長榮鋼鐵股份有限公司
EVERGREEN STEEL CORPORATION

2025 Sustainability Report

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About this Report

Evergreen Steel Corporation (hereinafter referred to as "Evergreen Steel") has published a Sustainability Report annually since 2021. This report is the fifth Sustainability Report issued by Evergreen Steel, disclosing its sustainability initiatives and performance in the economic, environmental, social and governance aspects for 2025. Through the publication of this report, Evergreen Steel seeks to review its sustainability performance, respond to stakeholders' concerns regarding sustainability issues, and further sustainable development.

Reporting Standards and Frameworks

This report has been prepared in accordance with the GRI Standards 2021 published by the Global Reporting Initiative (GRI) and the Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies issued by the Taiwan Stock Exchange (TWSE). The report also references the Sustainability Accounting Standards Board (SASB) Standards, the Task Force on Climate-related Financial Disclosures (TCFD), and the United Nations Sustainable Development Goals (SDGs) in preparing relevant disclosures. Please refer to the Appendix for the related content index.

Reporting Period and Frequency

The reporting period of this report is from January 1 to December 31, 2025, consistent with the Company's consolidated financial statements. To ensure the completeness and comparability of the disclosed information, certain contents may cover information beyond the reporting period, which is indicated in the relevant sections or charts.

Evergreen Steel publishes one Sustainability Report annually and makes the electronic version available for download on its website.

Previous edition	August 2025
Current edition	August 2026
Next edition	Scheduled in August 2027

Report Downloads

Report Boundary and Scope

The scope of financial information disclosed in this report is consistent with the consolidated financial statements, covering Evergreen Steel Corporation and all subsidiaries, including Hsin Yung Enterprise Corporation, Super Max Engineering Corporation, Ever Ecove Corporation, and Mingyu Investment Corporation. Other information disclosed in this report primarily covers the Company's operating sites, including the Taipei Head Office, Hsinchu Factory, Xinying Factory, Kaohsiung Factory, and the Seventh Container Center. Any differences in the scope of disclosure or restatements of information are explained in the relevant sections or tables.

Internal Review of the Report

To enhance the transparent disclosure of sustainability-related information, Evergreen Steel has established the "Regulations Governing the Preparation and Verification of Sustainability Reports" and incorporated them into the internal control system to facilitate the preparation and verification of the Sustainability Report. Sustainability-related information submitted by each department is reviewed by the responsible department head before submission. The Supervisory Department consolidates and compiles the information and submits it to the President and the Chairman for review, followed by submission to the Sustainability Committee and the Board of Directors for approval prior to publication.

External Assurance

To enhance the credibility of sustainability information, this report was subject to independent third-party assurance. For this reporting year, AFNOR Asia Ltd., a member of the AFNOR Group, was engaged to perform a Type 1 Moderate Assurance in accordance with the AA1000 Assurance Standard (v3). Please refer to Appendix 5 for the related assurance methodology and assurance results.

The following information and management systems have been independently verified or assured:

Item	Standard	Verification /Assurance Organization
Sustainability Information	AA1000 Assurance Standard (v3), Type 1	AFNOR Asia Ltd.
Financial Information	Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and Generally Accepted Auditing Standards	Deloitte & Touche
Environmental Data	ISO 14064-1: 2018 Greenhouse Gas Inventory ISO 14067: 2018 Product Carbon Footprint	MIRDC
Management Systems	ISO 9001: 2015 Quality Management System ISO 14001: 2015 Environmental Management System ISO 45001: 2018 Occupational Health and Safety Management System ISO 50001: 2018 Energy Management System	MIRDC
	ISO 27001: 2022 Information Security Management System	BSI

Contact Information

If you have any questions or suggestions regarding this report, please contact us through the following channels:

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Sustainability Section

Letter from the Management

The steel structure industry continued to benefit from the expansion of the electronics sector, the development of commercial buildings and urban renewal projects, as well as government efforts to stimulate domestic demand through public infrastructure development. As a result, the Company maintained solid operational momentum throughout the year. With increasingly stringent seismic safety requirements in the construction industry, steel structures offer significant advantages in structural safety, construction efficiency, and green building applications, supporting favorable long-term market demand. Nevertheless, the Company remains attentive to potential impacts arising from government housing market policies and broader economic cycles and will continue to adopt appropriate strategies to ensure sustainable and stable operations.

In response to rising construction standards and workforce challenges resulting from declining birth rates, the Company has actively promoted the adoption of automation equipment and digital design transformation to enhance product quality consistency and overall production efficiency. Through comprehensive project management systems and standardized operating procedures, we continue to strengthen project schedule control and cross-functional collaboration to ensure project quality and timely delivery, thereby reinforcing our core competitive advantages. In addition, the Company continuously refines its quotation management and design drawing review processes to improve cost management, profitability control, and operational resilience.

To address labor shortages in the construction industry and fluctuations in raw material prices, the Company has established industry-academia collaboration programs to cultivate steel structure professionals while continuously strengthening supplier and contractor management mechanisms. Long-term material procurement contracts and steel price adjustment mechanisms with customers have also been implemented to mitigate operational risks.

Regarding our environmental business investments, Hsin Yung Enterprise Corp. completed its facility upgrade project in September 2024, resulting in a significant improvement in incineration operating efficiency and maintaining stable operations thereafter. The new production line of Super Max Engineering Corp. commenced commercial operation in May 2025, enhancing overall treatment capacity. However, driven by the government's circular economy initiatives, the volume of industrial waste requiring incineration has declined. Coupled with increasing competition among treatment facilities, market prices for waste treatment services have shown a downward trend. The Company will continue to monitor market developments and adjust business strategies accordingly to address these external challenges. In addition, Ever Ecove Corp. obtained an operating permit for its anaerobic digestion facility in February 2025. All three subsidiaries remain committed to stable operations and high-efficiency power generation.

In response to the global net-zero transition and increasing climate-related risks, the Board of Directors considers low-carbon transition as a key strategic priority for sustainable development. Building upon the foundations of the ISO 14001: 2015 Environmental Management System, ISO 50001: 2018 Energy Management System, and ISO 14067: 2018 Product Carbon Footprint, the Company has established short-, mid-, and long-term carbon reduction targets. We continue to implement energy-saving initiatives and process improvement measures while actively adopting renewable energy and related technologies to reduce environmental impacts arising from our operations. At the same time, in alignment with government policies and evolving international sustainability disclosure requirements, we continue to strengthen GHG inventory practices, implement GHG emissions reduction targets, and enhance climate governance, advancing steadily toward our 2050 net-zero emissions target.

From a social perspective, Evergreen Steel places great importance on employee safety, health, and career development. We continue to invest in occupational safety and health management as well as employee training programs, striving to create a safe, inclusive, and engaging workplace environment. Furthermore, we actively participate in a wide range of social welfare and community engagement initiatives, fulfilling our corporate citizenship responsibilities and fostering positive, trust-based relationships with society.

In terms of corporate governance, the Board of Directors assumes ultimate responsibility for overseeing sustainable development. Through diverse and independent committees, supported by robust management mechanisms, sustainability considerations are integrated into the Company's governance framework, risk management practices, and key decision-making processes. We remain committed to enhancing the transparency of information disclosure and progressively aligning with evolving sustainability reporting standards to strengthen governance resilience and stakeholder trust.

Looking ahead, Evergreen Steel will continue to build upon its stable operational foundation while expanding its presence in renewable energy and environmental protection industries. We will actively evaluate opportunities in emerging sectors such as renewable energy development and intelligent waste treatment technologies, while deepening sustainability governance and accelerating our low-carbon transformation. Together with our employees, customers, suppliers, contractors, and other stakeholders, we will work toward a future characterized by long-term sustainable competitiveness.

Chairman of Evergreen Steel

1 CHAPTER

Sustainable Development

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1.1 Sustainability Strategy

1.1.1 Sustainability Governance Structure

To fulfill its corporate social responsibility, Evergreen Steel established the Corporate Social Responsibility Committee in 2020. In response to evolving international sustainability trends and government policies, the committee was renamed the Corporate Sustainability Committee in 2021. To further advance the Company's sustainability targets and strengthen sustainability governance, the Board of Directors resolved in 2023 to establish a Sustainability Committee under its authority. The Sustainability Committee is responsible for proposing and implementing the Company's sustainability-related policies, systems, management guidelines, and action plans, and regularly reports its performance and progress to the Board of Directors.

The Board of Directors serves as the highest governing body for the Company's sustainable development. The Sustainability Committee functions as a Board-level committee and is composed of the Chairman, who serves as Convener, the President, who serves as Deputy Convener, and three Independent Directors. The primary responsibilities of the Sustainability Committee include:

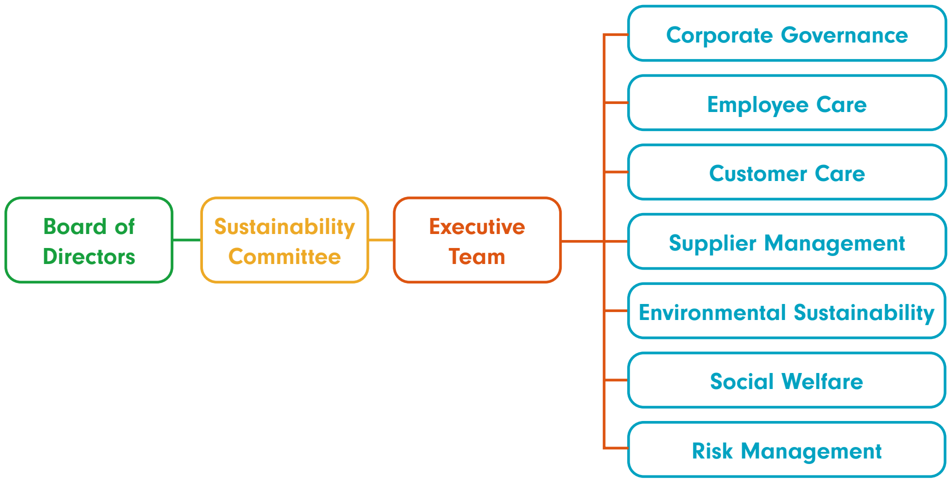
- Review and approve policies, strategies, targets or management guidelines related to sustainability (including risk management)
- Review the sustainability annual work plan;
- Supervise and track the execution progress, results and related matters of the executive team's work plan;
- Review the Sustainability Report.

The Sustainability Committee has an executive team, which oversees seven working groups: Corporate Governance, Employee Care, Customer Care, Supplier Management, Environmental Sustainability, Social Welfare, and Risk Management. These groups are responsible for planning and implementing initiatives in their respective areas. The head of the Supervisory Department serves as the Secretary-General, responsible for convening executive team meetings and facilitating all operations.

Sustainable Development Policy

Sustainable Development Best Practice Principles

Sustainability Committee Organization



The Sustainability Committee and the executive team hold at least two meetings annually, and regularly report the sustainability performance to the Board of Directors. In 2025, the Sustainability Committee held four meetings. All reported matters were submitted to the Board of Directors, and all discussion items were approved by all attending committee members before being submitted to the Board for resolution. Major agenda items included:

- Approving the 2024 Sustainability Report.
- Revising the 2025 sustainability work plan and sustainability goals.
- Reporting quarterly on the progress of greenhouse gas (GHG) inventory and verification.
- Reporting on November 12 and December 24, 2025, respectively, on the implementation status of the 2025 intellectual property management plan, sustainability performance, stakeholder communication, risk management operations, ethical management practices, and the 2026 sustainability work plan.

1.1.2 Sustainability Strategic Framework

The Company has established a sustainability strategic framework based on the three ESG dimensions: Environmental, Social, and Governance. Strategic priorities, management targets, and action plans have been defined for each dimension, and implementation progress is regularly monitored to ensure the effective execution of the Company's sustainability strategy.

E-Environmental

- Low-Carbon
- Environmental Protection
- Resource Reuse

S-Social

- Healthy Workplace
- Human Rights
- Community Engagement

G-Governance

- Operational Performance
- Sustainable Development
- Sustainable Supply Chain

1.1.3 Sustainability Goals

To promote sustainable business operations, the Company has established a short-, mid-, and long-term sustainability roadmap. The establishment and revision of sustainability goals are subject to approval by the Board of Directors. Annual implementation results and performance are presented in Chapter 1.1.4.

E-Environmental

Low-Carbon

Short-term Goals (2025-2027)

- Establish GHG emissions reduction targets using 2024 as the base year and achieve a cumulative GHG emissions reduction of 3% by 2027 through the progressive implementation of decarbonization initiatives.
- Complete GHG inventories for all companies included in the consolidated financial statements by 2025 in accordance with the Sustainability Roadmap.
- Maintain an annual electricity-saving rate of at least 1% in support of government energy conservation policies.
- Complete the installation of Phase III solar PV systems (160 kW) at the Xinying Factory in 2025. Upon completion, the system will supply electricity for self-consumption.

Mid- and Long-term Goals (2028-2050)

- Achieve a cumulative carbon reduction of 8% during 2028–2033 and progressively advance toward carbon neutrality by 2050, taking into consideration technological developments, process improvements, and regulatory requirements.
- Complete GHG verification for consolidated subsidiaries and promote carbon reduction initiatives by 2027 in accordance with the Sustainability Roadmap.
- Evaluate the conversion of leased rooftop solar PV systems (2,221.8 kW) and self-owned rooftop solar PV systems at the Xinying Factory (2,708.89 kW) to self-consumption models based on the implementation of carbon fee policies and related regulations.

E-Environmental

Environmental Protection

Short-term Goals (2025-2027)

- Maintain and operate the ISO 50001: 2018 Energy Management System and ISO 14001: 2015 Environmental Management System and successfully pass external audits.
- Obtain third-party verification and certification of ISO 14067: 2018 Product Carbon Footprint through professional consulting support.
- Continue replacing energy-intensive equipment and improving energy efficiency to reduce environmental impacts arising from operations.
- Promote green procurement and prioritize the purchase of products with environmental or green labels.

Mid- and Long-term Goals (2028-2050)

- Utilize ISO 14001: 2015 Environmental Management System, ISO 50001: 2018 Energy Management System, and ISO 14067: 2018 Product Carbon Footprint as the foundation for effectively managing energy and resource consumption while reducing environmental impacts.
- Invest in research on alternative energy, energy storage technologies, and innovative production processes to improve resource efficiency and reduce environmental burdens.
- Achieve zero violations of environmental regulations.

Resource Reuse

Short-term Goals (2025-2027)

Promote diversified waste treatment and recycling channels and maintain an annual waste resource recovery rate of at least 90%.

Mid- and Long-term Goals (2028-2050)

Continue promoting waste recycling and resource circularity practices to support the circular economy, reduce environmental impacts, and protect the environment.

S-Social

Healthy Workplace

Short-term Goals (2025-2027)

- Continue implementing the ISO 45001: 2018 Occupational Health and Safety Management System and uphold the occupational health and safety policy of "Safety First, Eliminate Hazards, Education and Training, Health and Safety."
- Promote employee health and continue providing health examinations exceeding legal requirements.
- Strengthen industry-academia collaboration by providing internship opportunities and scholarships to attract and cultivate outstanding talent.

Mid- and Long-term Goals (2028-2050)

- Achieve Zero occupational accidents as a long-term target.
- Continue providing diversified professional training programs to cultivate talent and enhance organizational competitiveness.

Human Rights

Short-term Goals (2025-2027)

- Adhere to internationally recognized labor and human rights principles, ensure the prohibition of forced labor and discrimination, and maintain zero violations of labor rights regulations.
- Continue implementing workplace violence hazard identification and risk assessment mechanisms to protect employees' physical and mental well-being.
- Strengthen awareness and implementation of sexual harassment prevention measures to establish a harassment-free workplace.

Mid- and Long-term Goals (2028-2050)

- Continue fostering a workplace culture that respects human rights, diversity, and equality.
- Achieve Zero discrimination and human rights infringement incidents.

S-Social

Community Engagement

Short-term Goals (2025-2027)

Allocate an annual budget for public welfare activities and continue supporting charitable, educational, cultural, artistic, and environmental organizations through various forms of social engagement while collaborating with the Chang Yung-Fa Foundation on public welfare initiatives.

Mid- and Long-term Goals (2028-2050)

Continue participating in social engagement initiatives and integrating sustainability values into the corporate culture.

G-Governance

Operational Performance

Short-term Goals (2025-2027)

- Maintain sustainable profitability.
- Improve operational efficiency and overall management performance through technological innovation and the digitalization of production processes.
- Continuously evaluate investment opportunities in environmental protection and renewable energy-related businesses to promote business diversification.

Mid- and Long-term Goals (2028-2050)

- Enhance operational efficiency, reduce costs, strengthen operational resilience, and mitigate labor shortages through process automation and intelligent manufacturing technologies.
- Expand environmental protection and renewable energy businesses to deepen diversified operations and improve long-term profitability.

G-Governance

Sustainable Development

Short-term Goals (2025-2027)

- Strengthen the operational effectiveness of the Board of Directors and Sustainability Committee, enhance sustainability governance and risk management, and regularly report sustainability performance to the Board.
- Maintain communication channels with stakeholders and continue disclosing sustainability-related information through the Company website and Sustainability Report.

Mid- and Long-term Goals (2028-2050)

Adopt the United Nations Sustainable Development Goals (SDGs) as the core guiding framework for the Company's sustainable development initiatives.

Sustainable Supply Chain

Short-term Goals (2025-2027)

- Implement supplier and contractor evaluation systems.
- Achieve a 95% signing rate for the Corporate Sustainability Commitment.
- Promote supplier and contractor self-assessments and evaluations on human rights issues.
- Diversify suppliers, material sources, and subcontractors to enhance supply flexibility and reduce costs.
- Support local procurement, with domestic suppliers serving as the primary source of major materials and supplies.

