicles) 8. Greenhouse Gas Inventory: By controlling greenhouse gas emissions through inventory, the company has conducted annual greenhouse gas emission inventories and obtained the verification statement issued by SGS. In 2025, the Company's Scope 1 and Scope 2 greenhouse gas emissions totaled 1,401.39 tons of CO₂e, representing a reduction of approximately 23% compared to 1,735.09 tons of CO₂e in 2024. The primary contributor to this reduction was the replacement of energy-efficient lighting at the Company's Taipei headquarters, which led to decreased electricity consumption. In addition, Scope 3 emissions also declined as a result of reduced electricity usage, resulting in a corresponding decrease in upstream fuel- and energy-related activities. The Company expects to complete greenhouse gas verification for its subsidiaries included in the consolidated financial statements in 2027.
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Note 1: This information shall be disclosed in compliance with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations.

Note 2: The base year shall be the fiscal year in which the greenhouse gas inventory is completed based on the consolidated financial reporting boundary. For example, under the order issued under Article 10, paragraph 2 of the Regulations, a company with capital of NT\$10 billion shall complete the inventory for its fiscal 2024 annual consolidated financial report in 2025, so the base year will be 2024.

Human Rights Risk Assessment, Due Diligence, and Implementation Status

The Company evaluates human rights risks related to its employees, customers, and suppliers, prioritizes issues based on impact severity, and implements mitigation and remediation measures for high-risk areas.

Stakeholder	Risk Issues	Management and Mitigation Measures	Remediation and Impact Assessment
Employees	Occupational health and safety	<ul style="list-style-type: none"> ● Implementation of occupational safety and health training. ● Provision of free employee health check-ups. ● Implementation of ergonomic hazard prevention programs. ● Prevention programs for diseases induced by abnormal workloads. ● Regular workplace safety and health inspections. ● Installation of first-aid equipment (AED). ● Health promotion activities. 	<ul style="list-style-type: none"> ● Implementation of occupational injury reporting and handling mechanisms. ● Assistance with group insurance and labor insurance claims. ● Provision of professional consultation.
	Gender equality	<ul style="list-style-type: none"> ● Establishment and communication of “anti-sexual harassment policies, complaint, and disciplinary procedures”. ● Provision of sexual harassment prevention training. 	<ul style="list-style-type: none"> ● Clear complaint channels, procedures, and disciplinary measures. ● Disciplinary actions imposed upon violations following committee review. ● Counseling and care provided to victims.
	Labor–management relations	<ul style="list-style-type: none"> ● Regular labor–management meetings to enhance communication and resolve issues. ● Organizational climate surveys. 	<ul style="list-style-type: none"> ● Clear grievance and complaint channels.
	Excessive working hours	<ul style="list-style-type: none"> ● Strictly comply with labor laws and regulations, with relevant requirements clearly stipulated in work rules and internal policies and continuously communicate the Company’s policies on standard working hours and overtime arrangements. ● Attendance and overtime management systems are established to assist employees and 	<ul style="list-style-type: none"> ● Overtime payment or compensatory leave provided based on employee preference. ● Management mechanisms for high-risk cases of abnormal workloads.

Stakeholder	Risk Issues	Management and Mitigation Measures	Remediation and Impact Assessment
		supervisors in monitoring working hours.	
	Maternity protection	<ul style="list-style-type: none"> ● Establishment of maternity protection-related policies (e.g., work rules, maternity health protection measures). 	<ul style="list-style-type: none"> ● Employee assistance programs (e.g., lactation rooms). ● Flexible working hour arrangements (e.g., breastfeeding and milk expression time). ● Family day activities. ● Parental leave arrangements.
	Privacy protection	<ul style="list-style-type: none"> ● Establishment of a personal data management committee. ● Formulation of personal data protection policies. ● Information security training for employees. 	<ul style="list-style-type: none"> ● Establishment of “emergency response and handling procedures” for personal data breach incidents. ● Establishment of a mechanism for regular emergency response drills.
Customers/ consumers	Privacy protection	<ul style="list-style-type: none"> ● Establishment of a personal data management committee. ● Formulation of personal data protection policies. ● Information security training for employees. 	<ul style="list-style-type: none"> ● Establishment of “emergency response and handling procedures” for personal data breach incidents. ● Establishment of a mechanism for regular emergency response drills.
	Customer rights	<ul style="list-style-type: none"> ● Implementation of employee training. ● Integration of the “Core Values and Four Key Commitments” into corporate culture. 	<ul style="list-style-type: none"> ● Customer grievance and complaint channels established ● Dedicated complaint-handling unit in place ● Internal control mechanisms for complaint handling
Suppliers	Occupational health and safety	<ul style="list-style-type: none"> ● Long-term requirement for suppliers to comply with CSR clauses (covering labor, Occupational health and safety, environment, and human rights). ● Structured supplier selection and evaluation, with supplier engagement activities. 	<ul style="list-style-type: none"> ● Contractual requirements for supplier compliance with CSR and regulatory obligations, with liability for breach. ● Regular supplier evaluations, with consequences for non-compliance, including potential termination of business relationships.

To track the implementation of its human right due diligence, the Company annually reviews the effectiveness of mitigation and remediation measures. In addition, comprehensive grievance mechanisms and reporting channels have been established for employees, suppliers, and other stakeholders to report illegal activities or human rights violations.

Employee Grievance Hotline : 02-23779968#5212 、 #5110

Employee Grievance Email Address : carter.lin@cathay-red.com.tw 、 duke@cathay-red.com.tw

Supplier Hotline : 02-23779968#5800

Supplier Grievance Email Address : honest@cathay-red.com.tw

(VII) Implementation of ethical corporate management, deviation from "Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies", and reasons for deviation:

Implementation of Ethical Corporate Management and Measures for its Implementation

Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
I. Establishment of ethical corporate management policies and programs (I) Does the company formulate its ethical corporate management policies that have been approved by the Board of Directors? Has the Company declared its ethical corporate management policies and procedures in its guidelines and external documents, and does the Board of Directors and management work proactively to implement their commitment to those management policies?	v		In order to establish a corporate culture of integrity management and sound the development, and to implement a good corporate governance and risk management & control mechanism, the Company has developed the Code of Integrity Management according to Integrity Management Best Practice Principles for TWSE/TPEX Listed Companies, which was approved by the Board of Directors, disclosed and announce on the internal and external website. All senior executives signed the 'Statement of Compliance with Integrity Management Policy', stating that they will strictly adhere to the 'Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies' issued by the Taiwan Stock Exchange Corporation, the 'Ethical Corporate Management Best Practice Principles' established by Cathay Real Estate and related integrity management policies, based on the principles of integrity, transparency, and accountability, to establish sound corporate governance and risk management mechanisms, and create a sustainable operating environment.	No significant difference.
(II) Has the Company established a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activity within its business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which shall at least	v		The Company's Ethical Corporate Management Best-Practice Principles covers all the activities stated in Article 7, Paragraph 2 of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies. The internal audit unit should be based on the evaluation result of unethical conduct to formulate related audit plans and verify	No significant difference.

Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
include the preventive measures specified in Paragraph 2, Article 7 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"?			the prevention measures. In addition, anyone who finds that the personnel of the Company has violated the integrity management can report to the integrity management unit (honest@cathay-red.com.tw) or directly to the Company's ethical management unit (Corporate Sustainability Executive Committee). After the case is filed, the management unit will conduct investigation and processing according to certain procedures and report the results to the Board of Directors.	
(III) Does the Company specify in its prevention programs the operating procedures, guidelines, punishments for violations, and a grievance system and implement them and review the prevention programs on a regular basis?	v		The Company has established a Code of Ethics and the Ethical Corporate Management Best-Practice Principles, forbidding the unethical conduct against the Company, the Company's Directors, Managers, employees, appointees and the Company, the Company's Directors, Managers, employees, appointees and the material controllers of the Company such as offering or accepting bribes, providing illegal political contributions, or improper charitable donation or sponsorship, providing or accepting unreasonable gifts, reception or other improper interests, disclosing the Company's trade secrets, trespassing against intellectual property rights, working on unfair competition, or providing products and services with damage to consumers or other interested parties. The Company reviews and amends the relevant policies regularly; the Codes of Ethical Conduct was late amended on June 30, 2017, and Code of Integrity Management on March 12, 2026. For the latest implementation status, please refer to the company's website for details. (https://www.cathay-red.com.tw/Content/Upload/files/about/ManageOthers/04.pdf)	No significant difference.
II. Implementation of Ethical Corporate Management (I) Has the Company evaluated the ethics records of counterparties to its business dealings, and specified ethical business policies in contracts with counterparties related to its business dealings?	v		The Company conducts business activities based on the principle of integrity management and in a fair and transparent manner. Before cooperation, the Company considers the legality of agents, suppliers, customers or other transaction objects and whether they involve unethical conducts, to avoid transactions with those	No significant difference.

Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			involved in unethical conducts. The contract between the Company and its agents, suppliers, customers or other transaction objects shall include the clause where the counterpart complying with integrity management policies and transaction is involved in a unethical conduct, the contract may be terminated or rescinded at any time.	
(II) Does the Company have a unit under the Board of Directors that specializes in promoting ethical corporate management and regularly (at least once every year) report to the Board of Directors the implementation of the ethical corporate management policies and prevention programs against unethical conduct?	√		The Board of Directors appointed Corporate Sustainability Executive Committee as the dedicated unit to promote the integrity management of the Company and report the execution status on an annual basis. (The review of the implementation effectiveness of ethical management operations for 2025, along with the review of the implementation effectiveness of corporate sustainability development, was submitted to the Board of Directors on March 12, 2026.)	No significant difference.
(III) Does the Company establish policies to prevent conflicts of interest, provide appropriate communication channels, and implement them accordingly?	√		According to the Company's Ethical Corporate Management Best-Practice Principles, Directors shall be highly self-disciplined. Where the proposal listed in the Board meeting is related to their own interests, they shall state clearly the important contents of their own interests at the Board meeting. Where there are damages to the Company's interests, they shall express their opinions and give a reply, but not participate in the discussion and voting, during which they shall avoid but not exercise the right to vote on behalf of other directors. In addition, according to the Code of Ethics, the Company's Directors and managers, in order to prevent conflicts of interest, shall handle official business in an objective and efficient manner, but not make improper benefits for themselves, their spouse, parents, children or relatives within the second degree of kinship by their positions in the Company. The Company shall pay special attention to preventing conflicts of interest, and state clearly whether there is a potential conflict of interest with the Company through official documents, meetings and internal communications when the Company lends funds to or provides guarantees for, has material asset transaction with or purchases goods from or sells goods to the Company in which the aforementioned personnel works.	No significant difference.

Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
(IV) Does the Company have effective accounting and internal control systems in place to implement business integrity? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit the systems accordingly to prevent unethical conduct, or engage CPAs to perform the audits?	√		The Company's accounting system and internal control system are designed and implemented in accordance with the code of ethical management and should be reviewed at any time to ensure its continuous and effective implementation. Both the internal audit and regular CPAs internal control audit are conducted in normal procedures.	No significant difference.
(V) Does the Company regularly hold internal and external training related to ethical corporate management?	√		Integrity is the core value of the Company. In the monthly executive and internal department meeting, each supervisor provides education and training for their employees according to Ethical Corporate Management Best-Practice Principles. The Company regularly holds educational training seminars to promote the concept of ethical management. In December 2025, the concept of ethical management was promoted internally through online materials to provide education and training for all employees. In addition to promoting the Company's ethical management guidelines, this educational training material also incorporated promotional videos produced by the Ministry of Justice Investigation Bureau to reinforce the concept that employees should adhere to ethical management principles and not demand or accept any form of improper benefits in the workplace. The duration of this educational training was 0.5 hours, and all participants were employees of the Company. A survey on the effectiveness of the promotion was also conducted, and all employees who participated in the survey understood and agreed with the content conveyed in Cathay Real Estate's ethical management guidelines, effectively reinforcing the implementation of the ethical management concept. Furthermore, a section on promoting the Company's ethical management has been added to the training program for new employees to convey the Company's brand philosophy and the spirit of ethical management. The Company's directors attend courses related to integrity management every year. In 2025, they attended Corporate	No significant difference.

Item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and Reasons Thereof
	Yes	No	Description	
			Governance courses, complying with securities trading laws and regulations, and adhering to corporate governance norms. A total of 6 people participated, accumulating to a total of 21 training hours	
III. Implementation of the Company's Whistleblowing System (I) Does the Company have a specific whistleblowing and reward system, a convenient whistleblowing channel, and appropriate personnel assigned to handle the whistleblowing?	v		Anyone can report through the independent report mailbox (honest@cathay-red.com.tw) or directly to the Company's ethical management unit (Corporate Sustainability Committee). No reporting mail received in 2025.	No significant difference.
(II) Does the Company establish the standard operating procedures for investigating reported misconduct, follow-up measures to be taken after the investigation, and related confidentiality mechanisms?	v		The provisions of Article 19 of the Company's Ethical Corporate Management Best-Practice Principles specify a reporting system, a whistleblowing clause, and a handling procedure for a dedicated unit, with an independent and confidential mechanism.	No significant difference.
(III) Does the Company take measures to protect the whistleblower against inappropriate disciplinary actions?	v		The provisions of Subparagraph 2, Article 19 of the Company's Ethical Corporate Management Best-Practice Principles have stipulated a whistleblower protection clause that the whistleblower will not be treated inappropriately.	No significant difference.
IV. Strengthening Information Disclosure Has the Company disclosed the content and effectiveness of its integrity management principles on the Company's website and the Market Observation Post System?	v		The Company has disclosed relevant information on the website and MOPS.	No significant difference.
V. Where the Company has stipulated its own best practices on ethical corporate management according to the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe difference between the prescribed best practices and the actual measures taken by the Company: No material difference was found, and related operations were subject to the Principles.				
VI. Other important information to facilitate a better understanding of the Company's ethical corporate management policies (e.g. review and amendment of the Company's Ethical Corporate Management Best-Practice Principles): During the Board of Directors meeting on March 12, 2026, the Company approved the amendments to its Ethical Corporate Management Best Practice Principles, with the main revisions being the designation of a dedicated unit and the establishment of an independent whistleblowing system, further demonstrating the Company's commitment to ethical corporate management.				

Note: Regardless of whether "Yes" or "No" is selected, provide a brief description in the Summary column.

(VIII) Other important information to facilitate better understanding of its corporate governance operations (including but not limited to employees' rights, employee care, investor relations, supplier relations, stakeholders' rights, directors' and supervisors' continuing education, the implementation of risk management policies and risk measurement

standards, the implementation of customer policies, and the Company's purchase of liability insurance for directors and supervisors).