Mid- and Long-term Goals (2028-2050)

- Strengthen supply chain and procurement management mechanisms and establish long-term, stable, and sustainable partnerships with suppliers and contractors.
- Achieve a 100% signing rate for the Corporate Sustainability Commitment.
- Continue promoting supplier and contractor compliance with human rights requirements and conduct regular self-assessments and management reviews.

1.1.4 Annual Sustainability Performance

In accordance with its sustainability goals and annual work plans, the Company has implemented various initiatives across the Environmental, Social, and Governance (ESG) dimensions. The key achievements in 2025 are summarized below.

E-Environmental

Low-Carbon

- Completed GHG inventories for all companies included in the consolidated financial statements.
- The parent company's GHG emissions inventory was verified by an independent third party in accordance with ISO 14064-1: 2018 and a verification statement was obtained.
- Both the Hsinchu Factory and Xinying Factory achieved annual electricity-saving rates exceeding 1%, meeting their annual energy-saving targets.
- Completed the installation of the Phase III solar PV system at the Xinying Factory (approximately 161.68 kW), which is scheduled to commence operation in 2026.

Environmental Protection

- Received the Outstanding Green Procurement Enterprise Award from the Tainan City Government.
- Received the 2025 Net-Zero Industry Competitiveness Excellence Award (Steel Industry) from the 21st Century Foundation.
- Successfully passed annual surveillance audits for the ISO 14001: 2015 Environmental Management System and ISO 50001: 2018 Energy Management System and maintained certification.
- Obtained ISO 14067: 2018 Product Carbon Footprint verification statements for Building Steel Structures and Bridge Steel Structures.
- Achieved approximately NT$10.83 million in green procurement spending, including subsidiaries Hsin Yung Enterprise Corp. and Super Max Engineering Corp.
- All stationary pollution sources and wastewater discharges complied with applicable regulatory standards.

E-Environmental

Resource Reuse

- Achieved a waste resource recovery rate of approximately 92.43%, meeting the annual management target.
- Obtained approval from the Ministry of Economic Affairs for the case-specific reuse project utilizing submerged arc welding slag as Controlled Low-Strength Material (CLSM).
- Promoted duplex printing and single-sided paper reuse, resulting in a reduction of approximately 3% in paper consumption compared with the previous year.

S-Social

Healthy Workplace

- Successfully passed third-party verification of the ISO 45001: 2018 Occupational Health and Safety Management System and maintained certification.
- The Hsinchu, Xinying, and Kaohsiung Factory achieved their annual occupational health and safety targets, with no major occupational accidents or occupational disease cases reported.
- Provided employee health examinations exceeding regulatory requirements, with 230 employees completing health examinations and achieving a 100% participation rate.
- Conducted various employee training programs, with 4,120 participants and 9,722 training hours.
- Fully subsidized employees to participate in professional development programs, resulting in the acquisition of 120 professional certifications.
- Continued industry-academia collaboration with universities and colleges, providing employment and internship opportunities and employing four interns during the year.

S-Social

Human Rights

- No violations of labor-related regulations or employee grievance cases were reported.
- No incidents involving discrimination, child labor, or forced labor were identified.
- Conducted sexual harassment prevention training programs with 479 participants and 239.5 training hours, as well as advanced management-level training with 111 participants and 222 training hours.

Community Engagement

- Actively participated in a wide range of social contribution activities, with total annual investment reaching NT$4.415 million and a project implementation rate of 100%.
  - » Supported arts and cultural development through sponsorships totaling approximately NT$3.27 million for performing arts groups, cultural organizations, cultural venues, and the publishing industry.
  - » Promoted local community development by continuing meal assistance programs for disadvantaged residents in communities surrounding the Xinying Factory and actively participating in local community and cultural events.
  - » Enhanced social engagement through initiatives supporting education, rural healthcare, disadvantaged groups, and public health promotion.
- Organized two beach clean-up events involving 139 participants and collected approximately 358 kilograms of waste.

G-Governance

Operational Performance

- Consolidated operating revenue totaled NT$15,321,268 (thousand), consolidated net profit after tax reached NT$4,075,294 (thousand).
- To enhance power dispatch stability and operational resilience, the Xinying Factory completed the installation of a 10 MWh energy storage system, which is scheduled to commence operation in 2026.
- Collaborated with the National Center for Research on Earthquake Engineering and jointly applied for a patent entitled "Intelligent Automated Multi-Pass Multi-Layer Welding Method" with three domestic steel structure manufacturers. The patent has been approved by the Taiwan Intellectual Property Office.
- Successfully passed external verification of the ISO 9001: 2015 Quality Management System and maintained certification.

G-Governance

Sustainable Development

- Convened four Sustainability Committee meetings to oversee the implementation of sustainability work plans, review annual sustainability initiatives, and examine the Sustainability Report. The 2026 sustainability work plan was approved by the Sustainability Committee in December and subsequently reported to the Board of Directors.
- Female directors accounted for 28.57% of the Board, exceeding the Company's target of 20%.
- Achieved a 100% attendance rate for all members at Board meetings, Audit Committee meetings, Remuneration Committee meetings, and Sustainability Committee meetings.
- Successfully passed external verification of the ISO 27001: 2022 Information Security Management System and maintained certification.
- The 2024 Sustainability Report was prepared in accordance with the GRI Standards, with industry-specific disclosures referenced from SASB Standards, and obtained Moderate Assurance under the AA1000 Assurance Standard (v3).
- The 2025 TCFD Report was prepared with reference to the TCFD Recommendations and IFRS S2 framework and disclosed on the Company's website.

Sustainable Supply Chain

- Received the 2025 Excellent Supplier Award from KEDGE Construction Co., Ltd.
- Received the 2025 Outstanding Supplier Award from Lee Ming Construction Co., Ltd.
- Supplier and contractor evaluations were conducted semi-annually, with all evaluation results meeting required standards in both the first and second half of 2025.
- An additional 37 suppliers and contractors signed the Corporate Sustainability Commitment in 2025, bringing the cumulative total to 311 signatories.
- A total of 295 Supplier/Contractor Self-Assessment Questionnaires (Human Rights Issues) were collected, with no human rights violations identified.

1.1.5 Alignment with the United Nations Sustainable Development Goals (SDGs)

The Company adopts the United Nations Sustainable Development Goals (SDGs) as an important reference framework for its sustainability strategy and integrates them with its material topic management mechanism. The alignment between management approaches and relevant SDGs is presented below. Related implementation results are disclosed in Chapter 1.1.4.

Dimension	Key Action Area	Relevant SDGs	Material Topics	Management Approach
E Environmental	Low-Carbon	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	Greenhouse Gas Emissions Climate Change Risk and Opportunity Management	Establish GHG inventory and verification mechanisms, implement carbon reduction roadmaps, and promote renewable energy deployment to strengthen climate risk management capabilities and support the energy transition.
	Environmental Protection	7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	Energy Water and Effluents Air Quality	Enhance resource efficiency and environmental performance through the implementation of the ISO 14001: 2015 Environmental Management System and ISO 50001: 2018 Energy Management System.
	Resource Reuse	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Waste Management Materials Management	Promote waste reduction and diversified recycling and reuse practices to increase resource recovery rates and facilitate circular resource utilization.
S Social	Healthy Workplace	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 8 DECENT WORK AND ECONOMIC GROWTH	Occupational Health and Safety Training and Education Employment	Implement the ISO 45001: 2018 Occupational Health and Safety Management System, strengthen hazard identification and preventive measures, and enhance employee competencies through education and training.

Dimension	Key Action Area	Relevant SDGs	Material Topics	Management Approach
S Social	Human Rights	5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	Employment	Adhere to internationally recognized human rights principles and labor regulations, foster an equal, diverse, and non-discriminatory workplace culture, and continuously promote sexual harassment prevention and workplace violence prevention mechanisms.
	Community Engagement	4 QUALITY EDUCATION 11 SUSTAINABLE CITIES AND COMMUNITIES 17 PARTNERSHIPS FOR THE GOALS	Non-material topic but continued investment	Continue supporting education, culture, healthcare, and disadvantaged groups, while organizing environmental and community engagement activities in collaboration with subsidiaries and business partners. Although not identified as a material topic, these initiatives demonstrate the Company's ongoing commitment to the SDGs through corporate social participation.
G Governance	Operational Performance	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Economic Performance Customer Health and Safety	Enhance operational efficiency and product quality through energy storage deployment, automation technology development, and implementation of the ISO Quality Management System, thereby strengthening competitiveness and operational resilience.
	Sustainable Development	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS	Regulatory Compliance	Strengthen the operation of the Board of Directors and the Sustainability Committee, prepare sustainability-related reports in accordance with international disclosure standards, and enhance transparency and stakeholder communication.
	Sustainable Supply Chain	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 17 PARTNERSHIPS FOR THE GOALS	Sustainable Supply Chain Management	Implement supplier and contractor evaluation mechanisms, promote the signing of the Corporate Sustainability Commitment and self-assessment programs, and work collaboratively with suppliers and contractors to advance sustainable supply chain development.

1.2 Stakeholder Interaction

1.2.1 Identification of Stakeholders

Evergreen Steel referenced the five principles of the AA1000 Stakeholder Engagement Standard 2015 (AA1000 SES 2015), including Dependency, Responsibility, Tension, Influence, and Diverse Perspectives, to identify and prioritize groups or organizations that have an impact on the Company or are affected by the Company. Senior executives, members of the Sustainability Committee task force, and external experts jointly reviewed and discussed the assessment results. Employees and Other Workers, Shareholders, Customers, Suppliers/Contractors, Government Agencies, and Steel Industry Peers were identified as the Company's six key stakeholder groups and priority communication targets.

1.2.2 Stakeholder Engagement

To understand and respond to stakeholder concerns, the Company has designated dedicated contact points and established various communication channels, enabling stakeholders to provide feedback at any time. Through these channels, the Company is able to identify and respond to sustainability issues of concern to stakeholders. A summary of stakeholder engagement activities in 2025 is provided in the table below and was reported to the Sustainability Committee and the Board of Directors on December 24, 2025.

Employees and Other Workers

Focus Topic

- Economic Performance
- Occupational Health and Safety
- Employment
- Training and Education
- Labor/Management Relations

Importance to Evergreen Steel

Employees are the Company's most important partners and the core driving force behind its growth. Evergreen Steel is committed to fostering a workplace that emphasizes two-way communication, occupational safety, and employee health. The Company provides competitive compensation, comprehensive training programs, and safeguards employee rights and interests, with the aim of attracting and retaining outstanding talent while strengthening organizational cohesion.

Engagement Method

Business meetings	Monthly
Department/Factory/Section meetings	Monthly/Instant
Labor management meetings of the Company/Each factory	Quarterly/Instant
Employee Welfare Committee	Quarterly/Instant
Labor Pension Supervisory Committee	Quarterly/Instant
Occupational Safety and Health Committee	Quarterly
Medical and health consultations	Instant
Performance appraisal and interview	Twice a year/Instant
Education and training program	Annually/Quarterly/Instant
Relevant announcements within the Company	On demand
Employee grievance mechanism	Instant
Telephone and face-to-face communication	Instant
Internal communication email	Instant
Company Website – Corporate Sustainability Section	Instant

2025 Engagement

- Monthly business meetings
- Monthly departmental meetings
- Weekly factory operation meetings at Hsinchu Factory and Xinying Factory
- Quarterly and ad hoc labor-management meetings at the Company and factory levels (6 meetings in total)
- Quarterly Employee Welfare Committee meetings
- Quarterly and ad hoc Labor Pension Supervisory Committee meetings (11 meetings in total)
- Quarterly Occupational Safety and Health Committee meetings
- 52 health consultation sessions (including 4 quarterly sessions at Hsinchu Factory)
- Employee performance evaluations conducted in March and September each year
- Real-time or ad hoc disclosure of relevant information on the Company website

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Shareholders

Focus Topic

- Economic Performance
- Occupational Health and Safety
- Regulatory Compliance
- Energy
- Greenhouse Gas Emissions

Importance to Evergreen Steel

Shareholders are key supporters of the Company's long-term development. Evergreen Steel continues to strengthen corporate governance, implement risk management, and enhance operational performance, while striving to promote sustainable corporate growth and profitability in order to create value for investors.

Engagement Method

Shareholders' meeting	Annually
Investor conference	Annually
Annual report of shareholders' meeting	Annually
Important financial and business information announced on the MOPS	According to the regulations of the competent authority
Company Website	Instant

2025 Engagement

- Held the 2025 shareholders' meeting, Information about the meeting is disclosed on the MOPS and the Company website. Videos of the meeting will be uploaded to the Company website, too
- Invited to participate in KGI Securities' investor conference 2 times
- The annual report of the shareholders' meeting has been sent to the shareholders' meeting and disclosed on the MOPS and the Company's website
- Release publicly announcements and major information on the MOPS public information platform
- Important financial and business information has been disclosed on the MOPS and the Company's website

Contact Department

Finance Dept./Ms. He
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Customers

Focus Topic

- Customer Health and Safety
- Regulatory Compliance
- Materials Management
- Greenhouse Gas Emissions
- Customer Privacy

Importance to Evergreen Steel

Customers are the primary recipients of the Company's products and services. Evergreen Steel continuously strengthens its business development capabilities, enhances production technologies, and improves manufacturing processes to provide high-quality products and professional services. Through long-term partnerships built on mutual trust, the Company aims to create shared and sustainable value with its customers.

Engagement Method

External communication mailbox	On demand
Telephone, Fax, Email	Instant
Business visits	Instant
Company Website – Corporate Sustainability Section	Instant

2025 Engagement

- Timely response to and improvement of customer feedback
- Annual cumulative visits to the Company website 26,031
- Real-time or ad hoc disclosure of relevant information on the Company website

Contact Department

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Suppliers/Contractors

Focus Topic

- Economic Performance
- Occupational Health and Safety
- Regulatory Compliance
- Materials Management
- Procurement Practices

Importance to Evergreen Steel

Strong supply chain partnerships are essential to corporate sustainability. Evergreen Steel maintains positive interactions with suppliers and contractors, with a shared commitment to high-quality products and professional services. Through mutually beneficial and trust-based cooperation, the Company seeks to enhance the sustainability and competitiveness of its supply chain and achieve mutual growth.

Engagement Method

• Safety and Health 6S agreement organization meeting	Monthly
• Education and training	Quarterly/ On demand
• Supplier/Contractor evaluation	Once every half a year
• Supplier meeting	On demand
• Face-to-face communication	On demand
• Corporate Sustainability Commitment	On demand
• Toolbox Meeting	On demand
• Purchase contract	Contract period
• Construction contract	Contract period
• Telephone, Fax, Email	Instant
• Company Website – Corporate Sustainability Section	Instant

2025 Engagement

- 12 Safety, Health, and 6S Committee meetings
- 7 occupational safety and health seminars for employees and contractors
- 15 on-site safety and health (including fire safety) education and training sessions for contractors
- 12 education and training sessions for foreign migrant workers
- 2 supplier/contractor evaluations
- 36 supplier meetings (including quality-related meetings)
- 311 Corporate Sustainability Commitment signed (as of October 2025)
- 248 toolbox meetings
- Real-time or ad hoc disclosure of relevant information on the Company website

Contact Department

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Government Agencies

Focus Topic

- Occupational Health and Safety
- Customer Health and Safety
- Regulatory Compliance
- Waste Management
- Greenhouse Gas Emissions

Importance to Evergreen Steel

Evergreen Steel complies with applicable laws, regulations, and government policies, and actively supports relevant government initiatives. Through professional exchanges and two-way communication, the Company promotes public-private collaboration to jointly advance industrial development and corporate sustainability.

Engagement Method

Online data submission	Annually
Seminar/Symposium/Public hearing	On demand
Correspondence of official documents	On demand
Business visit	On demand
Competent authority inspections	On demand
Safety and health family education training/symposium	On demand
Telephone, Fax, Email	Instant
Company Website – Corporate Sustainability Section	Instant

2025 Engagement

- 5 submissions of information through online platforms
- 26 seminars and briefing sessions organized by government agencies
- Government agency education and training programs (including occupational health nursing)
  - » 1 water resource efficiency management and water conservation education and training session organized by the Water Resources Agency, Ministry of Economic Affairs
  - » 3 policy promotion meetings/briefing sessions organized by the Tainan City Labor Affairs Bureau
  - » 2 education and training sessions and user forums organized by Taipower Chianan Power Supply District
- 3 policy promotion meetings/forums organized by environmental protection authorities
- 7 education and training sessions organized by the Occupational Safety and Health Administration (OSHA)
- 5 promotional forums/workshops organized by the Occupational Safety and Health Administration (OSHA)
- Real-time or ad hoc disclosure of relevant information on the Company website

Contact Department

Supervisory Dept./Ms. Cai
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Steel Industry Peers

Focus Topic

- Economic Performance
- Occupational Health and Safety
- Training and Education
- Materials Management
- Procurement Practices

Importance to Evergreen Steel

Evergreen Steel actively participates in steel industry-related associations and organizations. Through industry exchanges and collaboration, the Company stays informed of industry trends, market developments, and technological advancements, which serve as important references for operational management and business expansion, while continuously enhancing corporate competitiveness.

Engagement Method

Business visit	On demand
Telephone, Fax, Email	Instant
Company Website – Corporate Sustainability Section	Instant

2025 Engagement

- 4 steel structure group meetings organized by the Taiwan Steel and Iron Industries Association (once per quarter)
- 1 member meeting of the Taiwan Steel Structure Hoisting Engineering Professional Construction Industry Association
- 1 member meeting of the Taiwan Steel Structure Erection Engineering Professional Construction Industry Association
- 3 meetings of the Taiwan Institute of Steel Construction
- Real-time or ad hoc disclosure of relevant information on the Company website

Contact Department

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1.3 Management of Material Topics

1.3.1 Identification Process of Material Topics

To ensure that the information disclosed in the sustainability report meets stakeholder needs, the Company determines its material topics through four steps: understanding the organization's context, identifying actual and potential impacts, assessing the significance of the impacts, and prioritizing the most significant impacts for reporting.

Understand the organization's context

With reference to the GRI Topic Standards, GRI Sector Standards, SASB Standards and the Sustainability Disclosure Indicators issued by the Financial Supervisory Commission (FSC), a total of 36 sustainability topics were identified.

Identify actual and potential impacts

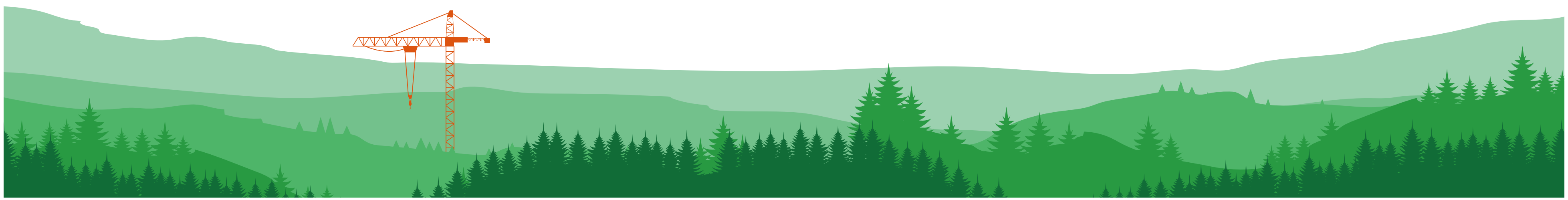
External experts assessed each sustainability topic based on the Company's actual and potential negative impacts and positive impacts on the economic, environmental, and people (including their human rights). Scores for actual negative impacts, potential negative impacts, actual positive impacts, and potential positive impacts were aggregated to determine the ranking of external impact assessments for each topic.

Assess the significance of the impacts

The results of the external impact assessment were further evaluated by the Company's management and employees to assess the influence of each topic on the Company's sustainable operations. Through a comprehensive assessment process, topics with significant impacts on the Company were identified as material topics.

Prioritize the most significant impacts for reporting

Sustainability topics were ranked according to their impact scores, and comprehensive assessments were conducted based on the nature of each topic. Topics with a total score exceeding 30 were identified as topics with significant impacts. During the meeting, the Chairman approved 14 material topics as the Company's material topics for the reporting year. Relevant management approaches for these material topics are disclosed in this report in accordance with the reporting requirements of GRI 3: Material Topics 2021.



1.3.2 Material Topic Identification Results

Evergreen Steel identified a total of 14 material topics in 2025. Compared to the previous year, "Climate Change Risk and Opportunity Management" was added as a new topic this year, while the scores and rankings of "Economic Performance" and "Energy" remained unchanged. Slight adjustments were made to the remaining topics. Following discussion at the meeting, the Chairman approved a total of 14 material topics for the reporting year, comprising 13 material topics and 1 company-defined topic, as detailed in the table below:

Material Topic	Type	Corresponding Guidelines	Scores		Change
			2025	2024	
Economic Performance	Material topic	GRI 201: Economic Performance	48	48	Unchanged
Occupational Health and Safety	Material topic	GRI 403: Occupational Health and Safety SASB Workforce Health & Safety	48	47	▲
Employment	Material topic	GRI 401: Employment	45	42	▲
Regulatory Compliance	Company-defined topic	GRI 2-27 Compliance with laws and regulations	44	43	▲
Customer Health and Safety	Material topic	GRI 416: Customer Health and Safety	43	37	▲
Climate Change Risk and Opportunity Management	Material topic	GRI 201: Economic Performance	42	29	▲ New
Waste Management	Material topic	GRI 306: Waste SASB Waste Management	41	40	▲
Materials Management	Material topic	GRI 301: Materials	41	40 (Materials Management) 37 (Raw Material)	▲
Sustainable Supply Chain Management	Material topic	GRI 308: Supplier Environmental Assessment GRI 414: Supplier Social Assessment	40	35 (Supplier Environmental Assessment) 34 (Supplier Social Assessment)	▲
Training and Education	Material topic	GRI 404: Training and Education	40	38	▲
Energy	Material topic	GRI 302: Energy SASB Energy Management	39	39	Unchanged
Greenhouse Gas Emissions	Material topic	GRI 305: Emissions SASB Greenhouse Gas Emissions	36	35	▲
Air Quality	Material topic	GRI 305: Emissions SASB Air Emissions	35	34	▲
Water and Effluents	Material topic	GRI 303: Water and Effluents SASB Water Management	34	30	▲

Comprehensive Assessment of Evergreen Steel's Material Topics

1.3.3 Management of Material Topics

Economic Performance

GRI 201: Economic Performance

Ch. 3 Product and Value Chain

To achieve sustainable business operations and create value for shareholders, the Company adheres to its quality policy of "Safety First, Quality Foremost, Customer Satisfaction, and Sustainable Operations," and is committed to achieving operational targets while advancing sustainable development.

Policies and Strategies

- Secure high-value engineering projects, strengthen business development capabilities, and uphold a quality policy centered on sustainable operations.
- Promote process improvements, explore innovative construction methodologies, and monitor developments in new materials and technologies.

Impacts

Actual Positive Impacts	Economy, People: Enhancing business development capabilities and participating in public infrastructure projects contribute to revenue growth and economic development.
Potential Positive Impacts	Economy, People: Strengthened business development capabilities may create additional employment opportunities and support socioeconomic development.
Actual Negative Impacts	Economy: Fluctuations in material prices may increase costs and adversely affect profitability.
Potential Negative Impacts	Economy: A decline in future order volumes may negatively affect the Company's profitability.

Prevention and Remediation Measures(Risk and Opportunity Management Actions)

- Regular management and factory (department) meetings are held to follow up the implementation of the annual budget and formulate corresponding measures.
- Through regular production and sales meetings, the Company closely monitors market conditions and adopts necessary management measures.
- Strengthen business development capabilities to cultivate stable, long-term partnerships.
- Grievance Mechanism: The Company has established stakeholder communication and grievance mechanisms. Opinions or complaints related to this topic may be raised through existing communication channels, with responses and follow-up actions handled in accordance with relevant procedures. For further information, please refer to Chapter 1.2.2, Stakeholder Engagement.

Targets and Objectives

- Short-term Targets
  - Strengthen business development capabilities by increasing new customers by 5% annually and cultivating stable, long-term partnerships. Maintain a customer retention rate of over 70%.
  - In line with the government's promotion of public infrastructure projects, the Company actively pursues public infrastructure opportunities to enhance market share and maintain stable sources of revenue.
  - Through a regular evaluation system, qualified and high-performing suppliers and contractors are selected to strengthen supply chain management, enhance product quality, and establish a high-quality and stable supply chain.
  - As material costs account for a significant portion of steel structure production costs, the Company enters into fixed-price supply agreements with steel mills to mitigate risks associated with steel price fluctuations.
- Mid- and Long-term Targets
  - Leveraging its experience in steel structure exports and the quality recognition received from Mitsubishi Hitachi Power Systems, the Company will actively explore overseas business opportunities to increase business volume and profitability should domestic market conditions change.
  - Continuously improve construction methodologies to enhance efficiency, reduce costs, shorten project schedules, and strengthen competitiveness.
  - Strengthen professional training and drawing review capabilities to improve production efficiency and reduce error rates.

Management Evaluation Mechanisms

- Annual budgets are prepared, and regular management and factory (department) meetings are held to follow up performance and formulate response measures.
- Through regular production and sales meetings, the Company maintains a comprehensive understanding of market conditions and adopts necessary management measures to coordinate overall operations.

Performance and Adjustments

- Operating Performance: In 2025, the Company recorded consolidated operating revenue of NT$15,321,268 (thousand) and consolidated net profit after tax of NT$4,075,294 (thousand).
- Adjustment Mechanism: The Chairman convenes relevant departments to review budget targets and performance achievements of each unit. Appropriate response measures are formulated and implemented in a timely manner based on prevailing economic and market conditions.

Occupational Health and Safety

GRI 403 Occupational Health and Safety

SASB Workforce Health & Safety

Ch. 5 Friendly Workplace

To effectively manage occupational safety and health and ensure compliance with relevant regulations, the Company strives to fulfill regulatory requirements and avoid legal penalties. Sound occupational safety and health management helps reduce operational risks and enhance employee safety throughout the manufacturing process.

Policies and Strategies

- The Company's Occupational Safety and Health Policy is: "Safety First, Eliminate Hazards, Education and Training, Health and Safety."

Impacts

Actual Positive Impacts

Environment, People: Continuous implementation of the occupational safety and health management system helps maintain a safe working environment and protect employee health.

Potential Positive Impacts

Environment, People: Effective implementation of occupational safety and health policies helps reduce occupational accidents, workplace pollution, and environmental impacts, thereby improving the overall quality of the working environment.

Actual Negative Impacts

Economy: Achieving occupational safety and health targets requires substantial investment in training and equipment upgrades, increasing operating costs.

People: Occupational accidents may cause physical and psychological harm to employees.

Potential Negative Impacts

Economy: Failure to achieve occupational safety and health targets may result in government penalties or litigation, adversely affecting the Company's financial performance.

Prevention and Remediation Measures (Risk and Opportunity Management Actions)

- Conduct annual reviews of the effectiveness of the Company's self-management system and formulate strategies to reduce occupational accidents.
- Grievance Mechanism: The Company has established stakeholder communication and grievance mechanisms. Opinions or complaints related to this topic may be raised through existing communication channels, with responses and follow-up actions handled in accordance with relevant procedures. For further information, please refer to Chapter 1.2.2, Stakeholder Engagement.

Targets and Objectives

- Short-term Targets (Annual Targets)

Policy	Targets
Safety First	Occupational fatalities: 0. Hospitalized injuries: Hsinchu Factory ≤2, Xinying Factory ≤2, Kaohsiung Factory 0, Construction sites ≤2.
Eliminate Hazards	Pass rate for working environment monitoring (dust, noise, organic solvents, and central air-conditioning): 100%.
Education and Training	Certification rate for safety and health supervisors (section-level managers): 100%.
Health and Safety	Health seminars: Hsinchu Factory ≥2, Xinying Factory ≥2, Kaohsiung Factory ≥1. Health promotion activities (e.g., blood donation and health examinations): ≥1 event at each Factory. Minor injuries/property damage incidents: Hsinchu Factory ≤6, Xinying Factory ≤9, Kaohsiung Factory ≤2, Construction sites ≤6.

- Mid- and Long-term Targets: Zero occupational accidents.

GRI 403 Occupational Health and Safety

SASB Workforce Health & Safety

Occupational Health and Safety

Ch. 5 Friendly Workplace

Management Evaluation Mechanisms

- In accordance with internal occupational safety and health management procedures, each unit implements self-management, and the effectiveness of such management is evaluated based on the performance of each unit.
- In accordance with the ISO/CNS 45001: 2018 Occupational Health and Safety Management System, the Company conducts annual internal audits, external audits, and management reviews to evaluate the effectiveness of the PDCA cycle.
- Pursuant to Article 12-2 of the Occupational Safety and Health Act, Type-I enterprises with more than 200 employees are required to establish an occupational safety and health management system appropriate to their operations. As the Kaohsiung Factory, including contractors, has fewer than 100 personnel, ISO 45001: 2018 has not been implemented at that factory.

Performance and Adjustments

- Implementation of Occupational Safety and Health Targets in 2025

Policy	Targets	Performance
Safety First	Occupational fatalities: 0. Hospitalized injuries: Hsinchu Factory ≤2, Xinying Factory ≤2, Kaohsiung Factory 0, Construction sites ≤2	0. Hsinchu Factory, Xinying Factory, Kaohsiung Factory 0, Construction sites 1.
Eliminate Hazards	Working environment monitoring pass rate: 100%. *Implementation of pedestrian-vehicle separation and restricted access to forklift operating areas at the Kaohsiung Factory.	100%
Education and Training	Safety and health supervisor certification rate: 100%.	100%
Health and Safety	• Health seminars: Hsinchu Factory ≥2, Xinying Factory ≥2, Kaohsiung Factory ≥1. • Health promotion activities: ≥1 event at each Factory. • Minor injuries/property damage incidents: Hsinchu Factory ≤6, Xinying Factory ≤9, Kaohsiung Factory ≤2, Construction sites ≤6.	Hsinchu Factory 3, Xinying Factory 4, Kaohsiung Factory 1. Hsinchu Factory 1, Xinying Factory 2, Kaohsiung Factory 1. Hsinchu Factory 3, Xinying Factory 5, Kaohsiung Factory 1, Construction sites 10.

- The Occupational Safety and Health Committee reviews the implementation of occupational safety and health targets during its fourth-quarter meeting each year and establishes new targets for the following year.

Employment

GRI 401 Employment

Ch. 5 Friendly Workplace

The Company endeavors to ensure that all systems are reasonable and institutionalized. Matters concerning employee attendance, leave, and retirement are handled in accordance with the Labor Standards Act and related regulations, thereby supporting the Company's sustainable development.

Policies and Strategies

- The Company adopts full-time employment as the principle for meeting manpower requirements associated with regular operations.

Impacts

Actual/Potential Positive Impacts

Economy, People: Safeguarding employees' basic human rights helps foster sound labor-management relations, enhance productivity and quality, improve economic performance and corporate image, create employment opportunities, and contribute to socioeconomic development.

Actual/Potential Negative Impacts

Economy, People: Unstable labor-management relations may result in labor disputes and work stoppages, adversely affecting production and operations and causing negative impacts on the Company's economic performance.

Prevention and Remediation Measures (Risk and Opportunity Management Actions)

- The Company strives to attract and retain talent by fostering a two-way communication environment, providing competitive compensation, and offering comprehensive education and training programs, thereby protecting employee rights and strengthening organizational cohesion.
- To prevent labor disputes or work stoppages, the Company maintains two-way communication with employees through labor-management meetings and enhances employee benefits through the Employee Welfare Committee.
- Grievance Mechanism: The Company has established stakeholder communication and grievance mechanisms. Opinions or complaints related to this topic may be raised through existing communication channels, with responses and follow-up actions handled in accordance with relevant procedures. For further information, please refer to Chapter 1.2.2, Stakeholder Engagement.

Targets and Objectives

- Short-term Targets
  - Hold at least 4 Employee Welfare Committee meetings and 4 labor-management meetings annually. Through monthly departmental meetings and other communication channels, the Company continuously provides employee welfare measures and communication mechanisms to protect employees from unlawful infringement and foster a friendly workplace free from sexual harassment.
- Mid- and Long-term Targets
  - Ensure equal training opportunities for all employees regardless of gender and encourage participation in internal and external professional training programs relevant to their job functions.
  - Continue to strengthen employees' awareness of ethical conduct and legal compliance through promotional activities and related training programs.

Management Evaluation Mechanisms

The Company strives to ensure that all systems are reasonable and institutionalized and complies with the Labor Standards Act and related regulations to maintain harmonious labor-management relations. Various employee communication channels have been established. In addition, year-end bonuses are awarded based on the Company's annual operating performance and employees' individual performance to recognize and motivate employees.

Performance and Adjustments

- The Company respects and cares for its employees and prohibits all forms of forced labor. Stable compensation and benefits are provided to all full-time employees, along with career development support through language, professional, and internal training programs. Promotion evaluation mechanisms for each job level are also implemented to cultivate professional talent and support the Company's sustainable development.
- In 2025, the Company held 4 Employee Welfare Committee meetings, 6 labor-management meetings, and monthly departmental meetings, facilitating two-way communication through these channels.

Regulatory Compliance

GRI 2-27 Compliance with Laws and Regulations (Company-defined topic)

Ch. 2 Corporate Governance

Compliance with laws and regulations is a fundamental principle of business operations. The Company conducts its operations in accordance with applicable domestic and international laws and regulations while continuously monitoring policy developments and regulatory changes to respond effectively to changes in the business environment. Through sound regulatory compliance, the Company is committed to achieving sustainable operations.

Policies and Strategies

- Ensure regulatory compliance and prevent the occurrence of material violations of laws and regulations.
- Continuously improve pollution prevention measures and enhance energy efficiency to protect and maintain environmental quality.
- The Company requires employees and business partners to comply with applicable laws and regulations. It has established the Ethical Corporate Management Best Practice Principles, related operating procedures, and codes of conduct, along with clear and effective reward, disciplinary, and grievance mechanisms. An independent internal audit unit conducts regular and ad hoc audits to evaluate operational effectiveness and efficiency and ensure compliance with relevant laws and regulations.

Impacts

Actual Positive Impacts

Economy, People: Compliance with laws and regulations helps avoid direct costs arising from fines or litigation. It also safeguards the Company's reputation, strengthens customer trust, enhances brand value, and improves market competitiveness.

Actual/Potential Negative Impacts

Economy, People: Violations of laws and regulations may result in penalties imposed by competent authorities, leading to reduced competitiveness and adverse impacts on the Company's financial performance and brand value.