- (1) Status of employee rights and employee welfare: Please refer to V. (I) Employee Welfare to (IV) Labor Management Agreements and Employee Rights/Interests Maintenance on pages 138-141.
- (2) Investor Relations: Please refer to pages 60-61 for VII. Information Disclosure.
- (3) Supplier Relations: The Company cooperates with suppliers with mutual trust and mutual benefit and maintains their rights and obligations and maintains a good supply and demand relationship.
- (4) Rights of Stakeholders: Please refer to pages 102-105 for (9) Establishment of Communication Channels for Stakeholders.
- (5) Directors' and Supervisors' Training Records (statistical period: 2025.1.1-2025.12.31):

Name	Training Institution	Course Name	Training Hours
Chang, Ching-Kuei	Taiwan Corporate Governance Association	Analysis on the strategies of sustainable enterprises-taking renewable energy as an example	3
Chang, Ching-Kuei	Taiwan Corporate Governance Association	The Path to Sustainable Legacy and AI Application Transformation	3
Lee, Hung-Ming	Financial Supervision Commission	The 15th Taipei Corporate Governance Forum	6
Tsai, Chung-Yan	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Chuang, Wan-Hua	Securities and Futures Institute	The Miracle of Nvidia's Three Trillion Empire: The Semiconductor Industry Revolution Behind Artificial Intelligence. Trends in Applications and Governance of Generative AI	3
Chuang, Wan-Hua	Taiwan Corporate Governance Association	Senior managers' compensation and ESG performance system design	3
Chuang, Wan-Hua	Taiwan Corporate Governance Association	Corporate Governance, Organizational Culture, and Corporate Sustainability	3
Chu, Chung-Chang	Taiwan Corporate Governance Association	Cyber risk governance and management in geopolitical landscapes	3
Chu, Chung-Chang	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6

Name	Training Institution	Course Name	Training Hours
Lin, Chin-Liang	Taiwan Corporate Governance Association	Risk management and strategic analysis of business sustainability	3
Lin, Chin-Liang	Taiwan Corporate Governance Association	The Digital Financial Revolution: The Principles of Stablecoins and the Development Trends of Blockchain Virtual Assets	3
Chang, Yuan-Hsiao	Taiwan Corporate Governance Association	Corporate Risk Management and Crisis Oversight by Directors and Supervisors	3
Chang, Yuan-Hsiao	Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	6
Chang, Yuan-Hsiao	Taiwan Investor Relations Institute	Analysis of Insider Trading and Shareholding Disclosure Practices	3
Yu, Tsu-Kang	Taiwan Corporate Governance Association	Global Economic Outlook and Financial Situation	3
Yu, Tsu-Kang	Taiwan Corporate Governance Association	Circular Economy Benefits and Sustainable Financial Business Opportunities	3
Lee, Li-Kun	Taiwan Corporate Governance Association	The Miracle of Nvidia's Three Trillion Empire: The Semiconductor Industry Revolution Behind Artificial Intelligence. Trends in Applications and Governance of Generative AI	3
Lee, Li-Kun	Taiwan Corporate Governance Association	Introduction to GHG Inventory and Assurance	3

- (6) The implementation of risk management policies and risk evaluation measures: Please refer to pages 154-157 for VI. Assessment of Risk Items in the Most Recent Years and as of the Date of Publication of the Annual Report.
- (7) The implementation of customer relations policies: the company has a customer service line and dedicates personnel to handle problems related to customers.
- (8) Purchasing insurance for Directors and Supervisors: the company has purchased D&O insurance for Directors.
- (9) Does the company establish communication channels with stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.), and set up a dedicated area for stakeholders on the Company's website, and respond to important corporate social responsibility issues that stakeholders are concerned about appropriately?

The Company has established channels of communication with stakeholders (including but not limited to shareholders, employees, customers, and suppliers), dedicated a section on the Company's website for stakeholder affairs and adequately responded to stakeholders' inquiries on significant corporate social responsibility issues, and reports the communication content to the board regularly (at least once a year). The important corporate social responsibility issues, and the review result of the implementation performance of corporate sustainable development for 2025 were submitted to the Board of Directors on March 12, 2026.

Stakeholders	Important issues of concern	Main responsibility of the Company	Communication channels
Shareholders/ investors/ financial institutions	<ul style="list-style-type: none"> ➢ Ethical corporate management ➢ Economic performance ➢ Corporate Governance ➢ Sustainable development of the Company ➢ Risk management 	<ul style="list-style-type: none"> ➢ Commercial behaviors in a fair, honest and transparent manner. ➢ Providing instant, synchronized, and correct company information in a timely manner, and strive to the symmetric disclosure of investment information. ➢ Implementing long-term stable dividend policy and providing appropriate return on investment. ➢ Maintaining good corporate credit and operations with robust financial strategy. ➢ Following the latest laws and regulations and policy revisions of the competent authorities and promptly responding to and adjust the information disclosure form and content of the Company to meet regulatory requirements. ➢ Focusing on market demand and prosperity changes, adjusting business strategies in a timely manner, identifying the Company's financial and non-financial risks and review countermeasures. 	<ul style="list-style-type: none"> ➢ Contact Person: Mr. Tsai, Finance Management Department ➢ Tel: 02-23779968#5311 ➢ Email: cape0301@cathay-red.com.tw ➢ Regular materiality assessment surveys of corporate sustainability topics ➢ Updating designated sections of the official website ➢ Convening annual shareholders' meetings ➢ Convening investor conferences ➢ Announcing annual reports/quarterly financial reports ➢ Simultaneously disclose the instant material news on Market Observation Post System of stock exchange and release news or convene a press conference at irregular intervals as required to explain the situation.
Employee	<ul style="list-style-type: none"> ➢ Occupational health and safety ➢ Labor Relations ➢ Education and training ➢ Employee benefits ➢ Sustainable development of the Company 	<ul style="list-style-type: none"> ➢ Safe and healthy working environment. ➢ Promote employees' health and physical and mental balance. ➢ Ensure and respect human rights. ➢ Establish a transparent and smooth communication mechanism. ➢ Legal and equitable valuation and treatment. ➢ Attach importance to education and training. ➢ Diverse employee benefits and care plan. ➢ Focus on talent cultivation and employee development. ➢ Gender equality protection. 	<ul style="list-style-type: none"> ➢ Contact Person: Mr. Lin, Administration Management Department Mr. Chao, Human Resources Department ➢ Phone: 02-23779968#5212、#5110 ➢ Email: carter.lin@cathay-red.com.tw duke@cathay-red.com.tw ➢ Regular materiality assessment surveys of corporate sustainability topics ➢ Updating designated sections of the official website ➢ Holding labor management conferences ➢ Holding symposiums and publicity meetings ➢ Employee meeting

Stakeholders	Important issues of concern	Main responsibility of the Company	Communication channels
Customers/ consumers	<ul style="list-style-type: none"> ➢ Customer health and safety ➢ Customer satisfaction ➢ Legal compliance ➢ Customer privacy ➢ Innovation and development 	<ul style="list-style-type: none"> ➢ Provide products and services with competitive and high quality. ➢ Improve customer satisfaction and establish long-term, close and trustful partnership with customers with four guarantees, including clearly established ownership, construction in line with the drawings, timely completion, and sustainable service. ➢ Advocate all employees to comply with confidentiality agreements and employee response rules for customers. ➢ Focus on issues such as climate change and population aging, investing in energy conservation and carbon reduction, full-aging, green (including smart) buildings and master the development of new building materials, new construction methods and design. 	<ul style="list-style-type: none"> ➢ Contact Person: Ms. Chen, Customer Service Department ➢ Tel: 02-23779968#5740 ➢ Email: service@cathay-red.com.tw ➢ Regular materiality assessment surveys of corporate sustainability topics ➢ Updating designated sections of the official website ➢ Unscheduled customer satisfaction survey ➢ Direct communication
Partners (suppliers/ building contractors/ sales agents)	<ul style="list-style-type: none"> ➢ Supplier corporate sustainability promotion ➢ Purchasing Policies ➢ Sustainable development of the Company 	<ul style="list-style-type: none"> ➢ Understand and provide assistance for the companies to implement CS. ➢ Legal and fair trade. ➢ Understand the environmental, safety and health matters and specification details. Build long-term and mutually-trust business partnership with suppliers. 	<ul style="list-style-type: none"> ➢ Contact Person: Ms. Cheng, President Office ➢ Tel: 02-23779968#5800 ➢ Email: Corporate sustainability: csr@cathay-red.com.tw Integrity: honest@cathay-red.com.tw ➢ Regular materiality assessment surveys of corporate sustainability topics ➢ Updating designated sections of the official website ➢ Unscheduled conferences / training sessions ➢ Regular suppliers' assessment ➢ Organize supplier observation tour for direct communication
Government agencies	<ul style="list-style-type: none"> ➢ Ethical corporate management ➢ Legal compliance ➢ Environmental protection ➢ Public safety 	<ul style="list-style-type: none"> ➢ Good corporate citizens should follow government regulations, cooperate with government policies, and maintain good relations with the government. 	<ul style="list-style-type: none"> ➢ Contact Person: Ms. Cheng, President Office ➢ Tel: 02-23779968#5800 ➢ Email: csr@cathay-red.com.tw ➢ Regular materiality assessment surveys of corporate sustainability topics ➢ Updating designated sections of the official website ➢ Official correspondence ➢ Irregular discussion meeting/review meeting
Media	<ul style="list-style-type: none"> ➢ Legal compliance ➢ Economic performance ➢ Social welfare ➢ Environmental protection 	<ul style="list-style-type: none"> ➢ Maintain the correctness and immediacy of external communication information and seek to be transparent and open. Maintain the brand image of the 	<ul style="list-style-type: none"> ➢ Contact Person: Ms. Cheng, President Office ➢ Tel: 02-23779968#5800 ➢ Email: csr@cathay-red.com.tw

Stakeholders	Important issues of concern	Main responsibility of the Company	Communication channels
	<ul style="list-style-type: none"> ➢ Public safety 	Company.	<ul style="list-style-type: none"> ➢ Regular materiality assessment surveys of corporate sustainability topics ➢ Updating designated sections of the official website ➢ Nonscheduled press conference ➢ Product launch conference
Community residents/ neighboring rooms	<ul style="list-style-type: none"> ➢ Community participation ➢ Sewage and waste emissions ➢ Community impact ➢ Community development ➢ Community charity 	<ul style="list-style-type: none"> ➢ Maintain good relationships with adjacent houses and community residents in various ways (such as identification of adjacent houses and cleaning and repair of exterior walls). ➢ Pay attention to site pollution prevention and control and reduce construction dust. ➢ Smooth communication channels reducing the adjacent loss events. ➢ Invest in public benefit programs like community care and community libraries. 	<ul style="list-style-type: none"> ➢ Contact Person: Ms. Chen, Customer Service Department ➢ Tel: 02-23779968#5740 ➢ Email: csr@cathay-red.com.tw ➢ Regular materiality assessment surveys of corporate sustainability topics ➢ Updating designated sections of the official website ➢ Neighborhood visit ➢ Community care activities ➢ On-site communication of responsible personnel

(10) Succession planning for Board members and key management personnel:

Member of the Board of Directors:

The Company's articles of association clearly stipulate the nomination system for the election of Directors, and nominations are made in accordance with the Company's "Director Selection Procedures" and "Corporate Governance Best-Practice Principles" requirements for Board structure, diversification policy, professionalism, and ability. After the resolution of the Board of Directors is passed, it shall be submitted to the shareholders' meeting for election.

According to the Company's "Corporate Governance Best-Practice Principles", the composition of the Company's Board of Directors should consider the Company's operating structure, business development direction, and future development trends and make diversified arrangements for the basic composition, professional experience, knowledge and skills of Directors. In addition, the Board of Directors should have the capabilities of industry knowledge, operational judgment, accounting and financial analysis, business management, crisis management, global market outlook, leadership, decision-making, and risk management.

The successors of the Company's Directors should possess the aforementioned knowledge, skills, and accomplishments, and agree with the Company's core values of "integrity, responsibility, and innovation". In order to strengthen the diversity of the Board of Directors, and consider the Company's needs for diversification and business expansion, we recruit outsiders with management background and experience to join the Board of Directors.

In addition, in order to continuously strengthen the functions of Directors and improve the effectiveness of the Board of Directors, the Company considers external corporate governance trends, the Company's business development direction, and various requirements of competent authorities, based on the capabilities required to perform the duties of Directors, including finance and accounting, risk management, compliance with laws and regulations, information security, corporate governance, corporate sustainable development, etc., to provide relevant course arrangements according to the individual conditions and needs of Directors to assist Board members in their continuous education and improve the overall operational efficiency of the Board of Directors.

Key management personnel:

Facing the challenges of the rapidly changing business environment, the Company expects every colleague and supervisor to be equipped with learning ability, agility, communication ability and professional ability. Through the promotion of the cultivation and development journey, the ability development of managers at all levels is driven closer to the organizational development goals, and the momentum of sustainable career development is continuously strengthened. Based on this, various professional and management training courses are planned.

In order to ensure the depth of the important management and provide the manpower needs for the sustainable operation of the Company, the evaluation of the successor candidates not only considers their own professional qualifications and experience, but also considers the degree of adaptation to the Company's corporate culture, familiarity with business control and understanding of subsidiary management and other aspects. Through the vertical (promotion) and horizontal (rotation) flow of internal talents, the business vision and strategic structure of the leadership team are enhanced, thereby enriching the successor talent pool of important management levels.

Implementation Status:

1. Details of the continuing education of the Board members are as shown on page 101-102 of the Annual Report.
2. In order to strengthen the leadership and management skills of supervisors, enhance the succession team across all levels, and fully grasp the business of departments and subsidiaries, the Chairman, President, and head of departments, totaling to approximately 15 people, jointly participate in monthly management meetings.

3. To strengthen fundamental management functions, the Company implemented a mentoring system aligned with new employee probation periods. At the end of the probation period, specialized reports are presented on learning progress and development results, with feedback provided by senior managers including the Chairman and President. In 2025, a total of 14 colleagues participated in this program, and several have since been promoted to team supervisor roles. Additionally, to establish career roadmaps for different job categories, department-level and higher-level managers have participated in multiple training seminars with international management companies. Besides establishing job classification frameworks, they have also learned about talent identification and career development planning for personnel at various levels. In 2025, approximately 215 people completed 708.5 hours of relevant management competency training.