Prevention and Remediation Measures (Risk and Opportunity Management Actions)

- The Company continuously monitors domestic and international policies and regulatory developments related to its operations and adjusts business strategies and operating procedures in a timely manner to comply with the latest regulatory requirements and enhance regulatory compliance.
- Relevant laws and regulations issued by competent authorities are communicated through internal announcements and training programs to strengthen employees' legal awareness and compliance.
- Grievance Mechanism: The Company has established stakeholder communication and grievance mechanisms. Opinions or complaints related to this topic may be raised through existing communication channels, with responses and follow-up actions handled in accordance with relevant procedures. For further information, please refer to Chapter 1.2.2, Stakeholder Engagement.

Targets and Objectives

- Ongoing Targets
  - Ensure that the Company's operations comply with applicable laws and regulations and prevent material violations resulting in cumulative fines exceeding NT$1 million arising from a single incident.
  - Effectively manage and comply with principles of business conduct, ethical management, and internal operating procedures. Regularly review implementation effectiveness and prevent corruption and other illegal conduct. Awareness of the Ethical Corporate Management Best Practice Principles and the Codes of Ethical Conduct is provided through orientation training, with a target implementation rate of 100%.
  - Strengthen the management of air emissions, wastewater, and waste to ensure compliance with environmental regulations while protecting the surrounding environment.

Management Evaluation Mechanisms

- Comply with applicable laws and regulations and adhere to internal operating procedures established by the Company.
- To ensure the effective implementation of ethical management, the Company has established sound accounting and internal control systems. Internal auditors conduct regular audits in accordance with audit plans and submit audit reports to the Board of Directors.
- To strengthen ethical management, the Human Resources Department is responsible for formulating ethical management policies and preventive measures, supervising implementation, and regularly reporting the results to the Board of Directors.

Performance and Adjustments

- In 2025, the Xinying Factory incurred 1 violation of the Waste Disposal Act and was fined NT$720,000, along with 4 hours of environmental education. In addition, the Hsinchu Factory and construction sites incurred a total of 4 violations of occupational safety and health regulations and were fined NT$510,000. Corrective actions have been completed, and management controls will continue to be strengthened.
- In 2025, the Company had no violations related to corporate governance or labor rights.
- Awareness training on the Ethical Corporate Management Best Practice Principles and the Codes of Ethical Conduct was implemented for 100% of new employees through orientation programs.

Customer Health and Safety

GRI 416 Customer Health and Safety

Ch. 3 Product and Value Chain

Product quality is fundamental to business operations and corporate reputation. Stakeholders expect Evergreen Steel to implement sound management practices and provide safe and reliable construction materials that fulfill their requirements in terms of quality and delivery.

Policies and Strategies

The Company's principal products include steel structures for buildings, factories, and bridges. Manufacturing processes encompass steel plate cutting, assembly, welding, coating, and installation. To meet project quality requirements, continuous quality improvement remains a top priority. Guided by the quality policy of "Safety First, Quality Foremost, Customer Satisfaction, and Sustainable Operations," the Company is committed to:

- Safety First – Continuously improve the working environment.
- Quality Foremost – Reduce process defect rates.
- Customer Satisfaction – Minimize customer complaints and enhance customer satisfaction.
- Sustainable Operations – Expand business opportunities and maintain balanced production capacity.

These quality principles are communicated to all employees and implemented through a rigorous management review system to ensure the effectiveness of quality management.

Impacts

Actual/Potential Positive Impacts

Economy: Providing safe and reliable steel structure products enhances customer trust, strengthens long-term customer relationships, and increases revenue and market share.

Environment: Rigorous control of production processes helps reduce environmental pollution and resource waste.

People: Providing safe steel structure products protects customers' health and safety and minimizes potential hazards.

Actual/Potential Negative Impacts

Economy: Product safety issues or quality defects may result in litigation and compensation liabilities, damaging the Company's reputation and adversely affecting sales and profitability.

People: Product safety risks or quality issues may threaten customer health and safety, attract public criticism, and negatively impact the Company's reputation and brand image.

Prevention and Remediation Measures (Risk and Opportunity Management Actions)

- Improve production processes, equipment, and processing conditions in an orderly manner to reduce environmental impacts and meet customer and societal expectations.
- Conduct continuous testing during changes to equipment and processing conditions to ensure customer satisfaction, minimize differences in perception, and maintain effective communication with customers.
- To alleviate customer concerns arising from process improvements, such as changes in shielding gases, relevant processing data are retained and third-party inspection reports are provided for customer review.
- The Company has established preventive and corrective measures. In the event of a material deficiency, immediate reviews are conducted and corrective actions are implemented accordingly.
- Each department conducts annual reviews of risks and opportunities. Corrective and preventive actions, customer complaints, and customer satisfaction are reviewed during management review meetings, and appropriate remedial actions are implemented.
- Grievance Mechanism: The Company has established stakeholder communication and grievance mechanisms. Opinions or complaints related to this topic may be raised through existing communication channels, with responses and follow-up actions handled in accordance with relevant procedures. For further information, please refer to Chapter 1.2.2, Stakeholder Engagement.

Customer Health and Safety

GRI 416 Customer Health and Safety

Ch. 3 Product and Value Chain

Targets and Objectives

- Short-term Targets
  - Establish and maintain a comprehensive quality management system to ensure the effectiveness of quality management.
  - The Company's annual quality targets are as follows:

Occupational Accidents	0 fatalities; hospitalized injuries ≤ 4 cases
Customer Complaints	≤ 4 cases/year
Customer Satisfaction	Average score ≥ 3.5; individual score ≥ 3.0
Finished Product Defect Rate	Buildings/Factories ≤ 1.8%; Bridges ≤ 1.6%
UT Defect Rate	SAW ≤ 1.8%; SES ≤ 0.7%; Bridges ≤ 2.6%
RT Defect Rate	Buildings/Factories ≤ 3.2%; Bridges ≤ 2.6%
External Provider Performance	Average score ≥ 80 for manufacturing contractors, design contractors, Production Planning Department suppliers, and machinery and material suppliers.

- Mid-term Targets
  Manufacture products in compliance with applicable regulations and customer requirements and deliver products on schedule and with required quality to satisfy customer needs.
- Long-term Targets
  Continue to reduce occupational accidents, customer complaints, finished product defect rates, assembly self-inspection defect rates, and BOX weld self-inspection defect rates in accordance with targets established during management review meetings, while continuously improving customer satisfaction and external provider performance.

Management Evaluation Mechanisms

- In accordance with the ISO 9001: 2015 Internal Management Review Procedures, the Company reviews and adjusts its quality policies and quality targets annually.
- The Company reviews risks and opportunities, correction and preventive measures, customer complaints, and client satisfaction, at annual management review meetings.

Performance and Adjustments

- The Company reviews the achievement of quality targets during annual ISO 9001: 2015 management review meetings and regularly evaluates management performance and targets for timely adjustment.
- The Company's quality performance in 2025 is summarized as follows:

Occupational Accidents (0 fatalities; hospitalized injuries ≤ 4)	0 fatalities; 0 hospitalized injuries.				
Customer Complaints (≤ 4 cases)	3 cases				
Customer Satisfaction (Average score ≥3.5; individual score ≥ 3.0)		Quality	Delivery	Service Attitude	Complaints
	H1	4.4	4.6	4.7	4.5
	H2	4.4	4.5	4.8	4.5
Finished Product Defect Rate (Buildings/Factories ≤ 1.8%; Bridges ≤ 1.6%)	Buildings/Factories: 0.184%; Bridges: 0%				
UT Defect Rate (SAW ≤ 1.8%; SES ≤ 0.7%; Bridges ≤ 2.6%)	Buildings-SAW: 0.125%; SES: 0.166%; Bridges: 0%				
RT Defect Rate (Buildings/ Factories ≤ 3.2%; Bridges ≤ 2.6%	Buildings/Factories: 0%; Bridges: 0%				
External Provider Performance (Average score ≥ 80)		Manufacturing Contractors	Design Contractors	Production Planning Departmen Suppliers	Machinery & Material Suppliers
	H1	93	89.15	97.79	87.6
	H2	93	92.8	98.3	87.5

- Other Quality Performance

BH Self-inspection Defect Rate (≤ 2%)	0.44%
BOX Self-inspection Defect Rate (≤ 1%)	0.615%
Bridge Box Girder Weld Visual Inspection Defect Rate (≤ 2%)	0%
Process Performance (Process performance covers overall manufacturing and service performance. Scores < 15 are reviewed in quality meetings)	H1: 18.3; H2: 18.3

GRI 201: Economic Performance

Climate Change Risk and Opportunity Management

Ch. 4 Environmental Sustainability

With reference to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) issued by the Financial Stability Board (FSB) and IFRS S2 Climate-related Disclosures, the Company has established a climate-related governance framework based on the four core elements of Governance, Strategy, Risk Management, and Metrics and Targets. Through the identification of material climate-related risks and opportunities that may affect operations, the Company formulates corresponding response strategies and financial analyses and establishes climate-related metrics and targets to support sustainable management.

Policies and Strategies

- The TCFD Task Force convenes meetings to identify and assess climate-related risks and opportunities. Risk and opportunity matrices are evaluated based on predefined risk levels, and material risks and opportunities are determined accordingly.
- In accordance with the TCFD recommendations, the Company conducts scenario analysis covering transition risks, physical risks, and climate-related opportunities. Given that climate-related risks and opportunities may affect future strategies and financial planning, the Company adopts the worst-case scenario to assess the resilience of its climate strategies.

Impacts

Actual/Potential Positive Impacts

Economy, Environment: Climate-related opportunities, including access to new markets, adoption of more efficient transportation methods, and transition to distributed energy systems, may create additional revenue opportunities. Through prudent assessment of strategic and financial implications, the Company seeks to capture opportunities arising from climate change and promote sustainable growth.

Actual/Potential Negative Impacts

Economy, Environment, People: Climate-related challenges faced by the Company include carbon fees, renewable energy regulations, changes in customer behavior, tropical cyclones, flooding caused by extreme rainfall, and mandatory GHG inventories. Through prudent assessment of strategic and financial impacts, the Company aims to maintain stable and sustainable operations over the short, mid, and long term while preserving profitability.

Prevention and Remediation Measures (Risk and Opportunity Management Actions)

- In accordance with TCFD recommendations, the Company conducts scenario analyses covering transition risks, physical risks, and climate-related opportunities. The worst-case scenario is adopted to evaluate the resilience of climate strategies and assess potential financial impacts.
  The Company anticipates one, two, and three typhoon- and flood-related loss events annually over the short-, mid-, and long-term horizons, respectively. To mitigate the financial impacts of extreme weather events, the Company adopts risk transfer strategies through typhoon and flood insurance.
  Although typhoons and flooding may increase operating costs due to property damage, insurance coverage is expected to offset a portion of such losses. Overall, profits are estimated to decline by approximately 0.02%–0.03% of 2025 revenue in the short and mid term, while long-term profit risk is expected to decrease from 0.033% to 0.031% of 2025 revenue. No material impact on access to capital or financing costs is anticipated.
- Actions implemented over the past three years to prevent heat-related illnesses are as follows:
  2023: Conducted heat hazard prevention awareness programs and contractor heat stress training in July.
  2024: Conducted heat hazard prevention awareness programs in July and contractor heat stress training in August.
  2025: Conducted heat hazard prevention awareness programs and contractor heat stress training in July.
- Grievance Mechanism: The Company has established stakeholder communication and grievance mechanisms. Opinions or complaints related to this topic may be raised through existing communication channels, with responses and follow-up actions handled in accordance with relevant procedures. For further information, please refer to Chapter 1.2.2, Stakeholder Engagement.

Targets and Objectives

- Short-term Targets (2025–2027): Achieve a cumulative GHG emissions reduction of 3% by 2027.
- Mid-term Targets (2028–2033): Achieve an additional reduction of 5%, resulting in a cumulative reduction of 8% by 2033.
- Long-term Targets (2034–2050): Achieve an additional reduction of 92%, resulting in a cumulative reduction of 100% and carbon neutrality by 2050.

Management Evaluation Mechanisms

- Gradually replace fixed-speed equipment with energy-efficient variable-frequency equipment, such as AC welding machines and CO_2 welding machines.
- Convert the Phase I–III rooftop solar PV systems at the Xinying Factory (2,708.89 kW) from full feed-in tariff (FIT) sales to self-consumption with surplus electricity sold to the grid.

Performance and Adjustments

- To achieve its short-term targets, the Company plans to convert the Xinying Factory's solar PV systems from full FIT sales to self-consumption with surplus electricity sold to the grid, thereby increasing renewable energy utilization and reducing GHG emissions.

Waste Management

GRI 306 Waste

Ch. 4 Environmental Sustainability

SASB Waste Management

With increasing global awareness of environmental protection and increasingly stringent environmental regulations, waste management has become a critical aspect of sustainable business operations. Improper waste management may cause irreversible environmental impacts and expose the Company to legal penalties, reputational damage, and operational risks.

Policies and Strategies

- Comply with applicable environmental laws and regulations promulgated by central and local authorities.
- Continuously improve pollution prevention and control practices to minimize environmental impacts and achieve sustainable operations.

Impacts

Actual Positive Impacts

Environment: Proper waste management reduces environmental pollution, protects ecosystems, promotes ecological balance, and supports environmental sustainability.

People: Proper waste treatment helps reduce diseases and health issues caused by pollution and enhances quality of life.

Potential Positive Impacts

Economy: Effective waste management enhances resource recovery and increases the value of recyclable materials.

Actual Negative Impacts

Economy: Investments in waste treatment facilities and related measures required to comply with environmental regulations increase operating costs.

Potential Negative Impacts

Economy: Inadequate waste management may result in litigation and reputational damage.

Environment, People: Improper waste disposal may lead to environmental pollution and damage to ecosystems and water resources, adversely affecting ecological stability and increasing health risks for surrounding communities.

Prevention and Remediation Measures (Risk and Opportunity Management Actions)

- The Company participates in environmental education and training programs as needed to ensure that relevant environmental information is kept up to date and that environmental policies comply with applicable regulations.
- Environmental policies and related topics are communicated through internal education and training programs to continuously improve environmental management practices.
- Response Measures for Abnormal Waste Generation:
  - Waste is stored at designated on-site storage areas in accordance with applicable requirements.
  - Licensed waste treatment contractors are immediately contacted to arrange prompt collection and transportation to treatment facilities.
- Grievance Mechanism: The Company has established stakeholder communication and grievance mechanisms. Opinions or complaints related to this topic may be raised through existing communication channels, with responses and follow-up actions handled in accordance with relevant procedures. For further information, please refer to Chapter 1.2.2, Stakeholder Engagement.

Targets and Objectives

- Short-term Targets
  Promote diversified waste treatment and recycling channels, with a target of maintaining an annual waste resource recovery rate ≥ 90%.
- Mid- and Long-term Targets
  Strive to achieve zero deficiencies identified during inspections by environmental authorities and provide environmental education and training ≥ 3 hours/year.

Management Evaluation Mechanisms

The Company integrates applicable environmental regulations with the ISO 14001: 2015 Environmental Management System and continuously improves management approaches to ensure the effective implementation of environmental management policies.

Performance and Adjustments

- The waste resource recovery rate reached approximately 92.43% in 2025, representing an increase of approximately 2% compared with the previous year.
- The Company successfully passed the annual third-party surveillance audit of the ISO 14001: 2015 Environmental Management System in 2025.
- In 2025, the Ministry of Economic Affairs approved the pilot project and recycling application for Other Single Non-hazardous Scrap Metals or Mixed Metal Waste (Submerged Arc Welding Slag).
- No incidents involving hazardous or non-hazardous substance leakage or any material environmental deficiencies occurred in 2025.

Materials Management

GRI 301 Materials

Ch. 3 Product and Value Chain

The Company is engaged in the production and assembly of steel structures, with steel plates and H-beams being the primary materials used. Material consumption represents a significant component of operating costs. By reusing tower crane support beams and temporary support components, the Company reduces the demand for new materials while ensuring material quality complies with national standards. Effective materials management helps mitigate material-related risks, provide customers with high-quality products, and enhance product competitiveness from a sustainability perspective.

Policies and Strategies

- Enhance material supply efficiency and promptly notify manufacturing units of material shortages to facilitate timely responses and strengthen subsequent material tracking and control.
- Quality Policy: Employees and business partners are required to comply with the Ethical Corporate Management Best Practice Principles and applicable laws and social ethics.
- Environmental Policy: Chemical composition, mechanical properties, and radiation-free requirements of materials shall comply with national standards and applicable specifications.
- Returned tower crane support beams and temporary support components are registered and managed for future design applications.

Impacts

Actual/Potential Positive Impacts

Economy: Effective materials management reduces material consumption, lowers new material procurement, increases reuse rates, and thereby reduces production costs and improves profitability.

Environment: Effective materials management reduces resource consumption, energy use, and waste generation.

Actual/Potential Negative Impacts

Economy, Environment: Inadequate materials management may result in excessive material consumption, resource waste, increased energy use, and additional waste generation.

Prevention and Remediation Measures (Risk and Opportunity Management Actions)

- Material shortages are communicated promptly to manufacturing units to facilitate timely responses and improve material tracking and control.
- When tower crane support beams or temporary support components are selected for use, any returned components found to be unsuitable due to corrosion, deformation, or other conditions are reported promptly to the design unit for new material procurement, thereby avoiding delays in material preparation.
- Grievance Mechanism: The Company has established stakeholder communication and grievance mechanisms. Opinions or complaints related to this topic may be raised through existing communication channels, with responses and follow-up actions handled in accordance with relevant procedures. For further information, please refer to Chapter 1.2.2, Stakeholder Engagement.