(IX) Implementation of the Internal Control System

1. Statement on Internal Control

Please refer to the Market Observation Post System:

<https://mops.twse.com.tw/mops/#/web/t06sg20>

2. Any CPA commissioned to conduct a project review of the ICS shall disclose the CPA's audit report: None.

(X) Key resolutions adopted by the Shareholders' Meeting and the Board of Directors in the most recent fiscal year up to the publication date of this annual report:

Shareholders' meetings/Board of Directors	Date	Important resolutions:
The 11th Session of the 20th Board of Directors Meeting	2025.1.23	<ol style="list-style-type: none"> 1. Authorize the Chairman to obtain credit facilities within the limit of NT\$70 billion from various financial institutions. 2. Approval of the business targets for 2025. 3. Approval of the amendments to the Company's "Remuneration Payment Standards for Managers". 4. Approval of the distribution of year-end bonuses and special bonuses to the directors and managers who participated in business operations in 2024. 5. Approval of the Company's "Corporate Sustainability Committee Charter". 6. Approval of the establishment of Corporate Sustainability Committee and the appointment of committee members. 7. Approval of the amendments to the Company's "Procedures for the Review of Acquisition or Disposal of Significant Assets". 8. Approval of the appointment to the subsidiary "San-Ching Engineering Co., Ltd." as the contractor for the new construction project of the Company's "Cathay Real Estate Building Urban Renewal Project" in Zhongshan District, Taipei City. <p>Note: The above important resolutions have been implemented.</p>

Shareholders' meetings/Board of Directors	Date	Important resolutions:
The 12th Session of the 20th Board of Directors Meeting	2025.3.12	<ol style="list-style-type: none"> 1. Approval of the "Statement on Internal Control System for the Year 2024" to be submitted to the Securities and Futures Bureau, Financial Supervisory Commission. 2. Approval of the Corporate Sustainability Development Strategy Plan for 2025. 3. Approval of the 2024 Business Report. 4. Approval of the 2024 Parent Company Only Financial Statements and Consolidated Financial Statements. 5. Approval of the proposal on 2025 CPA Appointment and Remuneration Review. 6. Approval of the matters related to the 2025 Annual Shareholders' Meeting, including the date, venue, and acceptance of shareholders' proposals. 7. Approval of the review of the implementation result of corporate sustainable development and integrity management in 2024. 8. Approval of the amendments to "the Corporate Sustainable Development Best Practice Principles" and "the Ethical Corporate Management Best Practice Principles". 9. Approval of the Personnel case of the Company's new Chief sustainability officer. 10. Approval of the Company's Plan for Long-Term Fundraising. <p>Note: The above important resolutions have been implemented.</p>
The 13th Session of the 20th Board of Directors Meeting	2025.4.28	<ol style="list-style-type: none"> 1. Approval of the distribution of surplus for 2024. 2. Approval of the consolidated financial statements for the first quarters of 2025. 3. Approval of the Company's subscription to shares of San-An Construction Co., Ltd. and the establishment of a joint venture with Mitsui Fudosan Taiwan Co., Ltd. for the joint development and operation of residential projects. 4. Approval of providing endorsement and guarantee for San-an Development Co., Ltd. 5. Approval of the amendments to the Company's "Operating Procedures for the Loaning of Funds and Making of Endorsements and Guarantees". 6. Approval of the designation of the custodian for the Company's seal used for endorsements and guarantees. 7. Approval of the amendments to the Company's "Articles of Incorporation". 8. Approval of the amendments to the Company's "Internal Control System". 9. Approval of the amendments to the Company's "Internal Control System for the Share Administration Unit". 10. Approval of the amendments to the Company's "Performance Evaluation Measures for the Board of Directors and Functional Committees". 11. Approval of the project that the Company intends to acquire the right-of-use assets of Taipei International Tower and Cathay Landmark Tainan from the related party "Cathay Life Insurance Co., Ltd. 12. Approval of the remuneration assessment for directors and managers who participated in business operations in 2024.

Shareholders' meetings/Board of Directors	Date	Important resolutions:
		<p>13. Approval of the remuneration assessment for independent directors in 2024.</p> <p>14. Approval of the distribution of employee and director compensation for 2024.</p> <p>15. Approval of the definition of the scope of non-executive employees as stipulated in the Articles of Incorporation and the related periodic evaluation policy.</p> <p>16. Approval of the agenda for the Company's 2025 Annual Shareholders' Meeting.</p> <p>Note: The above important resolutions have been implemented.</p>
2026 Shareholders' Meeting	2025.6.13	<p>1. Approval of the 2024 business report and financial statements (including consolidated financial statements).</p> <p>2. Approval of the distribution of surplus for 2024.</p> <p>3. Approval of the amendments to the Company's "Articles of Incorporation".</p> <p>4. Approval of the amendments to the Company's "Operating Procedures for the Loaning of Funds and Making of Endorsements and Guarantees".</p> <p>Note: The above matters have been resolved at the Shareholders' Meeting. Please refer to the Implementation of Resolutions of the Shareholders' Meeting on pages 121-122 for details.</p>
The 14th Session of the 20th Board of Directors Meeting	2025.6.13	<p>1. Approval of the ex-dividend of the company for the year 2025.</p> <p>Note: The above important resolutions have been implemented.</p>
The 15th Session of the 20th Board of Directors Meeting	2025.8.6	<p>1. Approval of the consolidated financial statements for the first half of 2025.</p> <p>2. Approval of the Company's "Risk Management Policy".</p> <p>3. Approval of the amendments to the Company's "Internal Control System" and "Internal Audit Implementation Rules".</p> <p>4. Approval of the sustainability report for the year 2024.</p> <p>5. Approval of the amendments to the Company's "Remuneration Payment Standards for Managers".</p> <p>6. Approval of the removal of non-compete restrictions for the Company's managers.</p> <p>7. Approval of the appointment of the subsidiary "San- Ching Engineering Co., Ltd." as the contractor for the new construction project of the Company in Fuduxin Section, Xinzhuang District, New Taipei City.</p> <p>8. Approval of the appointment of the subsidiary "San- Ching Engineering Co., Ltd." as the contractor for the new construction project of the Company in Wanhe Section, Sanmin District, Kaohsiung City.</p> <p>9. Approval of the appointment of the subsidiary "San- Ching Engineering Co., Ltd." as the contractor for the new construction project of the Company in Changming Section, Nantun District, Taichung City.</p> <p>10. Approval of the appointment of the subsidiary "San- Ching Engineering Co., Ltd." as the contractor for the new construction project of the Company in Beiyuan Section, North District, Tainan City.</p>

Shareholders' meetings/Board of Directors	Date	Important resolutions:
		<p>11. Approval of the appointment of the subsidiary "San- Ching Engineering Co., Ltd." as the contractor for the new construction project of the Company in Pingshi Section, East District, Tainan City.</p> <p>Note: The above important resolutions have been implemented.</p>
The 16th Session of the 20th Board of Directors Meeting	2025.11.5	<p>1. Approval of the consolidated financial statements for the first three quarters of 2025.</p> <p>2. Approval of the participation in the cash capital increase of Nankang International No. 1 Co., Ltd. and Nankang International No. 2 Co., Ltd.</p> <p>3. Approval of the Company's "2026 Audit Plan" to be submitted to the Securities and Futures Bureau of the Financial Supervisory Commission.</p> <p>4. Approval of the amendments to the Company's "Internal Control System" and "Internal Audit Implementation Rules".</p> <p>Note: The above important resolutions have been implemented.</p>
The 17th Session of the 20th Board of Directors Meeting	2026.1.28	<p>1. Authorize the Chairman to obtain credit facilities within the limit of NT\$70 billion from various financial institutions.</p> <p>2. Approval of the business targets for 2026.</p> <p>3. Approval of the distribution of year-end bonuses and special bonuses to the directors and managers who participated in business operations in 2025.</p> <p>Note: The above important resolutions have been implemented.</p>
The 18th Session of the 20th Board of Directors Meeting	2026.3.12	<p>1. Approval of the "Statement on Internal Control System for the Year 2025" to be submitted to the Securities and Futures Bureau, Financial Supervisory Commission.</p> <p>2. Approval of the amendments to the Company's "Internal Control System for the Share Administration Unit".</p> <p>3. Approval of the 2025 Business Report.</p> <p>4. Approval of the review of the implementation result of corporate sustainable development and integrity management in 2025.</p> <p>5. Approval of the Corporate Sustainability Development Strategy Plan for 2026.</p> <p>6. Approval of the amendments to the Company's "Corporate Sustainability Committee Charter" and the renaming of the "Corporate Sustainability Committee" to the "Corporate Sustainability and the Nomination Committee".</p> <p>7. Approval of the amendments to "the Corporate Sustainable Development Best Practice Principles" and "the Ethical Corporate Management Best Practice Principles".</p> <p>8. Approval of the 2025 Parent Company Only Financial Statements and Consolidated Financial Statements.</p> <p>9. Approval of the proposal on 2026 CPA Appointment and Remuneration Review.</p> <p>10. Approval of the amendments to the total contract amount of the demolition works contract for the old buildings located in the Rongxing Section, Zhongshan District, Taipei City.</p> <p>11. Approval of the appointment of the subsidiary "San- Ching Engineering Co., Ltd." as the contractor for the new construction project of the Company in Dongfeng Section, Beitun District, Taichung City.</p>

Shareholders' meetings/Board of Directors	Date	Important resolutions:
		12. Approval of the removal of non-compete restrictions for the Company's managers. 13. Approval of the election of the Company's 21st Board of Directors. 14. Approval of the matters related to the 2026 Annual Shareholders' Meeting, including the date, venue, and acceptance of shareholders' proposals. Note: The above important resolutions have been implemented.

(XI) Major contents of any dissenting opinions on record or stated in a written statement made by Directors (including Independent Directors) or Supervisors regarding key resolutions of the Directors' Meeting in the most recent year up to the publication date of this report: None.

III. Information Regarding Audit Fee

CPA Fee Information

Unit: NT\$ thousands

Name of CPA Firm	Name of CPA	CPA Audit Period (Note)	Audit Fees	Non-audit Fees	Total	Remark
Deloitte & Touche	Lin, Shu-Wan	2025.1.1-2025.12.31	\$3,617	\$3,772	\$7,389	-
	Shao, Chih-Ming			The service content includes annual tax compliance audit, direct deduction method review, transfer pricing report, consulting services for the adoption of Sustainability Disclosure Standards.		

Note: If the Company has replaced the CPAs or accounting firm in the current fiscal year, the audit period should be listed separately, and the reason for replacement should be stated in the "Remark(s)" column. Information regarding the audit and non-audit fees paid should also be disclosed in order. Non-audit fees should be annotated to explain the service content.

- (I) Changing an accounting firm and the audit fees paid in the year of the change are less than those in the year preceding the change: None.
- (II) Whether the audit fees were reduced by more than 10 percent compared to the previous fiscal year: None.

IV. **Information on Change of CPAs:** None.

V. **The Chairman, President, or Any Managerial Officer in Charge of Finance or Accounting Matters in the Most Recent Fiscal Year Holding a Position at the CPAs' Accounting Firm or an Affiliate of the Accounting Firm:** None.

VI. **Status of Share Transfer and Changes in Equity Pledge by the Directors, Supervisors, Managers, and Shareholders with Over 10% Shareholdings in the Most Recent Year until the Publication Date of the Annual Report**

- (I) Changes in shareholdings of Directors, Supervisors, managerial officers and substantial shareholders
 - i. For information on shareholding transfers, please refer to the Market Observation Post System (MOPS):

https://mops.twse.com.tw/mops/#/web/query6_1

The access path is as follows: Market Observation Post System (MOPS) > Shareholding Changes / Securities Issuance > Share Transfer Information Inquiry > Post-Transaction Reporting Form for Insider Shareholding Changes.

- ii. For information on changes in share pledge status, please refer to the Market Observation Post System (MOPS):

https://mopsov.twse.com.tw/mops/web/STAMAK03_1

The access path is as follows: Market Observation Post System (MOPS) > Shareholding Changes / Securities Issuance > Insider Share Pledge and Release > Announcement of Insider Share Pledge and Release.

- (II) Counterparties involved in equity transfer or pledging of equity are related parties: None.

VII. Relationship Among the Company's Top Ten Shareholders

Deadline: April 14, 2026; Unit: Shares; %

Name (Note 1)	Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Title or name and relationship of top 10 shareholders who are related parties or each other's spouses and relatives within the second degree of kinship (Note 3)		Remark
	Number of Shares	Proportion of shareholdings (%)	Number of Shares	%	Number of Shares	%	Name	Relationship	
Employee Pension Fund Management Committee of Cathay Life Insurance Co., Ltd. Representative: Wu, Jun-Hong	288,067,626	24.84%	0	0	0	0	Cathay Life Insurance Co., Ltd.	Is the sponsor of the fund	-
	0	0%							
Wan Pao Development Co., Ltd. Representative: Lin, Weng-Chuan	204,114,882	17.60%	0	0	0	0	Wan-Da Investment Co., Ltd.	Share the same Chairman	-
	0	0%							
Lin Yuan Investment Co., Ltd. Representative: Ye, Deng-Ke	56,349,814	4.86%	0	0	0	0	None	None	-
	0	0%							

Name (Note 1)	Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominees		Title or name and relationship of top 10 shareholders who are related parties or each other's spouses and relatives within the second degree of kinship (Note 3)		Remark
	Number of Shares	Proportion of shareholdings (%)	Number of Shares	%	Number of Shares	%	Name	Relationship	
Cathay Life Insurance Co., Ltd. Representative: Xiong, Ming-He	42,630,584	3.68%	0	0	0	0	Employee Pension Fund Management Committee of Cathay Life Insurance Co., Ltd.	Is an allottee of the Company	-
	0	0%							
He Xin Industrial Co., Ltd. Representative: Huang, Zhong-You	22,000,000	1.90%	0	0	0	0	None	None	-
	0	0%							
Wan-Da Investment Co., Ltd. Representative: Lin, Weng-Chuan	18,701,652	1.61%	0	0	0	0	Wan Pao Development Co., Ltd.	Share the same Chairman	-
	0	0%							
Zhensheng Industrial Co., Ltd. Representative: Chen, Cheng-Chih	17,500,000	1.51%	0	0	0	0	None	None	-
	0	0%							
Qiu, Nian-Bang	16,256,000	1.40%	0	0	0	0	None	None	-
HSBC Bank (Taiwan) Morgan Stanley & Co. International Plc	9,473,728	0.82%	0	0	0	0	None	None	-
HSBC Bank (Taiwan) Co., Ltd. is entrusted with custody of Goldman Sachs International Investment Account	8,003,204	0.69%	0	0	0	0	None	None	-

Note 1. All the top 10 shareholders shall be listed. For juristic person shareholders, their names and the name of their representatives shall be listed separately.

Note 2. Shareholding percentage is calculated separately based on the number of shares held in the name of the person, his/her spouse and minors, and others.

Note 3. Relationships between the aforementioned shareholders, including juristic person shareholders and natural person shareholders shall be disclosed based on the financial reporting standards used by the issuer.

VIII. Investment of the Company, the Company's subsidiary, the Company's Directors, Supervisors, Managers and Subsidiaries Directly or Indirectly Controlled by the Company on the Re-investment business, and Total Shareholding Ratio

Mar. 30, 2026; Units: share; %

Re-investment Business (Note)	Investment by the Company		Investment by Directors/Managerial Officers and Companies Directly or Indirectly Controlled by the Company		Total Investments	
	Number of Shares	Proportion of shareholdings Percentage	Number of Shares	Proportion of shareholdings Percentage	Number of Shares	Proportion of shareholdings Percentage
Cathay Real Estate Management Co., Ltd.	5,000,000	100%	0	0	5,000,000	100%
San-Ching Engineering Co., Ltd.	120,000,000	100%	0	0	120,000,000	100%
Lin Yuan Property Management Co. Ltd.	1,530,000	51%	0	0	1,530,000	51%
Cathay Hospitality Management Co., Ltd.	25,000,000	100%	0	0	25,000,000	100%
Cathay Hospitality Consulting Co., Ltd.	10,000,000	100%	0	0	10,000,000	100%
Cathay Food & Beverage Group Co., Ltd.	0	0	16,700,000	100%	16,700,000	100%
Cathay Healthcare Management Co., Ltd.	46,750,000	85%	0	0	46,750,000	85%
Cymbal Medical Network Co., Ltd.	60,000,000	100%	0	0	60,000,000	100%
Cymlin Co., Ltd.	0	0	22,500,000	100%	22,500,000	100%
Jinhua Realty Co., Ltd.	40,800,000	51%	0	0	40,800,000	51%
Bannan Realty Co., Ltd.	58,650,000	51%	0	0	58,650,000	51%
Sanchong Realty Co., Ltd.	183,480,000	66%	0	0	183,480,000	66%
Zhulun Realty Co., Ltd.	33,150,000	51%	0	0	33,150,000	51%

Note: Invested by the Company using the equity method

Chapter 3. Funding Status

I. Capital and Shares

(I) Source of Capital

Year/Month	Offering Price	Authorized Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount (NT\$)	Number of Shares	Amount (NT\$)	Source of Capital	Capital Increase by Assets Other than Cash	Others
1964.12	10	10,000,000	100,000,000	10,000,000	100,000,000	Establishment in Cash	None	September 14, 1964 J.X.Z. No. 0731
1969.08	10	11,500,000	115,000,000	11,500,000	115,000,000	Capital increase from retained earnings 1,500,000 new shares issued	None	May 28, 1969 Z.G. (58) F.Z. No. 0559
1970.12	10	11,960,000	119,600,000	11,960,000	119,600,000	Capital increased by surplus and capital surplus 460,000 new shares issued	None	September 29, 1970 Z.G. (59) F.Z. No. 0920
1971.10	10	20,000,000	200,000,000	20,000,000	200,000,000	Capital increased by cash 8,040,000 new shares issued	None	June 4, 1971 Z.G. (60) F.Z. No. 0467
1972.08	10	25,000,000	250,000,000	25,000,000	250,000,000	Capital increased by cash and capital increased by surplus 5,000,000 new shares issued	None	June 20, 1972 Z.G. (61) F.Z. No. 0480
1973.09	10	50,000,000	500,000,000	50,000,000	500,000,000	Capital increased by cash and capital increased by surplus and capital surplus 25,000,000 new shares issued	None	June 2, 1973 Z.G. (62) F.Z. No. 0656
1974.09	10	55,250,000	552,500,000	55,250,000	552,500,000	Capital increased by surplus and capital surplus 5,250,000 new shares issued	None	August 17, 1974 Z.G. (63) Y.Z. No. 1371
1976.11	10	70,000,000	700,000,000	70,000,000	700,000,000	Capital increased by cash and capital increased by surplus	None	August 9, 1976 Z.G. (65) Y.Z. No. 0991

Year/Month	Offering Price	Authorized Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount (NT\$)	Number of Shares	Amount (NT\$)	Source of Capital	Capital Increase by Assets Other than Cash	Others
						14,750,000 new shares issued		
1978.09	10	110,000,000	1,100,000,000	110,000,000	1,100,000,000	Capital increased by cash and capital increased by surplus 40,000,000 new shares issued	None	June 20, 1978 Z.G. (67) Y.Z. No. 0671
1979.10	10	126,200,000	1,262,000,000	126,200,000	1,262,000,000	Capital increase from retained earnings 16,200,000 new shares issued	None	September 6, 1979 Z.G. (68) Y.Z. No. 28893
1980.09	10	140,000,000	1,400,000,000	140,000,000	1,400,000,000	Capital increase from retained earnings 13,800,000 new shares issued	None	July 7, 1980 Z.G. (69) Y.Z. No. 0822
1981.10	10	161,000,000	1,610,000,000	161,000,000	1,610,000,000	Capital increase from retained earnings 21,000,000 new shares issued	None	August 10, 1981 Z.G. (70) Y.Z. No. 0256
1983.12	10	165,830,000	1,658,300,000	165,830,000	1,658,300,000	Capital increased by capital surplus 4,830,000 new shares issued	None	November 16, 1983 (72) T.C.Z. (Y.) No. 2538
1984.10	10	170,804,900	1,708,049,000	170,804,900	1,708,049,000	Capital increased by capital surplus 4,974,900 new shares issued	None	October 1, 1984 (73) T.C.Z. (Y.) No. 2778
1985.10	10	191,301,488	1,913,014,880	191,301,488	1,913,014,880	Capital increase from retained earnings 20,496,588 new shares issued	None	October 8, 1985 (74) T.C.Z. (Y.) No. 14836
1986.12	10	210,431,636	2,104,316,360	210,431,636	2,104,316,360	Capital increased by surplus and capital surplus 19,130,148 new shares issued	None	October 16, 1986 (75) T.C.Z. (Y.) No. 14881

Year/Month	Offering Price	Authorized Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount (NT\$)	Number of Shares	Amount (NT\$)	Source of Capital	Capital Increase by Assets Other than Cash	Others
1987.10	10	231,474,799	2,314,747,990	231,474,799	2,314,747,990	Capital increase from retained earnings 21,043,163 new shares issued	None	July 8, 1987 (76) T.C.Z. (Y.) No. 00641
1988.09	10	266,196,018	2,661,960,180	266,196,018	2,661,960,180	Capital increase from retained earnings 34,721,219 new shares issued	None	June 30, 1988 (77) T.C.Z. (Y.) No. 08548
1989.10	10	306,125,420	3,061,254,200	306,125,420	3,061,254,200	Capital increase from retained earnings 39,929,402 new shares issued	None	July 20, 1989 (78) T.C.Z. (Y.) No. 25500
1991.03	10	413,025,480	4,130,254,800	413,025,480	4,130,254,800	Capital increased by cash and capital increased by surplus 106,900,060 new shares issued	None	October 19, 1990 (79) T.C.Z. (Y.) No. 02712
1991.09	10	578,235,672	5,782,356,720	578,235,672	5,782,356,720	Capital increase from retained earnings 165,210,192 new shares issued	None	June 29, 1991 (80) T.C.Z. (Y.) No. 01346
1992.09	10	722,794,590	7,227,945,900	722,794,590	7,227,945,900	Capital increased by surplus and capital surplus 144,558,918 new shares issued	None	June 30, 1992 (81) T.C.Z. (Y.) No. 01463
1993.09	10	867,353,507	8,673,535,070	867,353,507	8,673,535,070	Capital increased by surplus and capital surplus 144,558,917 new shares issued	None	June 18, 1993 (82) T.C.Z. (Y.) No. 01468
1994.09	10	1,085,918,347	10,859,183,470	1,085,918,347	10,859,183,470	Capital increased by surplus and capital surplus 218,564,840 new shares issued	None	June 24, 1994 (83) T.C.Z. (Y.) No. 28893
1995.09	10	1,303,102,016	13,031,020,160	1,303,102,016	13,031,020,160	Capital increased by surplus and capital surplus 217,183,669 new shares issued	None	June 13, 1995 (84) T.C.Z. (Y.) No. 35033

Year/Month	Offering Price	Authorized Capital		Paid-in Capital		Remarks		
		Number of Shares	Amount (NT\$)	Number of Shares	Amount (NT\$)	Source of Capital	Capital Increase by Assets Other than Cash	Others
1996.05	10	1,433,412,217	14,334,122,170	1,433,412,217	14,334,122,170	Capital increase from retained earnings 130,310,201 new shares issued	None	June 8, 1996 (85) T.C.Z. (Y.) No. 36644
1997.08	10	1,519,416,950	15,194,169,500	1,519,416,950	15,194,169,500	Capital increase from retained earnings 86,004,733 new shares issued	None	June 11, 1997 (86) T.C.Z. (Y.) No. 46297
1998.08	10	1,595,387,797	15,953,877,970	1,595,387,797	15,953,877,970	Capital increased by capital surplus 75,970,847 new shares issued	None	June 15, 1998 (87) T.C.Z. (Y.) No. 51500
1999.08	10	1,675,157,186	16,751,571,860	1,675,157,186	16,751,571,860	Capital increased by surplus and capital surplus 79,769,389 new shares issued	None	June 19, 1999 (88) T.C.Z. (Y.) No. 53897
2001.04	10	1,675,157,186	16,751,571,860	1,619,823,186	16,198,231,860	The first capital decrease in treasury stock 55,334,000 share	None	February 8, 2001 (90) T.C.Z. (S.) No. 105264
2001.11	10	1,619,823,186	16,198,231,860	1,606,107,186	16,061,071,860	The second capital decrease in treasury stock 13,716,000 share	None	October 9, 2001 (90) T.C.Z. (S.) No. 159903
2002.01	10	1,606,107,186	16,061,071,860	1,570,971,186	15,709,711,860	The third capital decrease in treasury stock 35,136,000 share	None	Oct. 29, 2001 (90) T.C.Z. (S.) No. 172262
2002.12	10	1,570,971,186	15,709,711,860	1,567,186,186	15,671,861,860	The fourth capital decrease in treasury stock 3,785,000 share	None	Feb. 11, 2002 (91) T.C.Z. (S.) No. 0910164510
2003.09	10	1,656,515,798	16,565,157,980	1,656,515,798	16,565,157,980	Capital increased by surplus and capital surplus 89,329,612 new shares issued	None	July 17, 2003 (92) T.C.Z. (Y.) No. 0920132017
2016.10	10	2,000,000,000	20,000,000,000	1,159,561,059	11,595,610,590	Capital decreased by 496,954,739 shares in cash	None	July 28, 2016 J.G.Z.F.Z. No. 1050028001

Share Type	Authorized Capital (Shares)			Remarks
	Issued Shares Outstanding Shares (stocks listed on Taiwan Stock Exchange)	Unissued Shares	Total	
Common stock	1,159,561,059	840,438,941	2,000,000,000	-

Information on the shelf registration system: None.

(II) List of Major Shareholders

April 14, 2026

Name of Major Shareholders	Share	Number of Shares Held (In Shares)	Shareholding Ratio
Employee Pension Fund Management Committee of Cathay Life Insurance Co., Ltd.		288,067,626	24.84%
Wan Pao Development Co., Ltd.		204,114,882	17.60%

Note 1. Shareholders who hold more than 5% of the shares are disclosed.

Note 2. Please refer to pages 113-114 for the list of top 10 shareholders with the largest shareholdings, as well as the number of shares held and shareholding ratios.

(III) Implementation of Resolutions of the Shareholders' Meeting

1. In response to economic and market environmental changes, the company is moving toward diversified investments to increase profitability. Considering long-term financial planning and future capital requirements, our dividend policy adopts a residual dividend approach to ensure stable growth and sustainable operations.
2. If the Company earns a profit for the year, between 0.1% and 1% of such profit shall be distributed as employee compensation, of which no less than 50% shall be allocated to non-executive employees, with the remaining portion allocated to executive employees. In addition, no more than 1% of the profit shall be distributed as compensation to directors and supervisors. However, any accumulated losses of the Company shall first be covered.
3. If the Company makes a profit in a year, after paying taxes in accordance with the law, it should offset any losses from previous years, and then allocate a legal reserve and a special reserve, pursuant to law. The remaining balance (hereinafter referred to as current year's earnings) plus unappropriated retained earnings from the beginning of the period and the legally reversed special reserve will serve as the distributable profit. The Board of Directors shall prepare a profit distribution proposal based on the Company's operational strategy and submit it to the shareholders' meeting for resolution to distribute dividends or retain earnings.

4. Based on the Company's operational planning and capital investment, as well as taking into account shareholders' cash inflow requirements and avoiding over expansion of share capital, profit is to be first distributed in a form of cash dividend, followed by stock dividend. However, the total amount of dividend distribution shall not be less than 20% of surplus of the year, and cash dividend distribution ratio shall not be less than 50% of total dividend.
5. When the aforementioned special surplus reserve is present, the net amount of other equity deductions for the current period should be deducted from the amount of the current net profit after tax plus the amount of items other than the current net profit after tax included in the current unappropriated earnings, and the same amount of special surplus reserve should be provided. If there is still a shortfall, it will be withdrawn from the previous unappropriated earnings. However, if the net amount of other equity deductions accumulated in previous periods is still insufficient, the same amount of special surplus reserve should be provided from the current net profit after tax plus the amount of items other than the current net profit after tax included in the current unappropriated earnings.

The principles above have been approved by the Board meeting and shareholders' meeting and set out in the Articles of Incorporation. The future dividends shall be allocated in accordance with the dividend policy set out in the Articles of Incorporation.

6. Distribution of dividends proposed at the most recent shareholders' meeting

The Company's 2025 earnings distribution proposal has not yet been resolved by the Board of Directors of the Company.

7. Expected significant changes in the dividend policy: None.

(IV) Status of Resolutions Made by Shareholders' Meetings

1. The following matters have been approved at the shareholders' meeting on June 13, 2025, and hence implemented:

- (1) 2024 Business Report and Financial Statements.

- (2) 2024 Earnings Distribution Proposal.

Implementation Status: For the allocation of earnings for 2024, July 18, 2025 was the ex-dividend base date, and a cash dividend of NT\$1,159,561,059 was distributed (NT\$1 per share) at the payment date of August 8, 2025. The Company had completed the payment.

- (3) Approval of the amendments to the Company's "Articles of Incorporation".

- (4) Approval of the amendments to the Company's "Operating Procedures for the Loaning of Funds and Making of Endorsements and Guarantees".
- (V) The impacts of issuing stock grants in this shareholder's meeting on the Company's operational performance and earnings per share: None.
- (VI) Compensation of employees, directors, and supervisors
1. The percentage or scope of compensation of employees, Directors and Supervisors as set out in the Articles of Association: Please refer to the dividend policy in Article (III) above.
 2. Accounting treatment for any discrepancy between the estimate foundation of current compensation of employees, Directors and Supervisors, calculation foundation of the number of shares in the compensation of employees allocated in stocks and the actual amount allocated and the number estimated: the estimation shall be made by the after-tax net profit as of 2025 in consideration of legal reserve and other factors on the basis of the percentage set out in the Articles of Association. However, if there is a discrepancy between the actual allocated amount proposed by the shareholders' meeting and the estimated number afterward, it will be listed as the profit and loss in 2026.
 3. Status of compensation distribution for 2025 as approved by the Board of Directors (2026.3.12):
 - (1) Compensation of employees, Directors and supervisors allocated in cash or stock: Employees were paid with NT\$3,567 thousands and Directors NT\$2,400 thousands both in cash.
 - (2) Ratio of employee compensation allocated in stock to the total of after-tax net profit in the current parent company only or individual financial report and the employee compensation: None
 4. The distribution of employee bonuses and compensation of Directors and supervisors for 2024 implemented in 2025:

The employee bonus of NT\$1,976 thousands and the compensation of Directors of NT\$2,400 thousands were distributed in cash in line with the resolution of the Board of Directors.
- (VII) Buyback of Treasury Stock: None.