Targets and Objectives

- Short-term Targets
  - Chemical composition, mechanical properties, and radiation-free requirements comply with applicable standards and specifications.
  - Tower crane support beam reuse rate ≥ 70%; temporary reinforcing component reuse rate ≥ 60%.
  - Steel plate nesting loss rate ≤ 1.6%.
- Mid- and Long-term Targets
  - Implement computerized materials management.
  - Provide adequate material procurement information to manufacturing units and maintain a material supply fulfillment rate of 100%.

Management Evaluation Mechanisms

- In accordance with the ISO 9001: 2015 Internal Management Review Procedures, the Company conducts annual evaluations of the effectiveness of its material procurement management procedures.
- The feasibility of implementing the reuse program for temporary support components is reviewed semiannually, and relevant management practices are continuously improved.

Performance and Adjustments

- Statistical analyses of supplier performance and targets complied with the Company's qualified supplier requirements. The Company will continue to strengthen materials management. The material supply fulfillment rate remained at 100% from 2023 to 2025.
- Materials are accepted into inventory only after passing quality inspections, and quality meetings are held regularly each year.
- Returned tower crane support beams and temporary support components are prioritized during the design stage to increase reuse rates and reduce purchases of new materials. Under safety considerations, temporary support components may be reused up to four times. In 2025, both the reuse rate of tower crane support beams and the reuse rate of temporary reinforcing components achieved the short-term targets.
- Meetings are held semiannually to review the condition and reuse status of returned temporary support components, and management practices are continuously improved based on implementation experience and coordination among relevant units.

Sustainable Supply Chain Management

GRI 308 Supplier Environmental Assessment

Ch. 3 Product and Value Chain

GRI 414 Supplier Social Assessment

To prevent and mitigate environmental and social impacts arising from the operations of the Company and its suppliers, and in response to increasing stakeholder expectations and regulatory requirements regarding supply chain sustainability, the Company strengthens suppliers' social responsibility management by requiring the signing of the Corporate Sustainability Commitment. Suppliers are required to comply with applicable labor and human rights regulations, uphold business ethics and fair competition principles, and enhance their responses to climate-related risks, thereby strengthening the Company's sustainable competitiveness.

Policies and Strategies

- Strengthen sustainable supply chain management and ensure that suppliers comply with environmental protection and labor rights requirements throughout the provision of products and services. Through continuous improvement and enhancement, the Company seeks to grow together with suppliers and establish stable, long-term partnerships.

Impacts

Actual/Potential Positive Impacts

Environment: Supplier environmental assessments enhance environmental awareness and encourage suppliers to adopt environmentally friendly materials and practices, thereby reducing environmental pollution and resource waste.

People: Supplier social assessments help protect workers' basic labor rights, prevent exploitation and unfair treatment, and enhance workforce stability and productivity.

Actual/Potential Negative Impacts

Environment: Failure to conduct effective supplier environmental assessments and comply with environmental regulations may result in environmental pollution and ecological damage.

People: Failure to conduct effective supplier social assessments and comply with human rights requirements may result in illegal employment practices and labor exploitation, thereby infringing upon workers' fundamental rights.

Prevention and Remediation Measures (Risk and Opportunity Management Actions)

- The Company has established preventive and remedial measures. In the event of a material deficiency, immediate reviews are conducted and corrective actions are implemented accordingly.
- Supply chain risk assessments are conducted, and a supplier sustainability evaluation mechanism has been established. Sustainability performance, together with delivery, quality, financial condition, and operational performance, is incorporated into supply chain risk assessments and serves as an important basis for procurement decisions.
- When environmental or social issues are identified among suppliers, appropriate remedial actions are implemented immediately, including requiring suppliers to undertake corrective actions.
- Grievance Mechanism: The Company has established stakeholder communication and grievance mechanisms. Opinions or complaints related to this topic may be raised through existing communication channels, with responses and follow-up actions handled in accordance with relevant procedures. For further information, please refer to Chapter 1.2.2, Stakeholder Engagement.

Targets and Objectives

- Short-term Targets
  - Ensure supplier performance in terms of quality, delivery, and service through semiannual supplier evaluations, with a target qualification rate of 100%. Suppliers are required to comply with the Company's supplier management policies and social responsibility requirements. The Company continues to promote the signing of the Corporate Sustainability Commitment and completion of the Evergreen Steel Supplier/Contractor Self-Evaluation Questionnaire by major suppliers.
- Mid- and Long-term Targets
  - Encourage suppliers to adopt sustainable business practices, such as reducing resource consumption, lowering carbon emissions, and improving labor conditions, thereby enhancing environmental and social responsibility.
  - Establish long-term partnerships with suppliers to create shared value and promote environmental and social responsibility.

Management Evaluation Mechanisms

- Material suppliers are evaluated annually in accordance with the Supplier Evaluation Form.
- Suppliers are required to sign the Corporate Sustainability Commitment to strengthen responses to climate-related risks and enhance the Company's sustainable competitiveness.
- The implementation of suppliers' corporate social responsibility practices is monitored annually through questionnaire surveys.

Performance and Adjustments

- Performance
  - In 2025, quality performance evaluations were conducted for 77 major material suppliers, achieving a qualification rate of 100%.
  - From 2022 to 2025, a total of 90 major material suppliers signed the Corporate Sustainability Commitment.
  - In 2025, a total of 77 major material suppliers completed the Evergreen Steel Supplier/Contractor Self-Evaluation Questionnaire.
  - No losses resulting from inadequate supplier management occurred in 2025.
- Adjustments
  - Suppliers failing to meet evaluation requirements are required to implement corrective actions and must be re-evaluated and qualified before any further transactions are conducted.

Training and Education

GRI 404 Training and Education

Ch. 5 Friendly Workplace

The Company attaches great importance to employee education and training, particularly in the areas of physical and mental health, workplace safety, environmental protection, and compliance with ethical standards and workplace ethics. A comprehensive training system has been established to provide employees with adequate learning and development opportunities.

Policies and Strategies

- Provide professional training programs and language courses covering various fields of expertise.

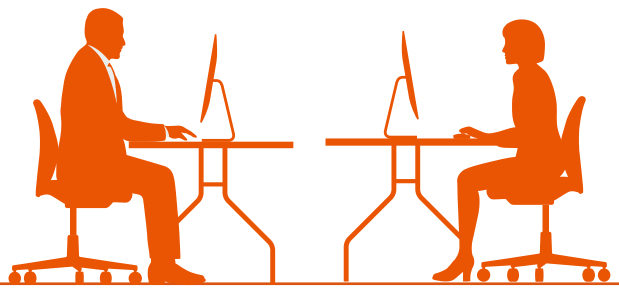
Impacts

Actual/Potential Positive Impacts

Economy, People: Enhancing employees' skills and professional knowledge improves productivity and quality, strengthens the Company's competitiveness, and contributes to economic development.

Prevention and Remediation Measures (Risk and Opportunity Management Actions)

- To support the Company's long-term development, operational requirements of each department, and regulatory requirements applicable to various professional functions, each department formulates employee training plans and budgets for the following year at the end of each year. Upon approval, training programs covering general, professional, and managerial competencies are implemented. Progress is reviewed quarterly, and response measures are adjusted as necessary to ensure effective implementation and enhance overall training effectiveness.
- Grievance Mechanism: The Company has established stakeholder communication and grievance mechanisms. Opinions or complaints related to this topic may be raised through existing communication channels, with responses and follow-up actions handled in accordance with relevant procedures. For further information, please refer to Chapter 1.2.2, Stakeholder Engagement.



Targets and Objectives

- Short-term Targets
  - » Continue to provide orientation training for new employees, on-the-job training programs for employees of each department, risk management and occupational safety and health training, health seminars, and subsidies for language learning.
- Mid- and Long-term Targets
  - » Through comprehensive education and training, cultivate outstanding employees by helping them acquire and strengthen job-related knowledge and skills, obtain relevant certifications, and participate in refresher training, thereby enhancing operational efficiency.
  - » Continue to support local education and cultivate local talent through industry-academia collaboration with universities and colleges by providing employment and internship opportunities.

Management Evaluation Mechanisms

- In accordance with the annual training plan, each department conducts quarterly reviews of implementation progress and adjusts response measures as necessary to ensure effective execution and enhance overall training effectiveness.

Performance and Adjustments

- In accordance with the annual training plan, each department conducted quarterly progress reviews and adjusted response measures as necessary to enhance overall training effectiveness. In early 2025, the Company planned various employee training programs totaling 8,332 training hours and 3,900 participants. Actual implementation reached 9,722 training hours with 4,120 participants.
- Based on the operational requirements of each business unit and in compliance with occupational safety and health and fire safety regulations, the Company fully subsidized employees to obtain relevant certifications and licenses. In 2025, employees obtained a total of 120 certifications in the areas of professional competency, occupational safety and health, and machinery operation.

Energy

GRI 302 Energy

Ch. 4 Environmental Sustainability

SASB Energy Management

Based on the analysis of stakeholder concern and impact assessments, inadequate energy management may expose the Company to regulatory requirements and potential penalties in the future. Effective energy management helps reduce energy consumption and costs while enhancing product competitiveness.

Policies and Strategies

- Comply with energy-related regulations, improve energy efficiency, procure energy-efficient equipment, and promote employee participation in energy conservation initiatives.

Impacts

Actual/Potential Positive Impacts

Economy, Environment: Effective energy management helps reduce energy costs and GHG emissions while improving profitability.

Actual/Potential Negative Impacts

Economy: Additional investments in equipment upgrades and process improvements required to reduce carbon emissions may increase operating costs.

Environment, People: Inadequate energy management may cause environmental damage and adversely affect public health and safety, exposing the Company to legal liabilities, fines, and litigation.

Prevention and Remediation Measures (Risk and Opportunity Management Actions)

- In the event of power outages caused by Taipower, the Maintenance Section arranges generator rentals based on the electricity demand of manufacturing units to minimize disruptions to production.
- To achieve the annual electricity-saving target of 1%, the Company establishes annual equipment replacement plans and reviews implementation progress on a monthly basis.
- Grievance Mechanism: The Company has established stakeholder communication and grievance mechanisms. Opinions or complaints related to this topic may be raised through existing communication channels, with responses and follow-up actions handled in accordance with relevant procedures. For further information, please refer to Chapter 1.2.2, Stakeholder Engagement.

Targets and Objectives

- Short-term Targets
  - In accordance with the Regulations Governing Energy-Saving Targets and Implementation Plans for Energy Users announced by the Ministry of Economic Affairs, electricity users with contracted capacity exceeding 800 kW are required to establish energy-saving targets and implementation plans with an annual electricity-saving rate of at least 1%. Accordingly, the Company has set an annual electricity-saving target of ≥1%.
  - Install a 160 kW solar PV system on the rooftop of the Xinying Factory in 2025, with an estimated annual power generation of approximately 195,000 kWh.
- Mid- and Long-term Targets
  - Convert the Xinying Factory's solar PV system from full FIT sales to self-consumption.

Management Evaluation Mechanisms

- Energy consumption is monitored regularly, and the effectiveness of energy management is evaluated annually through the PDCA approach.
- Through the ISO 50001: 2018 Energy Management System, the Company continuously improves its management approach based on data-driven analyses to ensure effective implementation of its energy management policy.

Performance and Adjustments

- In 2025, the Company planned to save 154,168 kWh of electricity and achieved actual savings of 169,137 kWh. Electricity-saving measures will continue to be reviewed monthly, and alternative energy-saving initiatives will be implemented if targets are not achieved as planned.
- In 2025, the Company completed the installation of an additional 161.68 kW solar PV system on the rooftop of the Xinying Factory, which is scheduled to commence operation in 2026.

Greenhouse Gas Emissions

GRI 305 Emissions

Ch. 4 Environmental Sustainability

SASB Greenhouse Gas Emissions

Based on the analysis of stakeholder concern and impact assessments, failure to conduct GHG inventories may expose the Company to regulatory requirements and potential penalties in the future.

Policies and Strategies

- The Company is committed to managing energy consumption within its facilities and conducting GHG inventories to address the environmental and climate impacts associated with global warming caused by GHG emissions.

Impacts

Actual/Potential Positive Impacts

Economy: Effective GHG emissions management helps reduce energy costs and improve economic performance.

Environment, People: Reducing GHG emissions helps mitigate climate change and global warming while improving air quality and reducing adverse health impacts caused by air pollution.

Actual/Potential Negative Impacts

Economy: Additional investments in energy-saving technologies and process improvements required to reduce GHG emissions may increase operating costs.

Environment: Excessive GHG emissions may exacerbate climate change and adversely affect ecosystems.

Prevention and Remediation Measures (Risk and Opportunity Management Actions)

- Each factory establishes annual carbon reduction targets and reduction measures. Implementation progress is reviewed monthly, and performance are reported to the Board of Directors on a quarterly basis.
- Grievance Mechanism: The Company has established stakeholder communication and grievance mechanisms. Opinions or complaints related to this topic may be raised through existing communication channels, with responses and follow-up actions handled in accordance with relevant procedures. For further information, please refer to Chapter 1.2.2, Stakeholder Engagement.

Targets and Objectives

- Using 2024 GHG emissions as the baseline, the Company has established the following carbon reduction targets:
  - Short-term Targets (2025–2027): Achieve a cumulative GHG emissions reduction of 3% by 2027.
  - Mid-term Targets (2028–2033): Achieve an additional reduction of 5%, resulting in a cumulative reduction of 8% by 2033.
  - Long-term Targets (2034–2050): Achieve an additional reduction of 92%, resulting in a cumulative reduction of 100% and carbon neutrality by 2050.

Management Evaluation Mechanisms

- Conduct annual GHG inventories and regularly review performance to identify improvement opportunities and reduce carbon emissions.

Performance and Adjustments

- The achievement of carbon reduction targets is reviewed annually. In 2025, the planned carbon reduction target was 73.0756 tCO_2e, while actual carbon reductions reached 80.1709 tCO_2e.
- In accordance with the Company's sustainability roadmap, consolidated subsidiaries completed GHG inventories in 2025. Implementation progress was carried out as scheduled and reported on a quarterly basis.

Air Quality

GRI 305 Emissions

SASB Air Emissions

Environmental protection has become a global priority in recent years, and air quality management has a direct impact on public health and environmental sustainability. Effective emission control and mitigation of environmental impacts not only ensure compliance with regulatory requirements but also enhance corporate reputation and stakeholder trust. The Company is committed to continuously improving pollution prevention and control measures to meet increasingly stringent environmental standards and demonstrate its commitment to sustainable operations.

Policies and Strategies

- Comply with applicable environmental laws and regulations promulgated by central and local authorities.
- Continuously improve pollution prevention and control practices to minimize environmental impacts and achieve sustainable operations.

Impacts

Actual/Potential Positive Impacts

Environment, People: Improving air quality helps reduce environmental pollution and mitigate climate change while enhancing quality of life, protecting public health, and reducing respiratory diseases and other related health risks.

Actual Negative Impacts

Economy: Additional investments in equipment maintenance and upgrades required to comply with environmental standards and emission requirements increase operating costs.

Potential Negative Impacts

Economy, Environment, People: Failure to comply with regulations may result in air pollution and exacerbate climate change, adversely affecting air quality in surrounding areas and posing health risks to local communities, particularly vulnerable groups such as the elderly, children, and individuals with respiratory diseases. Such incidents may expose the Company to litigation and compensation liabilities, thereby damaging its reputation and corporate image.

Prevention and Remediation Measures (Risk and Opportunity Management Actions)

- Management and maintenance procedures have been established for dust collection equipment to reduce air pollution and protect the environment through stringent controls.
- Emissions are monitored regularly in accordance with permit requirements, and all monitored results comply with applicable emission standards.
- As PM2.5 concentrations are generally higher during the autumn and winter seasons, water spraying is carried out regularly in dust-prone areas of the plants to suppress dust and maintain air quality.
- Emergency response procedures for abnormal air pollution incidents have been strengthened, including immediate reporting and repair measures in the event of equipment malfunctions.
- Response Measures for Abnormal Air Pollutant Emissions:
  - In the event of a fire involving air pollution control equipment, an Air Pollution Source Equipment Malfunction Report shall be completed within one hour, submitted for approval, and reported to the environmental authority for recordation.
  - In the event of a malfunction of air pollution control equipment, operations shall be suspended immediately and resumed only after repairs have been completed.
- Grievance Mechanism: The Company has established stakeholder communication and grievance mechanisms. Opinions or complaints related to this topic may be raised through existing communication channels, with responses and follow-up actions handled in accordance with relevant procedures. For further information, please refer to Chapter 1.2.2, Stakeholder Engagement.

Targets and Objectives

- Short-term Targets
  - Regularly replace filter bags of baghouse dust collectors and perform equipment maintenance. Annual emissions testing is conducted by laboratories accredited by the National Institute of Environmental Research (NIER) under the Ministry of Environment to ensure continuous compliance with applicable emission standards.
- Mid- and Long-term Targets
  - Strive to achieve zero deficiencies identified during inspections by environmental authorities.
  - Conduct regular inspections of air pollution control equipment to prevent air pollution in surrounding areas.

Management Evaluation Mechanisms

- The Company integrates applicable environmental regulations with the ISO 14001: 2015 Environmental Management System and continuously improves management approaches to ensure effective implementation of environmental management policies.

Performance and Adjustments

- Old welding machines were replaced with new inverter welding machines to reduce carbon emissions and improve air quality.
- Equipment maintenance and inspections of monitoring instruments were continuously strengthened to enhance the effectiveness of air pollution management.