II. Issuance of Corporate Bonds: None.

III. Issuance of Preferred Shares: None.

IV. Issuance of Overseas Depository Receipts: None.

V. Issuance of Employee Stock Options: None.

VI. Issuance of New Restricted Employee Shares: None.

VII. Status of New Shares Issuance in Connection with Mergers and Acquisitions: None.

VIII. Implementation of Capital Utilization Plan: None.

Chapter 4. Operational Highlights

I. Business Activities

(I) Scope of Business

1. Main business operations of the Company

- (1) Retail Sale of Medical Apparatus
- (2) Department Stores
- (3) Car Rental Business
- (4) Parking area Operators
- (5) Housing and Building Development and Rental
- (6) Industrial Factory Development and Rental
- (7) Specific Area Development
- (8) Investment, Development and Construction in Public Construction
- (9) New Towns, New Community Development
- (10) Process Zone Expropriation and Urban Land Readjustment Agency
- (11) Urban Renewal Reconstruction
- (12) Urban Renewal Renovation or Maintenance
- (13) Construction Manager
- (14) Real Estate Business
- (15) Real Estate Leasing
- (16) Management Consulting
- (17) Other Consulting Service
- (18) All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

2. Proportion of Consolidated Business Activities in 2025

Unit: NT\$ thousands

Item	Amount	Percentage (%)
Sales of buildings and land	13,290,500	54.72%
Construction income	4,888,456	20.13%
Service revenue	5,165,287	21.26%
Rent income	663,773	2.73%
Others	281,218	1.16%
Total	24,289,934	100.00%

3. The Company's Current Products and Planned Developments of New Products

The Company's main products currently focus on investing in, the construction and sales of residential buildings with elevators. In 2026, the Company plans to launch four projects, one each in Taipei, Taichung, Tainan, and Kaohsiung. These projects will be publicly sold based on the economic conditions and market situations.

(II) Industry Overview

1. Current state and development of the industry

Reviewing the residential property market in recent years, beginning in 2020, an extended low-interest-rate environment and accommodative global monetary policies generated ample domestic liquidity, driving simultaneous increases in both transaction volumes and prices in the housing market. However, as rapidly rising property prices drew growing public concern, the government introduced a series of market cooling measures in succession, including Real Price Registration 2.0, amendments to the House and Land Transactions Income Tax, credit controls, and revisions to the Equalization of Land Rights Act. These measures progressively shifted the market structure away from short-term speculation toward owner-occupancy and long-term holding. By the end of 2024, as tightened credit control policies took deeper hold, the residential market had clearly entered a phase of "rationalization and return to fundamentals." Entering 2025, the market stabilized gradually after initial turbulence at the start of the year. The overall housing market exited the rapid-expansion phase of prior years—when liquidity conditions had been the primary driver—and transitioned into a period of low-level consolidation. Market competition returned to the fundamentals of solid end-user demand, product competitiveness, and location. The Central Bank's credit controls continued to exert influence, while stricter bank mortgage lending caps raised the financial threshold for home purchases, causing short-term investment demand to recede markedly.

Despite the equity market repeatedly reaching new highs, financing constraints cast a long shadow over buyer sentiment. Against this subdued backdrop, the primary buyer cohort consisted of genuine end-users driven by solid demand; however, prevailing hesitancy led many to extend their decision-making timelines, resulting in an increasingly cautious purchasing climate. Whether the buoyant equity market will eventually translate into greater willingness to buy among these end-user buyers remains a development worth continued observation.

On the supply side, most developers adjusted their development pace following the market downturn. Project launch strategies in 2025 broadly shifted toward a more conservative posture, with new supply becoming more restrained. On the demand side, as property prices remained at elevated base levels and lending conditions tightened, homebuying decision timelines lengthened. Solid end-user demand constituted the primary market force, while the stimulative effect of the new housing loan program for young homebuyers gradually normalized from its peak. On the pricing side, with land and construction costs remaining persistently high, the scope for significant price corrections is limited. Overall, the residential market in 2026 is expected to continue along the principal theme of "price consolidation, volume contraction, and project-by-project performance differentiation." In the near term, the market remains in an adjustment phase. Transaction volumes are expected to stay subdued and stable, with price performance driven primarily by individual project characteristics. Ongoing attention will be paid to whether the government introduces new housing market regulatory measures or favorable policy signals to stimulate activity.

2. Correlations between upstream, midstream and downstream Industries

Item	Description	Legend
Upstream	Financial institution that includes land, construction industry (including supply industries such as building materials and raw materials) and capital supply.	<pre> graph TD Landlords --> CC[Construction companies] Building_firms[Building firms] --> CC Financial --> CC CC --> SA[Sales Agency] CC --> CB[Construction brokers] SA --> HP[House-purchase] SA --> Enterprises CB --> HP CB --> Enterprises </pre>
Midstream	Construction companies oriented, and sales related industries (such as advertising agency companies and construction manager companies).	
Downstream	Generally, the house-purchase group and enterprises.	

3. Product Trends

(1). Architectural brand leadership

With the improvement of the standard of national lives, customers are requiring a higher standard of building facade, structure planning, construction quality and other details. Therefore, excellent customer service and brand image catering for consumers will become one of the key points to sell products in the future.

(2). Futuristic design

Due to changes in consumer demand patterns, strengthening the product functions such as health, technology, environmental protection, leisure, safety, comfort and high quality, considering the future development, and enhancing the value of construction will become the mainstream trend in the future. Additionally, the Company has established a strong reputation and brand image in the market and places an immense value on sustainable after-sales support.

(3). Economical and environment-friendly construction

In the era where the raw materials increase gradually, how to ensure construction quality, protect the environment and save materials will become the focus of high-quality buildings in the future.

(4). Integrated community living function

In the future, the integrated living functions will be emphasized in new communities. Baby sitting, fitness, catering, conference, recreation and entertainment will be the necessary living functions in communities.

4. Competition

The product design of the real estate market must conform to local characteristics, but there shall be difference between regional projects. With changes in market demand, the product types shall be adjusted rapidly and timely, and market segmentation shall be done based on regional customer characteristics, in order to expand the Company's operating scale with diverse products. In recent years, the Company has been developing projects mainly in the metropolitan areas like Taipei-Keelung metropolitan area, Taoyuan, Hsinchu, Taichung, Tainan and Kaohsiung. The adamant management team, sound financial planning, professional R&D and design, and solid engineering construction are the maximum competitive condition of the Company. In addition, the Company emphasizes permanent after-sales service and has established a good reputation and brand image in the market.

(III) Technology and R&D Overview

In order to strengthen the transparency of the real estate market information, improve the development of the real estate market, and fulfill the corporate social responsibility, the Company has been preparing the Cathay Real Estate Index with academic institution

since the end of 2002 for 24 years in 2026. More than NT\$3.2 million of budget is invested in the preparation every year, and it has become one of the important sources of reference of domestic real estate information. In terms of R&D of product technology, we have invested lots of manpower and funds in the fields of planning, design, building materials and equipment. Therefore, the projects developed by the Company can be favored by customers and sold well in a short period of time. In recent years, with the purpose of breaking through design thinking, we also introduced foreign design teams to enable the Company's products to be more competitive.

1. Industry Trends

- (1) Changes in the real estate business cycle
- (2) Evolution of the real estate market products
- (3) Quarterly Report of Cathay Real Estate Index

2. Architectural technology

- (1) Control of architecture construction cost
- (2) Discussion on the standard construction period
- (3) Discussion on construction laws and building products
- (4) Discussion on building construction specifications
- (5) Discussion on green building design
- (6) Discussion on intelligent construction equipment
- (7) Discussion on earthquake-resistant buildings
- (8) Discussion on energy-saving and carbon-reduced equipment

(IV) Long-term and Short-term Development

1. Long-term Development

(1) Branding

Implement the Company's core values, business philosophy and four guarantees, keep initiative, innovate services, and pursuit of excellence, in order to achieve the philosophy of sustainable development and sustainable service. The Company continues executing the brand optimization and implement action plan, leverage Cathay's advantages, enhance the comprehensive quality, knowledge management and digital transformation based on the thinking of "Quality

Lifetime House”, and maintain and continue the brand value through sustainable services.

(2) Land Development

After strengthening and stabilizing the core business, we have also introduced our business philosophy and integrated digital technology into the development of real estate and created added value to enhance our competitive edge, expand the business scale, diversify development models, actively participate in the development of commercial and complex buildings, and stride forward toward the vision of becoming a comprehensive developer.

(3) Product Planning

Through incorporation of the concept of sophisticated practical planning and design, coupled with digital technology, environmental protection, and energy-saving techniques, thoughtful designs were introduced; increasing product added value, and catering to the needs of the target customer group, creating product differentiation and enhancing product competitiveness.

(4) Marketing

Build and improve the customer database management system using digital integration and big data analysis, in order to keep abreast of the marketing trends, integrate the Group's resources and synergies, diversify the contents of plans, and create a new sales strategy.

(5) Customer Service

Use the customer database and management system to conduct data analysis and feedback, strengthen customer service APP functions, and combine group resources to expand the scope of customer service, so that customers can experience the peace of mind and comfort from residential buildings to healthy living circles, so as to meet customer diversification demand to strengthen the Company's brand value and reputation.

2. Short-term Development

(1) Branding

"Create value, deepen brand", actively differentiate product markets, create brand niches, so as to win customer recognition and avoid price wars of homogenization.

(2) Project Development

The Company will continue to maintain the basic reserve of projects and develop lands in diversified ways, such as bidding for more public and commercial urban renewal projects, joint venture development with strategic partners, etc. On the other hand, we will prudently operate the existing re-investing business and actively work on efficiency optimization and site expansion to increase the service capacity and expand the territory. In addition, we will actively evaluate the layout of the new blue-sea business in order to move towards diversified operations.

(3) Product Planning

With sophisticated and practical planning and design concepts, combined with digital technology, environmental protection and energy-saving technologies, we will increase the intimate and added value of products in line with the needs of various target customers to enhance the product competitiveness.

(4) Marketing

Innovate marketing strategies, and break through market competition by combining the professional resources of architects, designers, sales agents, and relevant fields, diversify the contents of plans, and integrate the Group's synergies.

(5) Customer Service

The integration of Group resources with the application of digital technology, strengthening customer service repair website and online material selection functions, the Company launched a credit card in 2016, providing discounts to customers who have made purchases the Group's from affiliated companies. The Company also promoted the LINE official account service function to further enhance service quality and efficiency.

II. Market, Production, and Sales Overview

(I) Market Analysis

1. Sales (Service) Regions

The Company has business points in Taipei, Taichung, Tainan and Kaohsiung, and its business area includes the main metropolitan area of Taiwan. The supply and demand of the major metropolitan areas in Taiwan in the past two years are shown in the table below.

	2024		2025	
	Launched amount (Hundreds of Millions)	30-day sales rate (%)	Launched amount (Hundreds of Millions)	30-day sales rate (%)
Taipei	3,658	14.96	2,404	6.98%
New Taipei	3,964	13.44	3,942	6.85%
Taoyuan	2,762	17.27	2,059	4.78%
Hsinchu	703	17.35	282	9.53%
Taichung	3,891	13.99	2,516	5.76%
Tainan	1,355	23.96	1,078	8.32%
Kaohsiung	2,360	26.13	1,292	8.03%
Nationwide	18,693	17.63	13,573	6.51%

Data source: Quarterly Report of Cathay Real Estate Index. 30-day sales rate refers to the sales situation in the month of launch, excluding subsequent sales.

2. Market Share

There is no statistical data on the rental and sales of houses in Taiwan, and it is impossible to calculate the market share, only an overview of the same industry is listed.

Unit: NT\$ thousands

Company Name	2025 revenue		Company Name	2025 revenue	
	Amount	Rank		Amount	Rank
Farglory	31,072,102	1	CATHAY RED	13,543,253	11
REC	24,928,153	2	CROWELL	12,276,492	12
Highwealth	24,329,284	3	HWANG CHANG	10,591,325	13
KEDGE	21,465,796	4	Hong Pu	10,460,551	14
GBM	19,614,834	5	New Asia	10,339,989	15
BES	19,447,801	6	TE CHANG	10,278,871	16
DA-CIN	19,380,688	7	Shin Ruenn	9,454,667	17
HUAKU	18,237,137	8	KSECO	9,033,894	18
YeaShin	17,403,795	9	DA-LI CO.,LTD.	7,887,399	19
SAKURAD	14,003,380	10	CHIEN KUO	7,074,193	20

Data source: MOPS

3. Future supply & demand and growth of the market

According to the Cathay Real Estate Index quarterly research report, the trend in new-to-market project data throughout 2025 reflected a pattern of "stable prices and volume consolidation." This was attributable primarily to the gradual diminishing of the new housing loan program for young homebuyers' effect and the Central Bank's continued restrictive credit control stance, both of which weighed on market demand during the first half of 2025. Fortunately, the market progressively adapted to lending restrictions in the second half of the year, and transaction volumes edged higher, supported by policy fine-tuning and year-end seasonal demand. Overall buyer sentiment, however, continued to mirror the cautious tone of the preceding year. Looking ahead to market trends in 2026, with the seventh round of credit controls remaining in force, the housing market is expected to sustain its broadly restrictive tone. The overall market, operating under the dual pressure of policy headwinds and economic structural transition, is anticipated to enter a phase of structural divergence, with notable variation in performance across regions and product types, resulting in a market characterized by "contracting volume and consolidating prices."

Regarding supply and demand in the real estate market, influenced by policy tightening and a more constrained funding environment, developers adopted a generally conservative approach to project launches in the first half of 2025. In the second half of the year, launch momentum saw a modest recovery, driven by year-end timing considerations and developers' desire to avoid carrying projects over into the following year. While the total value of launches remained at a meaningful scale, the pace of new project releases became more measured overall. The total value of new projects launched nationwide declined moderately compared with 2024. With overall housing market policies remaining in restrictive mode, buying activity is expected to stay suppressed, and the 2026 market is anticipated to be sustained primarily by solid end-user demand, with performance continuing to diverge on a project-by-project basis.

Overall, the 2025 real estate market retained reasonably sound fundamentals, supported by economic momentum driven by the AI technology sector. Nevertheless, market activity cooled noticeably under the combined weight of housing policy constraints, tighter financing conditions, and affordability pressures. In the near term, the transaction structure is expected to remain characterized by "stable prices and consolidating volume." The following summarizes the key factors anticipated in influencing real estate market conditions in the coming year:

(1) International situation

Against the backdrop of gradually cooling global inflation, major central banks have successively initiated interest rate cutting cycles, leading to a notable improvement in global liquidity compared to the previous year. Benefiting from the gradual adaptation to the impact of Trump's tariff policies and the surge in asset prices driven by the AI investment boom, the IMF has revised its global economic growth forecast for 2026 upward to 3.3%, reflecting a trend of moderate expansion. However, risks to the global economic outlook remain, as high levels of uncertainty persist regarding a potential AI bubble, geopolitical conflicts, and the trade policy directions of major economies.

(2) Policy

The domestic real estate market continues to be influenced by policy regulations, as the Central Bank has maintained the seventh wave of credit control measures. Through financial inspections and stricter lending management, speculative demand has been curbed to safeguard financial stability. Supported by the New Housing Loan for Young First-Home Buyers policy, market demand has shifted back toward owner-occupiers and first-time buyers, resulting in a slower transaction pace. At the same time, the government is promoting urban renewal and the reconstruction of unsafe and old buildings, using tax incentives and additional floor area bonuses to guide the transformation of the housing supply structure.

(3) Economic growth rate

Driven by strong investment and export momentum in the AI-related industry chain, Taiwan's economic growth in 2025 outperformed the level of the previous year. The Directorate-General of Budget, Accounting and Statistics revised up its full-year GDP growth forecast in the fourth quarter, indicating that the recovery in external demand provided clear support for overall economic conditions. However, due to the high comparison base, economic growth momentum in 2026 is expected to moderate, though it should remain relatively stable.

(4) Interest rate and price

As global inflationary pressures gradually eased, major economies entered interest-rate-cut cycles. However, considering that domestic inflation remained moderate and economic growth momentum stayed resilient, Taiwan's Central Bank kept policy rates unchanged throughout 2025—marking seven consecutive holds—while maintaining its credit control measures, keeping overall funding costs at a relatively elevated level. In addition, the Directorate-General of Budget, Accounting and Statistics (DGBAS) forecasts that Taiwan's consumer price

index (CPI) annual growth rate will slow to around 1.61% in 2026, indicating relatively stable inflationary pressure.

4. Competitive Niches

- (1) Excellent brand image
- (2) Steady financial situation
- (3) Professional R&D and design
- (4) Solid engineering construction
- (5) Sustainable after-sales service

5. Favorable and Unfavorable Factors in the Long Term and Strategies

(1) Favorable Factors

- a. Taiwan maintains a leading position in advanced semiconductor manufacturing. The continued growth of the AI industry has driven robust export performance, further supporting overall economic development.
- b. Under the impact of credit tightening policies, speculative investors have largely exited the market. Pre-sale housing demand is now primarily driven by owner-occupiers with rigid housing needs, resulting in relatively clear and stable demand.

(2) Unfavorable Factors

- a. The scarcity of land in prime areas of Greater Taipei has driven up land acquisition costs. Coupled with the continued increase in construction costs, overall development costs have risen. In addition, selective credit controls have not yet been significantly relaxed, leading to a contraction in housing market transaction momentum.
- b. International uncertainties remain elevated, including cross-strait developments, geopolitical conflicts, and financial and economic uncertainties. These factors may affect the stability of global supply chains and, in turn, influence domestic policy directions, potentially impacting future trends in the housing market.

(3) Countermeasures

- a. Evaluate development projects prudently and strengthen product planning to increase added value and to reduce the impact of increasing costs.

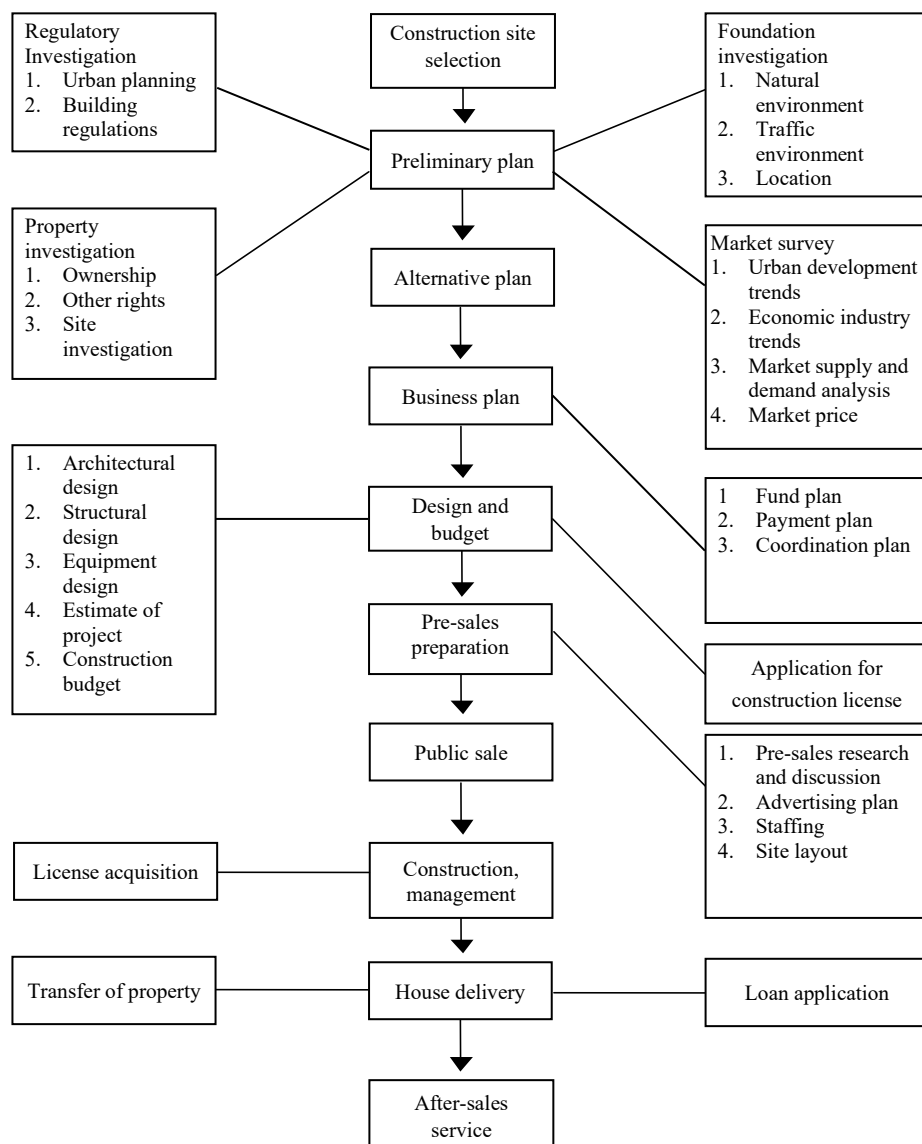
- b. In addition to the downtown essence zone, the potential suburb lands shall be actively evaluated and purchased and the diversified land development methods shall be expanded, such as joint construction or urban renewal business.
- c. Make effective use of the advantages of the Group's value chain and properly deploy new business investments to strengthen diversified operations and achieve synergy.

(II) Production Procedures of Main Products

1. Major Products and Their Main Uses

The Company invests in and constructs various types of products in the major metropolitan areas of North, Central and South Taiwan based on the different demands of customers in each region. The main products can, depending on their functions, be divided into two categories, residential buildings and commercial buildings. The residential buildings are residence-purposed, including open-air villas and high-quality residential buildings with elevators; and the commercial buildings are commerce-purposed, such as shopping malls, high-end office buildings, integrated commercial buildings and hotel and hospitality buildings.

2. Production processes of major products



(III) Supply Status of Main Materials

The Company's primary raw material is land. Land sources are obtained not only through public tenders conducted by the National Property Administration and local governments, as well as government-led urban renewal projects, but also through referrals from land intermediaries and the Company's own land sourcing efforts. Land is primarily acquired through outright purchases or joint development arrangements with landowners. In addition, the Company conducts project-based evaluations of various development models, including urban renewal projects, joint developments associated with mass rapid transit systems, superficies rights on state-owned land, and BOT projects, in order to broaden the scope of its development pipeline.

At the current stage, the Company's land acquisition strategy primarily focuses on high-quality sites in prime urban locations and land within redevelopment zones, supplemented by suburban areas with well-developed living amenities, as well as land currently

undergoing land readjustment or zone expropriation. In addition to actively participating in public land tenders and government-led urban renewal project solicitations, the Company adopts a short-term approach of conducting vacant land surveys to identify the location, ownership structure, and availability of land parcels in specific areas. The Company also proactively develops premium urban land through outright purchases and joint development arrangements in order to secure land resources in a timely manner to support its operational needs. Over the long term, the Company seeks to strategically expand its presence in integrated urban renewal areas and increase the scale of its development projects, thereby enhancing its land inventory and stabilizing its development capacity.

(IV) Major Suppliers Commanding 10%-plus Share of Annual Order Volume in the Most Recent Two Years

Information of major suppliers in the last 2 years

Unit: NT\$ thousands

Item	2024				2025			
	Name	Amount	Percentage to the total annual net purchases (%)	Relationship with the Issuer	Name	Amount	Percentage to the total annual net purchases (%)	Relationship with the Issuer
1	San-Ching Engineering Co., Ltd.	4,305,093	34.57	Affiliate	San-Ching Engineering Co., Ltd.	4,809,870	60.50	Affiliate
	Others	8,148,370	65.43		Others	3,139,896	39.50	
	Net purchase	12,453,463	100.00		Net purchase	7,949,766	100.00	
Reasons for the change	Fund of project under construction, etc.				Fund of project under construction, etc.			

Information of major customers for the last 2 years

Unit: NT\$ thousands

Item	2024				2025			
	Name	Amount	Percentage to the total annual net sales (%)	Relationship with the Issuer	Name	Amount	Percentage to the total annual net sales (%)	Relationship with the Issuer
1	None				None			
	Others	13,081,648	100.00		Others	13,543,253	100.00	
	Net sales	13,081,648	100.00		Net sales	13,543,253	100.00	
Reasons for the change	None				None			

III. Information Regarding Employees in the Most Recent Two Years and as of the Date of Publication of Annual Report

Year		2024	2025	Current fiscal year up to March 30, 2026 (Note)
Number Of Employees	Staff	172	172	169
	Total	172	172	169
Average Age		41.4	41.7	41.9
Average Service Year		11.0	10.9	11.1
Education	PhD	0%	0%	0%
	Masters	32.6%	32%	32%
	Bachelor's degree	64.5%	65.1%	65.6%
	Senior high school	2.9%	2.9%	2.4%
	Below high school	0%	0%	0%

Note. The data for Current fiscal year up to the date of the annual report's publication should be provided.

IV. Environmental Protection Expenditures

- (I) The Company is in the construction investment industry. We entrust the professional engineering companies in the building industry to be responsible for the building and construction of the houses. The construction industry is prone to producing dust, waste soil and noise which only impact the environment near the construction site during the construction period and does not cause material pollution to the ecology like the manufacturing industry. Nonetheless, the Company still attaches great importance to environmental protection, and strongly urges the contractors (including subsidiaries) to pay more attention to the waste soil dumping according to the management method of the building management unit of the government and manages various matters such as waste disposal, construction time and volume control and strictly takes site safety and health measures to meet standards.
- (II) The Company adheres to the care of environmental protection work and implements the goal of environment beautifying and prosperity promotion. In terms of specific actions, the Company establishes the dedicated service units to assist in beautifying and managing the community environment. In the face of the increasing public attention to environmental protection issues, the Company will continue to strengthen its efforts in this direction.
- (III) The Company has adopted the design of green building and energy saving and carbon reduction in the architectural design as much as possible to make efforts to the environmental protection of the earth and also to give building vitality.

V. Labor Relations

- (I) Employee Welfare

The Company has always attached great importance to harmonious labor-management relations. In terms of care to the employees, in addition to reasonable treatments and various on-the-job educations, the Company has established the Employees' Welfare Committee to promote employee benefits including subsidies for marriage, childbirth, children, education, birthday, language training, leisure and entertainment, as well as employee travel, hiking activities, health examination and family day so as to ensure the physical and mental protection of employees. Through various activities, the Company promotes employee health awareness and encourages self-management of personal well-being, while strengthening emotional connections with employees and their families to enhance cohesion and foster a stronger sense of belonging. The Company aims to help all employees achieve a healthy work-life balance and elevates overall well-being through diverse and enriching club activities. To promote physical health, employees are encouraged to participate in sports clubs, with the Company providing venues or financial support and engaging external professional yoga instructors and personal trainers to guide employees. Various sports competitions, such as basketball shooting contests and badminton tournaments, are also organized. In 2025, total employee-related welfare expenditures amounted to NT\$51,262 thousand.

The Company actively sponsors cultural and artistic activities annually by procuring tickets from renowned domestic theater groups for our employees. This initiative integrates our commitment to sustainable operations with tangible support for the domestic arts industry, effectively enhancing employees' cultural literacy and promoting workplace well-being. Concurrently, we leverage corporate resources to foster the stable development of local performing arts groups. Starting in 2025, through the Cathay Real Estate Culture & Education Foundation, the Company donated NT\$100,000 to the Formosa 3D Association. This sponsorship secured public screening rights for the film "Taiwan Supermen" in rural primary and secondary schools. From December 2025 to late January 2026, the program will reach 391 rural schools, bringing stories of resilience in the face of life's challenges to campus. By combining film appreciation with guided curriculum, we aim to promote life education, inspiring children to confront adversity with courage while cultivating strength, resilience, and hope.

In fiscal year 2025, a total of NT\$1,459 thousand was invested in the following programs:

Unit: NT\$

Region	Period	Associated Organization	Program	Beneficiaries	Invested amount
Taipei	2025.07.26-2025.07-27	Funny No Problem	Act Life	278	226

Region	Period	Associated Organization	Program	Beneficiaries	Invested amount
Taipei	2025.09.06-2025.09.07	Greenray Theatre Company	August : Osage Count	276	846
Nationwide	In 2025	Other partnering entities	Other partnering entities	150	287
Nationwide	2025.12.01-2026.01.31	Formosa 3D Association	Taiwan Supermen	391 primary schools	100
Total					1,459

(II) Advanced studies and training of employees

The implementation of Company's education and training:

In 2025, besides continuing to intensifying the core and management functions such as accountability and cultivation, the Company held the general courses such as real estate overview, etc. to comprehensively increase the basic professional knowledge of colleagues. The total training hours were 5,475.5 and the total cost was NT\$22,794 thousand.