Water and Effluents

GRI 303 Water and Effluents

Ch. 4 Environmental Sustainability

SASB Water Management

Effective water resource management helps reduce operational risks and enhance competitiveness. Maintaining effluent quality within applicable discharge standards minimizes impacts on local water resources and represents an important sustainability issue for the Company.

Policies and Strategies

- The Company is committed to properly managing water use across all operations through regular monitoring of water consumption and water quality testing to ensure effective water resource management.
- The Company actively promotes water conservation measures to reduce water consumption and continuously strengthens pollutant discharge reduction management at each factory.
- The Kaohsiung Factory has established wastewater treatment facilities and obtained the Water Pollution Control Plan Permit. Treated wastewater is discharged through dedicated pipelines and ultimately conveyed to the Linhai Industrial Park Wastewater Treatment Plant.
- Wastewater generated from container washing operations at the Seventh Container Center is further treated through Evergreen Marine Corporation's wastewater treatment facilities. After meeting marine discharge standards, the treated effluent is discharged accordingly.

Impacts

Actual/Potential Positive Impacts

Economy, Environment, People: Compliance with environmental regulations helps reduce legal risks and maintain business sustainability while minimizing adverse impacts on water bodies and ecosystems, safeguarding access to clean water, and reducing health risks to surrounding communities.

Actual Negative Impacts

Economy: Compliance with discharge standards requires investments in treatment facilities and technological upgrades, resulting in increased operating costs.

Potential Negative Impacts

Economy, Environment, People: Improper wastewater discharge may lead to water pollution, adversely affecting aquatic ecosystems and drinking water quality and posing health risks to surrounding communities. Such incidents may expose the Company to fines, litigation, financial losses, and reputational damage.

Prevention and Remediation Measures (Risk and Opportunity Management Actions)

- Management and maintenance procedures have been established for wastewater treatment facilities to ensure that effluent discharged to treatment plants complies with applicable standards and protects the environment.
- Water quality is monitored regularly, and all test results comply with applicable discharge standards. The Company participates in environmental education and training programs from time to time to ensure that relevant environmental information remains up to date and that environmental policies comply with applicable regulations.
- Environmental management programs are continuously improved through regular communication of environmental policies and related topics.
- In the event of equipment malfunction or maintenance, wastewater discharge is suspended and wastewater is recirculated within the treatment system until repairs are completed.
- Response Measures for Abnormal Sewage Discharge:
  - Close discharge outlets or install interception and containment facilities.
  - Reduce or suspend production and service operations.
  - Prepare adequate temporary storage facilities for wastewater. Where such facilities are unavailable, operations generating wastewater shall be suspended.
- Grievance Mechanism: The Company has established stakeholder communication and grievance mechanisms. Opinions or complaints related to this topic may be raised through existing communication channels, with responses and follow-up actions handled in accordance with relevant procedures. For further information, please refer to Chapter 1.2.2, Stakeholder Engagement.

GRI 303 Water and Effluents

Water and Effluents

Ch. 4 Environmental Sustainability

SASB Water Management

Targets and Objectives

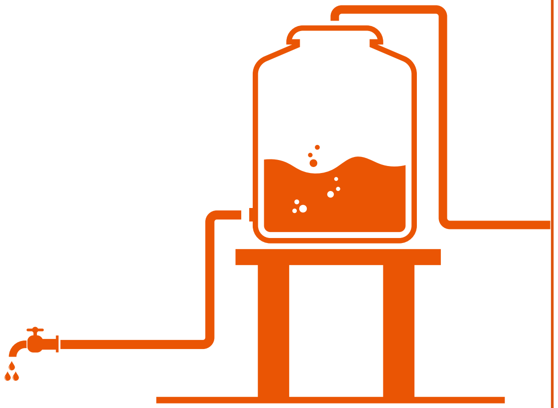
- Short-term Targets
  - Conduct monthly water quality testing and self-inspections of wastewater treatment facilities at the Hsinchu Factory, Xinying Factory, and Kaohsiung Factory to ensure compliance with applicable discharge standards.
  - Maintain zero wastewater pollution leakage incidents.
- Mid- and Long-term Targets
  - Encourage all departments to implement water conservation measures and install water-saving facilities, promote pollution reduction initiatives, and continuously improve pollution prevention and control measures to reduce water consumption and water pollution.

Management Evaluation Mechanisms

- Water Quality Analysis: Effluent water quality is analyzed regularly to ensure compliance with local and national standards. Regular monitoring and testing help prevent adverse impacts on surrounding water bodies and ecosystems.
- Regulatory Compliance: Monitoring and reporting mechanisms are established to ensure compliance with applicable environmental regulations and discharge standards.
- Monitoring and Reporting Systems: Effective monitoring and reporting systems have been established to provide discharge-related information to competent authorities and stakeholders on a regular basis.
- Effluent impact assessments consider environmental, regulatory, social, and governance factors to ensure sustainable and compliant wastewater management while protecting community and environmental interests.

Performance and Adjustments

- Total water withdrawal in 2025 was 60.637 megaliters, representing a decrease of 1.565 megaliters (approximately 2.52%) compared with the previous year.
- Water quality testing is conducted regularly, and all results comply with applicable discharge standards. Wastewater treatment processes comply with regulatory requirements and have no adverse impact on the environment.
- The Company maintained zero wastewater pollution leakage incidents in 2025, achieving its short-term targets.



2 CHAPTER

Corporate Governance

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2.1 Company Overview

2.1.1 Company Profile

Evergreen Steel was registered in January 1973 in accordance with the R.O.C. Company Act, and became a listed company on April 12, 2021 (Stock Code: 2211). The Company's principal business includes steel structure construction and its reinvested environmental protection businesses. The steel structure construction business mainly includes factory steel structures, high-rise building steel structures, and bridge steel structures. The reinvested environmental protection businesses include general and industrial waste treatment and steam and power cogeneration.

In terms of steel structure production, the Company has established steel structure factories in Xinying, Tainan and Hukou, Hsinchu, with professional capabilities in steel structure design and manufacturing. The factories are equipped with a wide range of automated equipment, including steel cutting, welding, and sandblasting machinery, as well as tower cranes with lifting capacities ranging from 400 to 900 metric tons, supported by professional assembly teams. The Company has obtained ISO 9001: 2015 Quality Management System certification to ensure engineering quality and continues to participate in various public construction projects and special building projects.

This year, existing operations continued to progress steadily, and contracted projects were delivered and erected in sequence, including the upper section of Taipei Twin Towers, Taiwan Fertilizer Corporation's C4 office building in Nangang and D7-B office building in Hsinchu, PX Mart's logistics facilities, and technology manufacturing facility expansion projects for major semiconductor manufacturers.

In terms of container maintenance and repair services, to meet the container service needs of Evergreen Marine Corporation in the Kaohsiung area, the Company established a factory in the Linhai Industrial Park in Kaohsiung. In July 2024, the Company further established a container maintenance site at the Seventh Container Center of Kaohsiung Port, providing container repair, cleaning, and pickup services.

The Company continues to uphold its quality policy of "Safety First, Quality Foremost, Customer Satisfaction, and Sustainable Operations," and is committed to delivering high-quality products and services to achieve its annual targets. Guided by the Evergreen Spirit of "Challenge, Innovation, and Teamwork," the Company continuously strives for improvement to maintain stable operations and realize its philosophy of service excellence and sustainable development.

Evergreen Steel Corporation

Date of Incorporation	January 29, 1973
Chairman	Lin, Keng-Li
President	Liu, Pang-En
Paid-in Capital	NT$4,170,914,630
Employees	678 employees (Note: Based on the headcount as of December 31, 2025)
Head Office	11F., No. 100, Sec. 2, Changan E. Rd., Zhongshan Dist., Taipei City 104094, Taiwan (R.O.C)
Type of Industry	Steel Industry
Business Scope	• Steel structure manufacturing and container repair services. • All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Operating Sites of Evergreen Steel	
Taipei Head Office	11F., No. 100, Sec. 2, Changan E. Rd., Zhongshan Dist., Taipei City 104094, Taiwan Tel: 02-25135858 Fax: 02-25135699
Hsinchu Factory, Steel Structure Division	No. 99, Guangfu N. Rd., Hukou Township, Hsinchu County 303036 , Taiwan Tel: 03-5983616 Fax: 03-5982303
Xinying Factory, Steel Structure Division	No. 66, Bade Rd., Yanshui Dist., Tainan City 737402 , Taiwan Tel: 06-6520066 Fax: 06-6524188
Kaohsiung Factory, Container Department	No. 16, Taiji Rd., Xiaogang Dist., Kaohsiung City 812006 , Taiwan Tel: 07-8019815 Fax: 07-8068853
Container Terminal No. 7, Container Department	No. 29, Zhougui Rd., Xiaogang Dist., Kaohsiung City 812051, Taiwan Tel: 07-8019817 Fax: 07-8711396

Shareholdings of Evergreen Steel and Subsidiaries in the Consolidated Financial Statements	
	As of December 31, 2025
Hsin Yung Enterprise Corp.	72.36%
Ever Ecove Corp.	50.06%
Super Max Engineering Corp.	48.13%
Mingyu Investment Corp.	100.00%

2.1.2 Participation in Social Organizations

Evergreen Steel actively participates in domestic industry associations, trade associations, alliances and other organizations to promote industry exchange and collaboration.

Organization Name	Significance for Evergreen Steel's Sustainable Operation	Membership
Taiwan Institute of Steel Construction	Promote technical expertise in steel structure engineering, promote the sound development of steel structure industry, promote exchanges with industry associations, government officials, universities and research institutes, and improve the safety of public works.	Executive Director, Supervisor
Taiwan Steel Structure Hoisting Engineering Professional Construction Industry Association	Develop steel structure hoisting technical expertise, establish a safe hoisting operation environment, and improve the safe labor environment.	Director, Supervisor
Taiwan Steel Structure Erection Engineering Professional Construction Industry Association	Advance steel structure erection technologies, improve the accuracy of steel structure erection and maintain stable quality.	Director, Supervisor
Taiwan Steel & Iron Industries Association	To seek the unity and development of the iron and steel industry, assist the government in economic construction, strive for foreign exchange, coordinate industry relations, and promote common interests.	Director
Industrial Carbon Neutral Alliance	The short-term targets are to conduct carbon inventory and reduction, establish adaptive and responsive capabilities, and promote low-carbon/negative-carbon technology, and renewable energy and resource circularity technologies; the long-term targets are to respond to climate change and help the industry to achieve sustainable development.	Member


Taiwan Institute of Steel Construction Membership Certificate

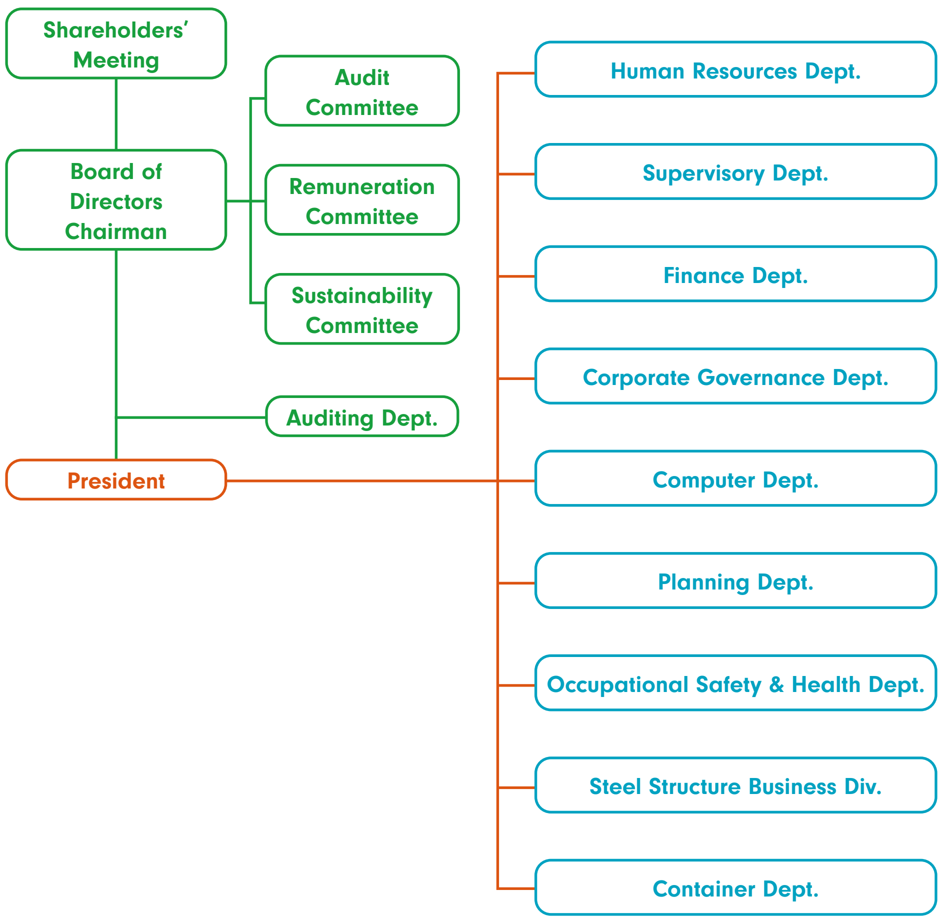

Taiwan Steel Structure Hoisting Engineering Professional Construction Industry Association Membership Certificate


Taiwan Steel Structure Erection Engineering Professional Construction Industry Association Membership Certificate


Taiwan Steel & Iron Industries Association Membership Certificate

2.2 Corporate Governance Structure

Organizational Chart



2.2.1 Board of Directors

According to the Company's Articles of Incorporation, the Board of Directors consists of seven to nine directors, including three independent directors, with a term of three years. Directors are elected through a candidate nomination system. The Board of Directors or shareholders in possession of over 1% of the total number of shares issued by the Company will submit a list of candidates, and at the shareholders' meeting, shareholders will vote on the list of candidates and elect new directors.

The Company's Board of Directors is responsible for the resolving important matters related to the implementation of the Company's business, and we have formulated the Rules Governing the Scope of Powers of Independent Directors as a reference for independent directors to perform their duties.

Structure of the Board of Directors

The Chairman does not concurrently serve as the President and is mainly responsible for supervising the main business managed by the management team to ensure that business is conducted in alignment with the Company's business philosophy.

All members of the Board of Directors possess the knowledge, skills, and qualities needed to perform their duties and have professional knowledge in different fields, such as management, steel structure construction, law and risk management, finance and accounting, environmental protection and green energy, materials R&D, and gender, age, nationality, race, culture, and other dimensions of diversity are considered for the composition of the board.

This term's Board of Directors consists of 7 directors, among which, 3 are independent directors. Independent directors accounted for 42.86% of all directors, female directors accounted for 28.57% of all directors, meeting the Company's target of at least 20% female directors.

The diversity of the Board is presented below. For detailed information, please refer to p.17-22 of the 2025 Annual Report or the Company's website.

Title	Name	Basic Component			Professional Ability					
		Gender	Age	Tenure	Business Management	Steel Structure Engineering	Law & Risk Management	Finance Accounting	Environmental Protection & Green Energy	Material Research and Development
Chairman	Lin, Keng-Li	Male	71~80	7~9 years	●	●			●	
Director	Ko, Lee-Ching	Female	71~80	More than 10 years	●			●		
Director	Tai, Jiin-Chyuan	Male	61~70	0~3 years	●		●		●	
Director	Lee, Mon-Ling	Female	61~70	More than 10 years	●			●	●	
Independent Director	Liu, Nai-Ming	Male	61~70	0~3 years	●			●		
Independent Director	Lien, Yuan-Lung	Male	61~70	7~9 years	●		●			
Independent Director	Young, Chune-Ching	Male	71~80	0~3 years	●				●	●

Major Event Communication

Major sustainability matters reported to the Board of Directors are summarized below.

01

Mar. 13, 2025 24th Term, 12th Meeting

- Report on 2024 Q4 GHG inventory plan and execution of the Company and its subsidiaries.

02

May 12, 2025 24th Term, 14th Meeting

- Report on 2025 Q1 GHG inventory plan and execution of the Company and its subsidiaries.
- Report on 2025 Q1 implementation status of sustainable development.
- Resolution to amend 2025 sustainability work plan.
- Resolution to amend sustainability goals.

03

Aug 13, 2025 24th Term, 15th Meeting

- Report on 2025 Q2 GHG inventory plan and execution of the Company and its subsidiaries.
- Report on 2025 Q2 Implementation status of sustainable development.
- Resolution to approve the 2024 Sustainability Report.

04

Dec 24, 2025 24th Term, 17th Meeting

- Report on 2025 Q3 GHG inventory plan and execution of the Company and its subsidiaries.
- Report on 2025 sustainable development execution.
- Report on 2025 stakeholder communication.
- Report on 2025 risk management operation.
- Report on 2026 sustainability work plan.

Recusal of Directors

The Company's major business decisions should be conducted through resolutions by the Board of Directors, except for matters that should be resolved by shareholders' meetings as otherwise provided by applicable laws and regulations or the Articles of Incorporation. To avoid conflicts of interest, directors with an interest involved in the proposals at a board meeting for themselves or the legal persons they represent should explain the important content of their interest. If it may undermine the Company's interests, they should be recused from the discussion and voting and should not exercise their voting rights on behalf of other directors. Where the spouse, a blood relative within the second degree of kinship of a director, or any company which has a controlling or subordinate relation with a director, has interests in the matters under discussion in the meeting, such director shall be deemed to have a personal interest in the matter. Refer to p.110-116 of the 2025 Annual Report for details of avoidance of conflict of interests.