Course	Course enrollments	Total hours
Professional training	521	2,340
General training	532	2,427
Function development	215	708.5
Total	1,268	5,475.5

(III) Retirement System and Implementation

After the implementation of the Labor Pension Act, the regulations of pension in the Labor Standard Law applicable to the employees who are employed before July 1, 2005, or the pension system applicable to this Act shall be selected, and the working seniority before the applicable Act shall be retained. For the employees who are employed after July 1, 2005, the pension system of the Labor Pension Act is applicable. After the implementation of the Labor Pension Act, the Labor Retirement Reserves Supervision Committee established by the Company in accordance with the law still operates as usual, and 2% of the total salary of employees is drawn as the retirement reserves according to the regulations of the Labor Standard Law, until the Labor Standard Law is applicable to no employee. For the employees who the Labor Pension Act is applicable to, the funded rate of pension borne by the Company for the employees monthly shall not be lower than 6% of the monthly salary of the employees.

(IV) Labor management agreements and employee rights/interests maintenance

In respect of the maintenance of employee rights/interests, the Company provides retirement allowance, severance pay, and pension for employee pension in addition to various perfect benefit measures, and other measures are clearly stated in the Articles of Incorporation and there are preferential measures for employees to buy house, so as to stabilize and care for the lives of employees.

Important labor agreement: None.

(V) Employee behavior or ethics code

In order to standardize employees to follow the same codes of conduct, the Company makes the Personnel Management Rules in the Articles of Incorporations to define the service codes for employees. It is stipulated that the employees shall follow the laws and regulations, strictly abide by the discipline, and be devoted to their duties and they shall not engage in improper acquisition or transaction, or make a profit for themselves or others using official post convenience.

The management rules also specify incentives and disincentives to encourage outstanding employees or those who are meritorious to prevent wrongdoing; and to punish those who violate discipline and neglect their duties.

Accordingly, the communication between management and employees is based on consensus, which is beneficial to the promotion of the Company's business and the management of the organization.

(VI) Protective measures for the working environment and personal safety of employees

The Company's office space is designed in accordance with relevant building regulations and labor health and safety regulations. The relevant measures are as follows:

1. According to Article 34 of Occupational Health and Safety Act, the Code of Practice of Health and Safety of the Company is formulated to prevent occupational disasters and ensure the safety and health of employees.
2. Set up key points for emergency relief for employees affected by natural disasters, and assist employees who encounter natural disasters to solve difficulties and overcome difficulties.
3. Formulate the contingency plan for material accidents of the Company, set up a contingency team and take urgent and necessary measures for casualties and material accidents to minimize the injury. The daily safety maintenance and building management are all handled by the building management company in accordance with the management standard specifications formulated by itself. Except for

connecting with the police security units, it allocates the security personnel to guard the office space.

In order to protect the work rights and interests of employees, and to ensure the physical and mental health of female colleagues after pregnancy, childbirth and breastfeeding, as well as to prevent employees against unlawful infringements from the behaviors of others due to the performance of their duties, the Company has established “Sexual Harassment Prevention Measures”, “Appeal and Punishment, Executive Measures for Maternal Health Protection of Women Workers”, “Plan on Prevention of Unlawful Infringement during Performance of Duties”, “Plan on Prevention of Sexual Damages Due to Human Factors” and “Plan on Prevention of Diseases caused by Abnormal Workload” to eliminate sexual discrimination and maintain the equal job opportunities for both men and women, prevent the employees from sexual harassment, workplace violence and achieve the purpose of maternal health protection and avoid the work environment in which the employees will be attacked by illness due to abnormal workload or repetitive operations.

In addition, the Company implements chartered workplace health care services since 2020, based on the concept of protecting labor rights and enhancing labor competitiveness. The services provide professional consultation for employees to promote physical and mental health maintenance and also identify and evaluate the hazardous factors within the working environment, operations, and organizations that affect the physical and mental health of employees and put forward plans and recommendations for the improvement of operating environment and sanitation facilities.

(VII) Corporate responsibility and ethical behavior

Society is the land on which enterprises can grow. The success of an enterprise depends on a stable society. Enterprises should take care of society with practical actions to fulfill social functions and responsibilities. Therefore, since the establishment of the Company, we have adhered to the concept of taking it from society and using it in society and operating the enterprise for giving back to society, so that the value of the Company is doubled.

Over the years, the Company has often sponsored various public benefit activities, made donations for disaster relief, and undertaken the social responsibility of corporate citizens. In 1982, we established Cathay Cultural Foundation which has long held cultural and educational activities, passed on local culture, and subsidized the disadvantaged. We also set up 9 libraries in Taiwan to hold cultural activities. Foundation has sponsored “the Cathay Excellence Awards Plan”, “Teach For Taiwan” and other activities and hopes to continue to sponsor education and learning to cultivate young people for the future. We support the public benefit in the long term and assist in holding new resident care

activities, summer blood donation, children's growth camp, Christmas warming and other activities to give back to the society with action.

1. Lin Yuan Libraries

Cathay Cultural Foundation has set up 9 libraries in Taiwan. The internal open area is more than 500 M³, and each library has more than 2,000 books. Various newspapers and magazines can be subscribed and free teaching activities are held regularly to provide a good reading environment for the public to freely learn and live in deep culture and promote neighborhood friendship and community harmony.

2. Joint activities of public benefit group

(1) After-school Care Program

Cathay Charity Group sponsors five after-school care programs: Chungwen Women's Association of Yunlin County - Oyster Village After-School Care Class, Hualien Love Fly Association - Hualien Love Fly Tutoring Class, Penghu Foundation of Pescadores Citizens - Sunlit Book Classroom, Taipei City Taiwan Child and Youth Play Education Association - Twilight Box and Pingtung County Sunny Care Association in order to strengthen the social safety net, with an emphasis on vulnerable children and families. The principal beneficiaries are single-parent families, new immigrant families, skip-generation families, and indigenous families. Through diverse learning experiences, children encouraged to discover their self-worth, foster self-confidence, and embrace a hopeful future, embarking on a path towards a brilliant life.

(2) Summer Blood Donation Activities

From the beginning of May to the end of September, Cathay Charity Group held hundreds of blood donation events across Taiwan and donated a total of 54,769 bags of blood with 36,016 people participated. Over the 26 consecutive years, 749,428 bags of blood have been collected. We aim to lead the prevailing blood donation benevolences.

(3) The Cathay Children's Dream Project

Cathay Charity Group established the Cathay Children's Dream Project, sponsoring children in rural schools to bravely pursue their dreams. The Children's Dream Project encompasses a wide array of categories and focuses on setting goals and brave challenges. It aims to cultivate in children the belief that they should not fear setbacks or challenges and foster lifelong abilities. We hope that by deeply rooting educational values and cultivating talent for the future, we can help build a society of shared prosperity and mutual benefit.

(4) Christmas Warming

Cathay Charity Group has long been caring for the children, the elder and the next generation of indigenous peoples and collected love supplies from December to January and sent them to the by-places, continuously providing warmth and support in every corner in winter.

3. Activities related to talent teaching

Hold indoor teaching activities to provide people with the opportunities to learn various talents and skills, discover pleasure in new life, and harmonize neighborhoods by learning and interacting. Teach through lively activities, cultivate second expertise, and enrich daily life.

4. Sponsorship Activities

(1) Cathay Excellence Awards Plan

Cathay Excellence Awards Plan rewards two types of outstanding students: the first type, "Characteristic Grant" is for the youth who are keen on public welfare action, and the second type, "Outstanding Student" is for the high school students from poor families with excellent performance.

(2) Teach For Taiwan (TFT) Cooperation Scheme

"Caring for children in rural areas" is one of the Cathay Charity Group's strategies. In order to effectively extend the influence of public welfare, the group supports TFT to recruit and train teachers for rural areas and encourages young talents to step into the classroom to create an equal and high-quality educational environment for children in rural areas, flip education, and improve the quality of education in rural areas.

5. Supporting Cultural Development in Taiwan through Investing Resources

(1) Support for Arts and Cultural Development

The Company actively participates in cultural and creative investments, seeking to drive the overall development of the sector while also fulfilling corporate social responsibility. With a total of approximately NT\$3,724 thousand invested in 2025 to support the development of local artists, domestic publishing, and cultural and creative industries, resources were invested in outdoor public artworks for construction projects, art installations in public spaces, books and journals, and so on. For example, Cathay Mega+ features artworks by artist Chen Li-hsing, including "Rippling", "Floral Elegance", and "Ordinary Happiness", as installations in its public spaces. Meanwhile, Cathay The Park

incorporates “In Bloom” and “Fruit”, collaborative works by Chen Yu-chuan and Hsiao Ming-yu, to enhance the aesthetic sophistication of the environment, and the collaboration with Chengbang "Bookworm" to provide communities with abundance of books and publications. Through actively cooperating with government policies, the Company aims to promote Taiwan's cultural and creative industries globally.

(2) Conservation and Rehabilitation of Heritage Sites

To honor the historical significance of the Kikumoto Department Store (Taiwan’s first modern department store), its role in the commercial evolution and RC architectural aesthetics of early Taipei, the Company has dedicated itself to preserving its intangible cultural value and historical legacy within the city’s core. In 2025, the Company invested NT\$ 5,400 thousand to conduct research and curate the "Guarding the City Center: Reimagining Kikumoto" strategic initiative. Building upon this, a series of commemorative events were held at the original site of Kikumoto Department Store in July 2024, including special exhibitions, seminars, historical walking tours, and shadow puppet theater performances. Concurrently, a "Memory Collection" project was launched to archive historical documents and public oral histories.

To ensure the highest standards of conservation, the Company invited renowned Japanese urban and cultural heritage scholars, Professor Yukio Nishimura and Professor Shinji Suzuki from Yokohama City University, to share international expertise in urban preservation and historical restoration. These exchanges provide a foundational framework and strategic direction for the future restoration and adaptive reuse of the Kikumoto Department Store.

(VIII) The current and future possible estimate amount for the losses caused by labor management disputes as of the date of publication of the annual report and the corresponding measures:

In the most recent two years, the Company has not suffered losses due to labor management disputes. Based on the concept that employees and employers are coexisting, the Company will work harder to maintain the harmony of labor management relations and hope to promote the unity and harmony of the whole society to create a glorious future.

VI. Information Security Management

(I) Describe the information security risk management framework, the information security policy, the specific management plan and the resources invested in the information security management, etc.:

1. Information security framework and policy:
 - (1) Target: All employees of the Company and other partners and outsourced companies who have access to the Company's business-related information.
 - (2) Scope: All information assets of the Company, or other information assets that are not actually owned by the Company, but can be used by the Company based on the obligations under contracts, laws and regulations.

2. Information security risk framework

The company has set up an information security officer to comprehensively manage information security policy promotion and resource scheduling. The dedicated security unit is responsible for information security-related work, including regularly amending the "Information Security Policy" and an "Information Security Management Review Committee" meeting is convened annually when deemed necessary according to the situation each year, to ensure that the Company and customers' confidential information is not leaked and the Company's business operates in a sustainable manner.

The audit department will include the "Information Security Inspection Operation" in the annual audit plan to conduct audit operations. The audited units are required to make improvements and follow up on the deficiencies identified during the inspection in order to ensure that the Company's information security policy is adequately implemented.

The company regularly conduct information asset inventories, information risk assessments, and handling procedures to reduce cybersecurity risks.

3. The goals of information security policy

The goals include establishing a secure and reliable information operating environment, ensuring the confidentiality, integrity and availability of information assets, and enhancing employees' awareness of information security in order to safeguard the interests of employees, customers and the Company.

4. Specific management plan:

Item	Specific actions
Computer room security management	Perform host and external website vulnerability scanning from time to time and make improvement.
Device security management	<ol style="list-style-type: none"> 1. Employees are required to change passwords periodically. 2. Install anti-virus software on personal computers and check for virus code updates regularly. 3. Import IT resource management system, including software security management, peripheral device security management and file directory

Item	Specific actions
	<p>monitoring and management, transfer USB file list every day, and check whether the Company's computers have installed high-risk software on a monthly basis.</p> <p>4. APT continuous penetration attack protection software is introduced to detect abnormal host usage and block it.</p> <p>5. Use protective software to filter websites that users visit to reduce the chance of browsing ransomware, Trojan viruses or other web pages with malicious programs.</p> <p>6. Procure the Mail APT module to reduce the likelihood of social engineering attacks.</p>
Continuous improvement	<p>1. Conduct social engineering drills and information security trainings for all employees on a regular basis to enhance their awareness of information security.</p> <p>2. Join TWCERT to understand recent important domestic cybersecurity issues and enhance cybersecurity protection capabilities.</p> <p>3. Implemented SOC services in October 2025 to enable real-time monitoring and mitigate the risk of incident contagion.</p>
System disaster drill	Conduct regular core system disaster simulation drills and reviews.
Internal and external audit	The Company performs internal audit twice a year and engage with accounting firm for external audit at least once a year on information security policy, organization and responsibilities, asset classification control, personnel management and education and training, physical and security environment management, computer system security management, internet security management, system access control, etc.

5. Implementation status of information security promotion in 2024

- (1) The Company completed the ISO 27001 re-certification in 2025, and certificate is valid from September 7, 2023, to September 6, 2026.
- (2) This year, the Company conducted off-site business continuity exercises for our systems and two social engineering drills. The Company also provided a one-hour information security awareness training session on social engineering, to strengthen employees' responsiveness and vigilance regarding information security risks.
- (3) The company completed the cybersecurity joint defense and review for the Cathay real estate, ongoing improvements in progress.
- (4) Established the "Cathay Real Estate and Subsidiaries Information Security Incident Handling, Notification, and Emergency Response Management Regulations" to ensure rapid reporting and business continuity.

- (II) List the losses suffered due to major information security incidents in the most recent fiscal year up to the publication date of the annual report, and the possible impact and countermeasures. If the amount cannot be reasonably estimated, facts of which estimation cannot be made shall be explained: None.

VII. Important Contracts

Type of Contract	Party	Contract Duration	Contract Content	Restrictions
Engineering Contract	San-Ching Engineering Co., Ltd.	2025.01.23-2030.03.30	No.657、No.657-3 Sec. 6. Rongxing Section, Zhongshan District, Taipei City, a total of 2 lots.	None
	San-Ching Engineering Co., Ltd.	2025.08.06-2028.09.15	No.475, Changming Section, Nantun District, Taichung City, a total of 1 lot.	None
	San-Ching Engineering Co., Ltd.	2025.08.06-2029.07.31	No.335-1 to No.337, Fuduxin Section, Xinzhuang District, New Taipei City, a total of 4 lots.	None
	San-Ching Engineering Co., Ltd.	2025.08.06-2030.04.28	No.1013、No.1014, Beiyuan Section, North District, Tainan City, a total of 2 lots.	None
	San-Ching Engineering Co., Ltd.	2025.08.06-2030.12.02	No.10、No.176, Wanhe Section, Sanmin District, Kaohsiung City, a total of 2 lots.	None
	San-Ching Engineering Co., Ltd.	2025.08.06-2031.04.30	No.25, Pingshi Section, East District, Tainan City, a total of 1 lot.	None
	San-Ching Engineering Co., Ltd.	2026.03.12-2031.10.01	No.7, Dongfeng Section, Beitun District, Taichung City, a total of 11 lots.	None
	San-Ching Engineering Co., Ltd.	2024.06.14-2025.08.31	Revision of No. 657 Sec. 6. Rongxing Section, Zhongshan District, Taipei City, demolition construction, a total of 1 lot. (Note Revised and announced on March 12, 2026.)	None
Real estate Trading	2 Natural persons	2026.01.09	Obtained a construction land contract for No. 1205, Xiaobei Section, North District, Tainan City, a total of 1 lot.	None

Chapter 5. Review of Financial Conditions, Operating Results, and Risk Evaluation

I. Comparison and Analysis of Financial Status

Unit: NT\$ thousands

Item \ Year	2024	2025	Difference	
			Amount	%
Current Assets	\$64,158,868	\$66,487,782	\$2,328,914	3.63%
Property, Plant, and Equipment	4,358,546	3,970,396	(388,150)	(8.91%)
Intangible Assets	54,158	67,633	13,475	24.88%
Other Assets	20,837,391	20,364,943	(472,448)	(2.27%)
Total Assets	89,408,963	90,890,754	1,481,791	1.66%
Current Liabilities	40,970,617	42,769,891	1,799,274	4.39%
Non-current Liabilities	17,930,897	15,244,228	(2,686,669)	(14.98%)
Total Liabilities	58,901,514	58,014,119	(887,395)	(1.51%)
Capital Stock	11,595,611	11,595,611	-	-
Capital reserve	182,880	170,920	(11,960)	(6.54%)
Retained Earnings	14,739,089	16,829,076	2,089,987	14.18%
Other Equity	1,746,045	2,102,827	356,782	20.43%
Non-controlling Interests	2,243,824	2,178,201	(65,623)	(2.92%)
Total Equity	30,507,449	32,876,635	2,369,186	7.77%
<p>(I) The main reasons for the significant changes of more than 20% in assets, liabilities and shareholders' equities in the most recent two years: Intangible Assets: Arising from the acquisition of new intangible assets during the year. Other Equity: Increase from unrealized gains on financial assets at fair value through other comprehensive income.</p> <p>(II) Effect of the aforesaid changes: No material impact.</p> <p>(III) Future response actions: None.</p>				

II. Comparison and Analysis of Operation Results

Unit: NT\$ thousands

Item \ Year	2024	2025	Difference	
			Amount	%
Operating Revenue	\$23,858,689	\$24,289,234	\$430,545	1.80%
Operating Income	2,433,788	4,143,401	1,709,613	70.24%
Income before Tax	2,072,179	3,918,602	1,846,423	89.11%
(I) The main reasons for the significant changes of more than 20% in operating revenue, net operating profit and income before tax in the most recent two years: Operating Income: Mainly due to a decrease in construction costs. Income before Tax: Mainly due to an increase in Operating Income. (II) Effect of the aforesaid changes: No material impact. (III) Future response actions: None.				

III. Analysis and Explanation of Changes in Cash Flow in the Most Recent Year

- (I) Cash inflow from operating activities (NT\$5,978,558 thousands): Mainly due to contract liabilities.
- (II) Cash outflow from investing activities (NT\$158,052 thousands): Mainly due to the acquisition of investments accounted for using the equity method and advance payments for investments.
- (III) Cash outflow from financing activities (NT\$6,292,896 thousands): Mainly due to the repayment of long-term borrowings and the payment of cash dividends.
- (IV) Improvement plan for the lack of liquidity: Accelerating business development and increasing cash inflow.
- (V) Liquidity analysis for the coming year:

Unit: NT\$ thousands

Beginning cash balance	Annual net cash flow from operating activities	Annual cash outflow	Cash surplus (deficit)	Remedy for cash inadequacy	
				Investment plan	Financing plan
6,302,998	13,875,707	(12,733,667)	7,445,038	-	-
Analysis of current year's cash flow changes 1. Product sales and rental income in 2026 are expected to result in cash inflows from operating activities. 2. Expenditures for construction in progress, reinvestments, land purchase, dividend and sales advertisements in 2026 are expected to result in cash outflows.					

IV. Impact of Major Capital Expenditures on Financial Business in the Most Recent Year

In order to expand the brand value and business scope, the Company set up a joint venture Jinhua Realty Co., Ltd., Bannan Realty Co., Ltd., Sanchong Realty Co., Ltd., Zhulun Realty Co., Ltd. and Xiangyang Realty Co., Ltd. with Mitsui Fudosan Taiwan Co., Ltd. to jointly develop projects through the bilateral architectural planning and design and construction quality related technical exchanges. By acquiring the shares of San Hsiung Fongshan LaLaport Co., Ltd., we have joined forces to build a pure Japanese leisure shopping center in Kaohsiung and strengthened our experience in operating commercial facilities. At the same time, in response to the impact of labor and material shortages, green economy and carbon neutrality, we have acquired San-Ching Engineering Co., Ltd. and integrated the upstream and downstream industry chains to reduce costs, enhance competitiveness, and move towards achieving the goal of transforming into a comprehensive developer. In the year 2025, the Company increased its stake in Cymbal Medical Network Co., Ltd., Xiangyang Realty Co., Ltd., Nankang International No.1 Co., Ltd. and Nankang International No.2 Co., Ltd. with investment value of approximately NT\$796.6 million, accounting for approximately 2.59% of the Company's net worth, which has no significant impact. It is expected to increase the Company's return on investment through diversified development of investment.

V. Investment Policy in the Most Recent Year, Main Causes for the Profits or Losses, Improvement Plans and Investment Plans for the Coming Year

(I) Re-investment policy:

The Company upholds business beliefs, implements its core values, makes use of the group advantages and resources to create a diversified business! In addition to the investment in real estate related construction projects, construction management, building management, urban redevelopment and establishing residential and commercial development joint venture with internationally renowned real estate company, the Company also expands to life industries such as healthcare management, hotel and restaurant management and e-commerce, and integrates medical clinic system to create diversified income for the Company. It regularly reviews the investment performance and adjust investment positions to achieve profits and minimize losses.

(II) Main Causes for Profits or Losses and Improvement Plans

The investment loss recognized under the equity method in 2025 was NT\$904 million, mainly for recognition of operating profits of subsidiaries. In addition, the full-year dividend income from financial assets at fair value through other comprehensive income was NT\$212 million. After being tested by the pandemic, the Company's invested businesses have become more flexible and diversified in their operations, with revenue showing significant growth following the reopening of borders and the resumption of international travel.

(III) Investment Plans for the Coming Year

Global inflationary pressure continues to ease, and Taiwan's inflation shows a gradual downward trend, supporting stable economic development. Nevertheless, uncertainties remain, including climate change, labor shortages, geopolitical risks, and rapid advances in AI and emerging technologies. In response, the Company will maintain a prudent and steady operating pace, while leveraging digital tools to enhance organizational efficiency and strengthen cybersecurity resilience. At the same time, we will continue to deepen technological innovation and industry collaboration and carefully evaluate high-quality investment opportunities across our business units, preserving gains while pursuing sustainable growth.

1. Health management business

The health management business will continue with four major strategic focuses: business model transformation, service process reengineering, internal and external resource integration, and infrastructure and logistics strengthening. Through these initiatives, we will broaden our service scope by transitioning from health examinations to health promotion, from postpartum inpatient services to after-discharge care, while gradually expanding into new health-related product businesses, including nutritional supplements and food products. By providing more comfortable and professional facilities, we aim to create a differentiated service experience.

2. Clinic channel business

In 2025, in line with adjustments to the Company's operating strategy, certain clinic locations were closed. Going forward, development will focus on dialysis and self-pay vaccination services at Xinkang Clinic, enhancing nighttime dialysis convenience and value-added services to provide more comfortable and comprehensive patient care.

3. Hotel and restaurant business

In addition to leveraging the international hotel brand resources gained through the affiliation with the Marriott Group in 2025, including Madison Taipei, a Tribute Portfolio Hotel, and Courtyard by Marriott Taipei Cathay, the Company continues to enhance the brand value and recognition of Hotel Cozzi Minsheng and Zhongxiao in Taipei, Ximen in Tainan, Zhongshan in Kaohsiung, and Cozzi Blu in Taoyuan. By optimizing service systems to strengthen customer loyalty, while combining with the restaurant business to provide diverse channel platforms and customized services, the Company aims to create the most comfortable leisure space for international business travelers and domestic tourists.

VI. Assessment of Risk Items in the Most Recent Years and as of the Date of Publication of Annual Report

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

1. Interest Rates: Central banks in major economies have entered easing cycles since 2024, and maintaining a controlled accommodative monetary stance as inflation moderates has been a broadly shared objective. However, against the backdrop of geopolitical risks and the lingering threat of resurgent inflation, a return to the pre-pandemic era of zero or negative interest rates appears unlikely. The U.S. Federal Reserve cut rates twice in 2025, narrowing the interest rate differential between Taiwan and the United States. However, given Taiwan's strong economic performance in 2025 and inflation levels that remain above the Central Bank's stated threshold for rate cuts, domestic interest rate policy is expected to remain unchanged for the current year. With credit controls continuing in force, average mortgage rates remain elevated, continuing to weigh on real estate market momentum.
2. Exchange rate: In May, driven by shifts in market confidence, the New Taiwan Dollar appreciated sharply by 9% over a short period. Buoyed by strong export performance on the back of AI industry growth, the NT Dollar appreciated 4.27% over the full year, marking a four-year high. The NT Dollar's strengthening, combined with U.S. tariff policy, also weighed on the performance of domestic low-margin export industries. With international trade tensions persisting and the U.S. Dollar continuing to weaken, the NT Dollar is expected to maintain upward momentum through the current year. That said, as real estate is predominantly a domestic demand-driven industry with a low proportion of imported raw materials, the direct impact of exchange rate fluctuations on the sector is relatively limited.
3. Inflation: The consumer price index rose 1.66% year-on-year in 2025, falling below the 2% alert threshold for the first time in four years, with price increases across various components remaining well-contained. Inflation in 2026 is projected to ease slightly to 1.61%. The Company maintains comprehensive monitoring of land market information and tracks raw material price movements on an ongoing basis. As inflationary pressures subside, the impact on the Company's operations is expected to diminish accordingly.
4. Raw materials: Raw Materials: In 2025, impacted by the seventh round of credit controls, both residential housing starts and land transaction area declined by approximately 30% compared with the prior year, with transaction values contracting in tandem. While labor cost increases have remained brisk—reflecting ongoing construction activity for industrial facilities and public infrastructure projects, as well as persistent labor shortages in the construction sector—overall

construction cost inflation has moderated as raw material prices continue to soften. Construction material demand is expected to remain subdued in the coming year, which may provide further relief from upward construction cost pressures. However, the impact of the temporary storage and ultimate disposal of construction earthwork on overall costs remains a matter for continued observation.

5. Countermeasures: The Company regularly monitors key economic indicators and continuously assesses their potential impact on the real estate market. With respect to raw materials, the Company implements rigorous construction cost controls to uphold build quality while managing project timelines and ensuring on-schedule completion. The Company adjusts its operating strategy in response to evolving conditions, with the objective of maximizing operating profitability.

(II) 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:

None.

(III) Future Research & Development Projects and Corresponding Budget

1. Research Plans:

Continue the research work of the Cathay Real Estate Index and publish relevant research information at the beginning of each quarter. In addition, in response to the rapid changes in the market, make more efforts in employee training, and strengthen professional education and training, to continue the Company's core values, and enhance the Company's brand and corporate competitive advantage.

2. Expected Research Expenditure:

A budget of NT\$23 million is determined for the professional training of employees and the research of Cathay Real Estate Index.

(IV) Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales: In addition to complying with government laws and regulations, the Company also collects, organizes and analyzes the changes in important policies and laws at home and abroad to grasp opportunities and take response measures. Meanwhile, the Company also adheres to the principle of prudent operation and creates the largest niche for sustainable development.

(V) Effects of and Response to Changes in Technology and the Industry Relating to Corporate Finance and Sales: The Company explores and adopts the application of technology in the Company's products in face of the customer demands and ever-changing technology, to continuously enhance the Company's competitiveness. Meanwhile, the Company

invests a lot of manpower and financial resources in research on the changes in the industry to improve the Company's operating performance and profitability.

- (VI) The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures: Since its establishment, the Company has been upholding the tenet of serving the society, benefiting the people, beautifying the environment, and promoting prosperity, and deeply developed the society and established a good corporate image, winning various social honors and affirmations. In addition, the Company has also established a cultural and educational foundation for social welfare activities, enhancing the corporate image.
- (VII) Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans: The Company has no ongoing merger and acquisition activities, so there is no possible risk and response measure.
- (VIII) Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans: The Company has no factory expansion plans, so there is no possible risk and response measure.
- (IX) Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration: The Company is a good builder that can keep abreast of various purchase costs, reduce the operational impact brought by rising costs, and prudently appraise, select and audit each project constructor and deliberate the price; the Company also specializes in marketing research, so it can keep abreast of market trends, create the best sales results against most individual customers; there is no centralized risk in purchase and sales.
- (X) Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, Supervisors, or Shareholders with Shareholdings of over 10%: the above-mentioned personnel and shareholders all hold the stock equity of the Company for a long term, and they support the Company's operations, so they do not have the intention of transferring a large number of equities and there is no risk generated.
- (XI) Effects of Risks Relating to and Response to the Changes in Management Rights: The Company's equity structure is stable for a long time, and is managed steadily by professional managers, and there is no risk of change in management rights.
- (XII) Litigious, non-litigious or administrative disputes where a final judgment has been concluded or that are still pending, which involve the company, any company director, supervisor, general manager, person with actual responsibility, major shareholder holding a stake of greater than 10 percent, or controlled company, and the outcome of which may materially affect shareholders' equity or securities prices, shall disclose the facts of the dispute, amount of money at stake, date of litigation commencement, main parties

involved, and the status of handling as of the date of publication of the annual report:
None.

(XIII) Other Major Risks and Response Measures: The Company is free of other risks upon evaluation and will remain flexible in response to unexpected situations to ensure the sustainable operation of the Company's business.

VII. Other Important Matters: None.

Chapter 6. Special Notes

I. Information on Affiliated Companies

In accordance with the regulations of Financial Supervisory Commission Securities Approval No. 1130382569, our company has submitted relevant information regarding affiliated companies to MOPS. The index URL are as follows:

https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=2501&year=&mtype=K&isnew=true

II. Private Placement Securities in the Most Recent Years and as of the Date of Publication of the Annual Report: None.

III. Other Necessary Supplementary Explanations: None.

IV. Events That Have Significant Influence on Shareholders' Equity or on the Price of Securities as Specified in Subparagraph 2, paragraph 2, Article 36 of Securities and Exchange Act in the Most Recent Year as of the Date of Publication of the Annual Report: None.