Operation of the Board of Directors

The board meeting is convened at least quarterly but may be convened at any time in case of an emergency. This term's Board of Directors convened seven meetings in total in 2025 and the directors achieved an overall attendance of 100%. For detailed information, please refer to p.30-31 of the 2025 Annual Report or the Company's website.

Directors' Continuing Education

Based on nature of the industry and directors' needs, the Company offers advanced training courses for directors at least twice a year on topics like law, finance, economics, risk management, corporate governance, corporate sustainability, and information security, and also provides directors with information on training courses and forums held by the competent authorities and various training institutions.

The Company's directors actively participated in internal and external training courses and in 2025, each director completed training in accordance with the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEx Listed Companies, averaging around 8.14 hours of training. For detailed information, please refer to MOPS.

2.2.2 Functional Committees

Operation of the Audit Committee

To foster corporate governance and strengthen the functions of the Board of Directors, the Company has established the Audit Committee composed entirely of independent directors in accordance with Article 14-4 of the Securities and Exchange Act and the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies. Its main responsibilities are as follows:

- Fair presentation of the Company's financial reports.
- Review Audit Quality Indicators (AQIs) when evaluating CPA independence and competence, and when considering the appointment or dismissal of CPAs.
- Effective implementation of the Company's internal control system.
- Major asset transactions, fund lending, and endorsements/guarantees.
- Compliance with relevant laws and regulations.
- Management and control of existing or potential risks.

In 2025, the Company held a total of 4 CPA communication meetings and a total of 6 Audit Committee meetings, with all committee members achieving a 100% attendance rate.

Refer to the 2025 Annual Report and the Company's website for members and detailed operations of each functional committee.

Operation of the Remuneration Committee

To fulfill corporate governance and ensure a well-established remuneration system for compensation of the directors and managerial officers, the Company has established a Remuneration Committee in accordance with Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange. The Remuneration Committee members are appointed by the Board of Directors, with no fewer than three people and over half of them being independent directors. Its main responsibilities are as follows:

- Establish and periodically review the performance evaluation and remuneration policy, system, standards, and structure for directors and managers.
- Periodically evaluate and determine the remuneration of directors and managers.

In 2025, the Company's Remuneration Committee held a total of 2 meetings, with all committee members achieving a 100% attendance rate.

Corporate Governance Officer

The Company's Board of Directors approved the appointment of the highest executive of Corporate Governance Department as the Corporate Governance Officer, who will lead a team of an appropriate number of professional corporate governance personnel to safeguard stockholders' rights and interests and strengthen the Board of Directors' functions. The Company's Corporate Governance Officer meets the qualifications prescribed by applicable laws and regulations, having served as the head of the legal affairs function of a public company for at least three years. For more details, please refer to the Company's website.

Operation of the Sustainability Committee

To deepen the Company's sustainability governance and risk management, achieving the goal of sustainable operations, the Company has established the Sustainability Committee on August 7, 2023. The Sustainability Committee consists of 3 to 5 members appointed by the Board of Directors, with over half of them being independent directors. Its main tasks are listed below:

- Review sustainability (including risk management) related policies, strategies, targets, and management guidelines.
- Review the annual sustainability work plan.
- Supervise and follow up the executive team's implementation progress, outcomes, and related matters.
- Review the Sustainability Report.
- In 2025, the Company's Sustainability Committee held a total of 4 meetings, with all committee members achieving a 100% attendance rate.

2.2.3 Board Performance Evaluation

To enhance the functions of the Board of Directors, the Board of Directors should conduct an internal performance evaluation at least once a year in accordance with the Rules of the Performance Evaluation of the Board of Directors formulated by the Board of Directors and may appoint an external entity to perform such evaluation once every three years. The board evaluation includes performance evaluation of the board as a whole, individual board members (self-evaluation), and functional committees.

The Board of Directors' performance evaluation items and results in 2025 are as follows, For detailed information, please refer to p.31-32 of the 2025 Annual Report and the Company's website.

	Board as a Whole	Individual Board Members (Self-evaluation)	Functional Committees
Items	• Participation in the Company's operation. • Improvement to the Board's decision-making quality. • Composition and structure of the Board. • Election and continuing education of directors. • Implementation and promotion of ESG. • Internal control.	• Understanding of the Company's goals and missions. • Knowledge of directors' responsibilities. • Participation in the Company's operations. • Internal relations management and communication. • Directors' professionalism and continuing education. • Internal control.	• Participation in the Company's operation. • Knowledge of the Functional Committee's responsibilities. • Improvement to the Functional Committee's decision-making quality. • Composition of the Functional Committee and members appointment. • Internal control.
Overall Average Score/ Evaluation Result [Note]	4.98/Excellent	4.98/Excellent	Audit Committee: 4.95/Excellent Remuneration Committee: 4.99/Excellent Sustainability Committee: 4.99/Excellent

Note: The maximum overall average score is 5; the score is above 4.5 means excellent; the score is above 3.5 but below 4.5 means good; the score is above 2.5 but below 3.5 means adequate; the average score below 2.5 means need to improve.

Linkage Between Performance and Remuneration

According to the Company's Remuneration Committee Charter and Payment Regulations for Directors Compensation, the Remuneration Committee and the Board of Directors determine the directors' remuneration by taking into consideration personal performances, the Company's operation performance, and reasonableness of correlation with future risks, while also referencing the remuneration standard of peer companies in the same industry. The Company will conduct timely reviews of the remuneration system as per the actual operating conditions and relevant laws and regulations.

2.2.4 Executive Compensation and ESG-Related Performance Evaluation

Compensation to the managerial officers is determined according to the Company's guidelines on payment for remuneration of managerial officers. Remuneration of managerial officers includes fixed remuneration and variable remuneration. Fixed remuneration includes salaries and allowances, which are calculated according to the Company's salaries and allowances structure for all position levels. The structure is created based on the Company's organizational structure, categories of business activities, nature of duties, scope of work/responsibilities and by reference to the remuneration of peer companies in the same industry. Variable remuneration includes year-end bonuses and employees' compensation. Adjustment of annual salaries and allowances and year-end bonuses are determined by overall operation performance of the Company and assessment of individual performance.

To incentivize senior management to actively participate in and advance ESG objectives, thereby enhancing the Company's sustainable competitiveness, performance evaluations for senior executives are conducted semiannually. In addition to assessing operational performance (with a weighting of 70% to 80%), the evaluations also incorporate performance in driving and implementing sustainability initiatives (weighted at 20% to 30%). Annual performance ratings are finalized at year-end and form the basis for determining remuneration. Adjustments to salaries and bonuses are subject to review by the Remuneration Committee and approval by the Board of Directors.

2.3 Ethical Management

2.3.1 Ethical Corporate Management Best Practice Principles

Ethical Management and Anti-corruption

Since 2020, the Company has established the Ethical Corporate Management Best Practice Principles, the Procedures for Ethical Management and Guidelines for Conduct, and the Codes of Ethical Conduct in accordance with the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies while with reference to the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies and regularly report on the implementation to the Board of Directors.

Punishment and grievances system for violations of integrity follow the Company's management rules and grievance handling procedures, and promptly disclose the violator's job title, name, violation date, details of violation, and handling status on the Company's internal website. In 2025, the Company did not have any violations of the above ethical management and anti-corruption requirements. The Company was also not involved in any lawsuits related to anti-competitive behavior or antitrust or monopoly or concluded legal actions or lawsuits.

All operating units in each region should comply with the relevant ethical management and anti-corruption regulations, which are specified as follows:

01 Ethical Corporate Management Best Practice Principles

It aims to strengthen the Company's corporate culture of ethical management and strengthen the Company's development.

02 Procedures for Ethical Managemen and Guidelines for Conduct

We engage in business activities based on the principles of fairness, integrity, trustworthiness, and transparency, to duly implement the ethical management policy and actively prevent unethical conduct.

03 Codes of Ethical Conduct

It aims to guide employees to comply with ethical standards and allow the Company's stakeholders better understand our ethical standards.

Summary

- Scope of application and party governed
- Prohibition of unethical conduct
- Types of interests
- Laws to be complied with
- Company policy and business philosophy
- Prevention plans and scope
- Ethical management and business activities
- Prevention of products or services from harming stakeholders
- Organization and responsibilities
- Recusal due to conflicts of interest
- Accounting and internal controls
- Operating procedures and guidelines for conduct
- Whistleblowing system/punishment and grievances system
- Information disclosure

Anti-corruption Policy Training

The Company publishes ethical management and anti-corruption articles on the internal website to enhance employees' knowledge. Senior managers raise department heads' awareness of this aspect at business meetings from time to time and require them to remind employees in departmental meetings not to violate applicable regulations at work.

In 2025, the Company provided pre-employment education and training on the "Ethical Corporate Management and Code of Ethical Conduct" for new employees, with 84 participants and 84 person-hours of training.

In addition, the Company organized the "Corporate Ethical Governance and Human Rights" course for all employees, recording 479 participants and 718.5 person-hours of training. The "Intellectual Property Management – Key Points for Signing Confidentiality Agreements" course recorded 482 participants and 241 person-hours of training, while the "Insider Trading Prevention" course recorded 486 participants and 486 person-hours of training.

Regulatory Compliance

Evergreen Steel continues to monitor domestic and international laws and regulations relevant to the Company's operations and formulates or revises internal management systems and operational procedures in a timely manner in accordance with regulatory requirements. These serve as the basis for all operational activities to ensure compliance with applicable laws, regulations, and competent authority requirements.

In the social and economic aspects, the Company adheres to the principles of ethical corporate management and conducts all business activities in a fair, honest, trustworthy, and transparent manner. The Company has established the "Ethical Corporate Management Best Practice Principles" and implemented relevant operational procedures and codes of conduct. Through advocacy and education and training programs, the Company strengthens directors', employees', and appointees' awareness of ethical management. The principles of ethical management are also incorporated into employee performance evaluations and human resources policies, alongside comprehensive reward, disciplinary, and grievance systems, to ensure that all business activities comply with the principles of ethical corporate management.

The Company values employee rights and workplace safety and complies with the Universal Declaration of Human Rights, labor-related laws and regulations, and occupational safety and health requirements. Evergreen Steel is committed to implementing human rights protection and occupational safety and health management measures while continuously preventing work-related injuries and health hazards, with the aim of creating a safe, healthy, and friendly working environment.

In the environmental aspect, the Company recognizes that environmental protection is a shared responsibility of all mankind and continues to comply with applicable environmental laws and regulations. To strengthen environmental management, responsible units and personnel have been designated to oversee wastewater treatment, operation and maintenance of air pollution control equipment, permit applications, payment of air pollution and soil pollution fees, as well as waste removal and resource recovery, in order to reduce environmental impacts and ensure compliance with environmental regulations.

In the past three years, the Company has not incurred any material penalties for violations of economic, environmental, or social laws and regulations. In 2025, there were 5 non-material violation cases, and all relevant corrective measures have been completed.

Note: A material event is defined in accordance with the Taiwan Stock Exchange's Procedures for Verification and Disclosure of Material Information of Companies with Listed Securities as a single event with cumulative fines reaching NT$1 million or more.

The penalized events and corrective actions in 2025

Type (Site)	Act	Penalty	Violated Regulation	Corrective Action
Monetary Penalty (Xinying Factory)	Article 31, Paragraph 1, Subparagraph 2 of the Waste Disposal Act	NT$720,000 Environmental training 4-hour	The R-1104 submerged arc welding slag generated at the Company's Xinying Factory was entrusted to an external contractor for collection between February and March 2021 and was originally intended for reuse after solidification treatment. However, an investigation by the competent authority found that the waste had been illegally transported and buried, failing to comply with regulatory requirements for waste disposal and tracking management. In addition, the Company failed to properly declare the disposal status of the R-1104 waste for the relevant reporting period, resulting in deficiencies in waste management.	A corrective action completion report was submitted to the Environmental Protection Bureau on December 29, 2023. The Environmental Protection Bureau conducted a follow-up inspection on January 25, 2024, and subsequently issued Official Letter No. Huan-Tu-Zi 1130017569 on February 20, 2024, confirming completion of the cleanup and approving the case for recordation.
Monetary Penalty (Construction sites)	Occupational Safety and Health Facilities Regulations	NT$100,000	No access equipment was provided to the uppermost level of the steel structure during steel structure operations.	A cage ladder was provided as access equipment.

Type (Site)	Act	Penalty	Violated Regulation	Corrective Action
Monetary Penalty (Construction sites)	Standards for Occupational Safety and Health Facilities in Construction	NT$210,000	Guardrails were not installed at the opening of the steel staircase. In addition, the installation method and strength of the safety net did not comply with CNS 14252 requirements.	Guardrails at the staircase opening were installed and completed by the project owner.
Monetary Penalty (Construction sites)	Occupational Safety and Health Act	NT$100,000	During steel structure assembly operations, fall prevention measures such as requiring workers to use safety harnesses were not implemented.	The worker was immediately required to use a full-body safety harness.
Monetary Penalty (Hsinchu Factory)	Occupational Safety and Health Act	NT$100,000	During processing operations where flying debris could pose hazards to workers, protective covers or guards were not installed on the machinery as required.	Operating procedures were revised.

2025 Regulatory Compliance Summary

Environmental

- No violations of the Air Pollution Control Act
- No violations of the Water Pollution Control Act
- No emissions of ozone-depleting substances (ODS)
- No emissions of nitrogen oxides (NOx), sulfur oxides (SOx), or other significant air emissions
- No significant spills occurred

Social

- No violations of the Labor Standards Act
- No violations of the Act of Gender Equality in Employment
- No incidents of workplace discrimination
- No violations of freedom of association and collective bargaining rights
- No child labor
- No forced or compulsory labor
- No violation of indigenous peoples' rights
- No incidents of non-compliance concerning the health and safety impacts of products and services
- No invasion of client privacy nor loss of client data

Governance

- No violations of the Company Act
- No violations of securities and financial regulations
- No incidents of corruption or bribery
- No incidents of anti-competitive behavior or violations of anti-trust and monopoly laws and regulations
- No political contributions

Response to Reported Cases of Violations of Integrity and Illegal Acts

Stakeholders, who want to report unethical or illegal conducts or violations of ethical management, may refer to related contact information that is already disclosed on the Company website. The stakeholders can report cases of violation of ethics or illegality, or violation of ethical management by email, mailbox on the Company's website (comment@evergreennet.com), phone, or regular mail. If it is an internal report by an employee, besides the above reporting methods, they can report directly to the head of their unit.

The whistleblower should provide at least the information below:

1. The whistleblower's name, national ID number, mailing address, phone number, and e-mail. Any anonymous report will not be responded to in principle, but such a report will be handled separately if the responsible unit determines that it is necessary to investigate, and it will be adopted as a reference for internal review.
2. The accused person's name or other information that is sufficient to identify the accused person's identity.
3. Specific facts available for investigation.

Whistleblower Protection Policy

Personnel of this Corporation handling whistle-blowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. This Corporation also undertakes to protect the whistleblowers from improper treatment due to their whistleblowing.

In 2025, the Company did not receive any internal or external reports of violations of the Codes of Ethical Conduct from the grievance mailbox. (Whistleblowing and grievances email: comment@evergreennet.com for personnel inside and outside the Company.)

2.3.2 Internal Audit

Internal Control Mechanism

To strengthen corporate governance, the Company has established a complete internal control system for all units to follow and has disclosed all of the Company's rules and regulations on our internal platform, for employees to check and refer to at any time. Meanwhile, we will continue to strengthen the internal audits and self-assessments, facilitate each unit's independent management, and duly implement a self-supervision mechanism.

The Company is clearly aware that the establishment, implementation, and maintenance of an internal control system is the responsibility of the Board of Directors and managers and has established this system with the aim of achieving the goals of operational effectiveness and efficiency (including profit, performance, and asset security protection), reporting reliability, timeliness, transparency, and compliance with applicable laws and regulations.

Internal Audit

The Company has formulated important relevant policies and regulations in response to the laws of Taiwan and other countries, including personal data protection, confidentiality, anti-bribery, anti-discrimination, environmental protection, intellectual property protection, anti-insider trading, anti-unfair competition, and labor protection, and strives to achieve corporate sustainable development. To ensure the implementation of internal compliance policies, the Human Resources Department is the unit responsible for implementing of ethical management and the supervision of each unit's implementation. It is also responsible for assisting the Board of Directors and the management in checking and evaluating whether the preventive measures established for the implementation of ethical management are effective; assessing compliance during relevant business processes and preparing reports; and reporting to the Board of Directors once a year.

We ensure that our business processes meet relevant requirements through internal controls and audit measures. All employees of Evergreen Steel are governed by compliance policies and various departments work together to ensure implementation is complete. We require employees to maintain integrity and conduct themselves ethically in a safe and healthy work environment that is conducive to labor safety.

The Company's Audit Department conducted audits according to the audit plan in 2025, issuing 62 audit reports and finding 4 deficiencies. Follow-up audits have all been completed, and the Company will strengthen employee education and training and improve processes to reduce errors.

Internal Control System Business Unit Cycle and Quality Audit
23 items

Management Control Activities Audit
10 items

Subsidiary Supervision and Management Audit
13 items

Capital Loans and Endorsements/Guarantees Audit (Quarterly)
4 items

Derivatives Trading Audit (Monthly)
12 items

To enhance the professional knowledge and auditing skills of our auditing personnel, particularly in areas like corporate governance, risk management, and internal control, the Company will ensure ongoing education and training , and exceed the training hours required by laws and regulations.

2.4 Risk Management

To strengthen corporate governance and establish a sound risk management system, the Company has formulated the "Risk Management Policy and Procedures" to implement risk management mechanisms and ensure normal operations and sustainable development.

Risk Management Framework and Responsibilities

The Board of Directors serves as the highest governing body for the Company's risk management. Based on the Company's operational strategies and business environment, the Board approves the Company's Risk Management Policy and Procedures and supervises the effective operation of risk management mechanisms to ensure the effectiveness of risk management, while assuming ultimate responsibility for the Company's overall risk management.

The Sustainability Committee, a functional committee directly under the Board of Directors, is responsible for coordinating and supervising the promotion of various risk management activities by the respective responsible units of the Company.

The Sustainability Committee's executive team is responsible for implementing risk management-related operations. The head of the Supervisory Department serves as the chair, responsible for convening task force meetings and assisting in the promotion of various sustainability initiatives. The executive team regularly reports the effectiveness of the Company's risk management operations to the Sustainability Committee and the Board of Directors on an annual basis.

Board of Directors	Highest Governing Body for Risk Management
Sustainability Committee	Risk Management Coordination and Supervisory Unit
Executive Team (Risk Management)	Risk Management Promotion and Execution Unit
Responsible Units	Risk Control and Implementation Units

Risk Management Process

Risk Identification	Each responsible unit identifies and analyzes risks that may arise from its operating environment and business activities, and evaluates and categorizes existing and potential risks. The identification of the nature of such risks serves as the basis for subsequent risk assessment, monitoring, and management.
Risk Evaluation	Each responsible unit identifies potential risks and establishes appropriate assessment methods as the basis for risk management implementation.
Risk Response	After evaluating (analysis and assessment) and summarizing risks, each responsible unit adopts appropriate response plans and response measures for the risks it faces, in order to lower the risks to acceptable levels.
Risk Monitoring	Responsible units are in charge of the monitoring and control of risk management flow.
Risk Reporting and Information Disclosure	• The executive team of the Sustainability Committee should ensure that each responsible unit effectively implements risk management policies and procedures, monitors risk management operations and delivers risk management information, and regularly reports implementation results to the Sustainability Committee and the Board of Directors every year. • In addition to disclosing related information according to the regulations of the competent authorities, the Company discloses information related to risk management on the corporate website and in the annual report.

Risk Management Topics and Responses

To implement risk management, the Company has identified 7 major risks of "Operational Risk," "Financial Risk," "Inflation Risk," "Procurement and Sales Concentration Risk," "Occupational Safety and Health Risk," "Information Risk," "Environmental and Climate Change Risk," and each responsible unit has formulated corresponding plans and response measures to lower the risks and ensure that all risks are controlled and monitored. The implementation of 2025 risk management has reported to the Sustainability Committee and Board of Directors on December 24, 2025.

Risk Items	Definition	Response Measure
Operational Risk	**Industry Risk** The steel structure industry is a labor/capital-intensive industry; however, manufacturing technologies are not too different, and the entry barrier is low, resulting in many smaller factories and the risk of fierce market competition.	Proactively differentiate products, enhance manufacturing capability of uniquely-shaped steel structures, and improve processes and quality management to lower costs and enhance competitiveness.
	Human Resource Risk The nature of the steel industry and low birth rate in Taiwan have led to the risk of recruitment difficulty, affecting industrial development.	• Currently a listed company, which helps to attract and retain outstanding talents. • Enhance employee benefits and perfect a talent encouragement system to reduce the turnover rate. • Incubate professional talents through internal on-the-job training and external professional education. • Actively participate in academic-industrial cooperation and expand recruiting channels. • Continuously evaluate the adoption of automated production processes and intelligent equipment to reduce labor dependency, enhance production efficiency, and mitigate the impact of labor shortages on operations.
Financial Risk	**Interest Rate Risk** Main risk comes from long-term loans with floating interest rates.	Some risks are offset by cash or cash equivalents with variable rates. Also, establish and maintain a sound relationship with financial institutions so that when the Company needs capital, it can get more favorable interest rates; through sound financial planning and use of appropriate capital-raising tools, the Company aims to lower the risk of a floating interest rate.
	Exchange Rate Risk Business activities using foreign currencies result in loss from fluctuating exchange rates.	The Company relies on domestic demand, and business transactions are mainly in TWD. Foreign currency management and a hedging strategy adhere to steady and conservative principles, and financial personnel maintain close communication with banks and regularly collect exchange rate information to avoid possible influences of fluctuating exchange rates.
Inflation Risk	Materials prices account for a significant portion of costs, and inflation will lead to a rise in raw materials prices, increasing costs and thus affecting P&L.	In response to fluctuations in steel price, the steel structure industry must discuss and negotiate quotations with customers. For long-term orders, a floating steel price will be adopted. Advance procurement will be adopted in response to short-term orders, lowering the risk of price fluctuation. Thus, the Company has not seen a significant impact from inflation.

Risk Items	Definition	Response Measure
Procurement and Sales Concentration Risk	**Procurement Concentration Risk** Relying on specific raw material suppliers may lead to risks of raw materials supplies and prices monopoly.	Steel engineering requires raw materials like steel plates, section steel, welding materials, shear studs, bolts and paint; among which steel plates are mainly procured from CSC and Dragon Steel, which are also primary producers of steel plates and bars in Taiwan. Also, the Company enjoys the advantage of procurement amount; as for section steel, the main domestic producers are Toho and Dragon Steel, and the Company has long-term relationships with these two suppliers, ensuring steady supplies. In sum, raw materials suppliers have all been long-time partners of the Company with good quality and prompt delivery; moreover, each raw material is supplied by a number of suppliers, and therefore the Company has no concentration risk.
	Sales Concentration Risk Steel structure engineering is order-based production, requiring large investments and selling to a specific group of customers, resulting in the risk of sales concentration.	Steel structure production is order-based, and requires large capital outlays. The preparation period is relatively long and income is recognized as time goes by, resulting in concentrated sales to certain customers. This is the unique characteristic of the industry. Also, primary customers change with the beginning and completion of construction projects; however, the Company has not had any single customer accounting for over 20% of annual net sales over the past three years. Thus, the Company is not exposed to the risk of concentrated sales.
Occupational Safety and Health Risk	Non-compliance with occupational safety and health related laws and failure to provide necessary safety and health facilities and management measures, leading to personnel safety and health hazards.	The Company has established safety and health risk assessment guidelines according to the ISO 45001: 2018 Management System. Hazard identification and risk assessment at each plant is carried out by responsible personnel in each unit. All safety and health hazards inside and outside the plants that are expected to cause an impact, including regular and irregular activities, workers and visitors entering the plants, personnel behavior, capabilities, and other human factors, are targeted for risk and hazard identification. Based on the results of identification and assessment, the unacceptable mid- and high-level risks are included in the management plan for improvement, in an aim to lower the risk level. Implement risk control and ensure effectiveness of the management system. All personnel conducting hazard identification and risk assessment have received external education and training as qualified personnel with supervisor certifications, ensuring quality of identification. Propose improvement or control measures every year. In cases of procedural changes of equipment and operations in plants, occupational accidents, or implementation of corrective measures in response to non-compliance, hazard identification and risk assessment will be conducted again.
Information Risk	Risks resulting from control, operations, and lost backups of information systems, such as risks of OS malfunctions, deliberate sabotage, infiltration, and interference with the equipment and network.	• Client-server OS system, file safety control and access management. • Network safety control and access management. • User-end computer equipment safety controls. • Database server safety control. • Establish anti-virus system, junk mail blocking system; regularly update OS to ensure system stability and reduce the chance of hacker attacks. • Establish complete backup for quick recovery during system error or data corruption. • Completed the implementation of the ISO 27001: 2022 Information Security Management System and obtained third-party certification on November 18, 2025.

Risk Items	Definition	Response Measure
Environmental and Climate Change Risk	Risks of management measures to deal with global/regional natural disasters or major infectious diseases, climate change, and environmental protection. Legal compliance review is required and non-compliance amended to meet legal and regulatory requirements.	• Dedicated units and personnel have been established to effectively manage wastewater treatment, the replacement and maintenance of air pollution control equipment, legal applications and approvals for operating permits, payment of air pollution and soil pollution fees, waste removal and recycling, and the evaluation of diversified waste disposal channels. In addition, the Company introduced the ISO 14001: 2015 Environmental Management System in 2024 and completed external certification. In 2025, the Company successfully passed the annual surveillance audit conducted by the certification body. Through effective environmental management and continuous investment in improvement measures, the Company aims to comply with environmental regulations and mitigate the risk of environmental impacts. • Plants produce general industrial waste daily, and qualified vendors approved by the EPA have been contracted for clearance and processing; the generated domestic sewage is discharged to the regional industrial sewage processing system. Also, targeting sand blasting and painting processes, the Company commissions qualified vendors to inspect emissions regularly of stationary pollution sources. Air pollutant emissions and waste clearance and processing are reported to regional authorities regularly as prescribed by law. • Discuss the diversification of waste disposal and reuse to reduce the waste disposal cost and maintain the waste reuse rate above 90%. • Building plants with portable shades to prevent torrential rain from affecting production capacity. Office area, plant, machines and equipment, and essential facilities have all been insured to reduce the loss caused by natural disasters. • The Company introduced the ISO 50001: 2018 Energy Management System in 2024 and completed external certification. In 2025, the Company successfully passed the annual surveillance audit conducted by the certification body to ensure the effective operation and continual improvement of the energy management system. Annual GHG inventories and third-party verification are also conducted in accordance with the established plan, and related energy-saving and carbon reduction measures are continuously implemented, including: a. Replace gasoline cars with hybrid cars. Evaluate and replace diesel forklifts with electric forklifts. b. Gradually replacing lighting with LED units to save energy. c. Installing timer switches for all lighting equipment in plants to lower power consumption. d. Promote water-saving measures, and set up water storage area and tanks. e. Switch to new automatic sensing taps to save water and respond to water shortages. f. Procure energy-saving production facilities and phase out high-energy-consuming process equipment to improve energy efficiency and achieve the annual electricity saving target of 1%. g. Develop renewable energy, install solar PV systems. h. Installation of an energy storage system to enhance energy dispatch flexibility and strengthen operational and climate resilience.

Risk Items	Definition	Response Measure
Environmental and Climate Change Risk	Risks of management measures to deal with global/regional natural disasters or major infectious diseases, climate change, and environmental protection. Legal compliance review is required and non-compliance amended to meet legal and regulatory requirements.	• In order to enhance the ability to respond to climate change and avoid impacts on operations, each unit will allocate budget for post-natural disaster (typhoons, floods, earthquakes, etc.) repair, formulate preventive measures and conduct post-disaster reviews. • The TCFD team conducts inter-departmental meetings to identify and assess the potential impacts of climate change on the Company's operations and develop response strategies for transition risks, physical risks, and climate-related opportunities. For more details, refer to the TCFD Report. Report Downloads

3 CHAPTER

Product and Value Chain

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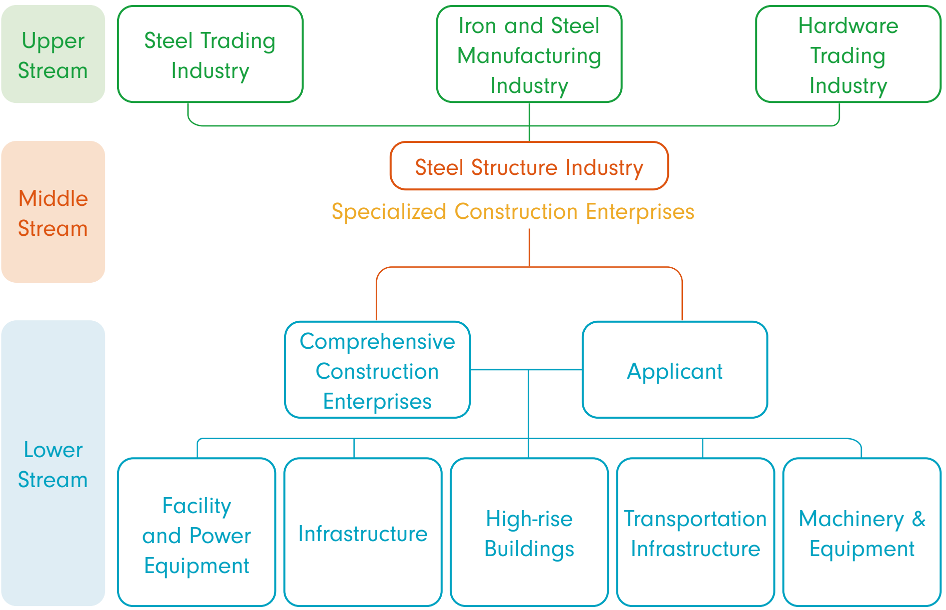
3.1 Products and Sales

3.1.1 Product Description

The Company is a steel structure manufacturer, with operations across Taiwan and selected overseas markets. The Company's products are widely used in construction of power plants, electronics plants, incinerators, aircraft maintenance hangars, supertall buildings, office buildings, residential buildings, long-span bridges, arched bridges, and cable-stayed bridges.

Interrelationships among the upper, middle and lower stream of the steel structure industry



Source: ITIS Project by Metal Industries Research & Development Center

Evergreen Steel is one of the major steel structure manufacturers in Taiwan with 100% domestic sales in 2025. The Company's main products and services are as follows:

Product or Service Item	Steel structure manufacturing, assembly, and container maintenance services
Region of Sales	Taiwan
Type of Customers	General contractors, Developers, Public construction projects (public housing, steel bridges), Commercial buildings, Electronics plants, Logistics plants
Sales Volume (ton)	130,281

Sales of Steel Structure Components

Annual Sales Regions	2023		2024		2025	
	Sales Revenue (NT$ thousand)	%	Sales Revenue (NT$ thousand)	%	Sales Revenue (NT$ thousand)	%
Domestic Sales	8,011,402	100	9,818,936	100	11,325,264	100
Export Sales	0	0	0	0	0	0
Total	8,011,402	100	9,818,936	100	11,325,264	100

Domestic sales as a percentage of total sales in 2025

100%

3.1.2 Financial Performance

The Company's 2025 performance was impacted by the government's real estate market policy, economic fluctuations, and other factors, the volume of residential property launches slowed down slightly. But as urban renewals, MRT joint developments, technology factories, and logistics facilities continued to be promoted, the Company maintain steady production for the steel structure market. Fulfillment of some steel structure orders was delayed due to clients' design changes and delays in construction projects. However, the overall market momentum of the steel structure industry remained undiminished by benefiting from the continuous plant construction in the technology sector and our various business units properly managing costs, the Company's steel structure business net profit still increased compared to 2024.

Unit: NT$ thousands

Item \ Year	2023	2024	2025	Difference between 2025 and 2024	
				Amount	%
Operating Revenue	11,090,533	12,917,338	15,321,268	2,403,930	18.61
Operating Cost	7,194,816	9,444,265	11,082,228	1,637,963	17.34
Gross Profit	3,895,717	3,473,073	4,239,040	765,967	22.05
Operating Expenses	560,563	609,140	650,031	40,891	6.71
Operating Profit	3,335,154	2,863,933	3,589,009	725,076	25.32
Non-operating Income and Expenses	1,522,808	650,429	1,188,815	538,386	82.77
Profit before Income Tax	4,857,962	3,514,362	4,777,824	1,263,462	35.95
Income Tax Expense	544,157	610,764	702,530	91,766	15.02
Profit for the Year	4,313,805	2,903,598	4,075,294	1,171,696	40.35
Other Comprehensive Income	1,100,558	4,367,629	(2,552,395)	(6,920,024)	(158.44)
Total Comprehensive Income for the Year	5,414,363	7,271,227	1,522,899	(5,748,328)	(79.06)
Employee Salaries and Benefits	906,657	978,401	1,071,184	92,783	9.48
Financial Contribution to the Government	22,690	28,917	30,155	1,238	4.28
Donations	1,583	1,751	1,338	(413)	(23.59)

Note 1: Financial Contribution to the Government (tax payments) exclude value-added tax and corporate income tax.

Note 2: Donations refer to the amounts recognized under the "Donations" account.

Note 3: Analysis of changes between 2025 and 2024:

- Increase in gross profit: Mainly due to the increase in the number of tons of steel structures of Evergreen Steel Corporation and the increase in waste processed and electricity sales with the completion of the maintenance and upgrades at Hsin Yung Enterprise Corporation.
- Increase in non-operating income and expenses: Mainly due to an increase in dividend income.
- Decrease in other comprehensive income (net value after tax): Mainly due to a decrease in unrealized gains from investments in equity instruments measured at fair value through other comprehensive income.

Note 4: The data source is the CPA-certified consolidated financial statement of the parent company and subsidiaries, consistent with the disclosed information in the Company's Financial Statements.

Note 5: For detailed information, please refer to the Company's website.

Note 6: Information restatement: Data for employee salaries and benefits from 2023 to 2025 have been adjusted to align with the disclosures in the consolidated financial statements for each respective year.

In 2025, the Company received a total of NT$202,000 in government grants from the government. Details are provided in the table below:

Item	Subsidizing Agency	Amount (NT$)
Post-disaster equipment restoration and adjustment subsidy for the manufacturing industry	Industrial Development Administration, Ministry of Economic Affairs	200,000
Commodity tax refund (Air conditioner)	Xinying Branch, Southern Area National Taxation Bureau, Ministry of Finance	2,000
Total		202,000

Note: The classification basis of the subsidy items disclosed above differs from that adopted in the financial statements; therefore, differences exist in the disclosed amounts.

The Company complies strictly with all tax regulations. Each responsible unit handles taxes according to their respective categories. The financial unit follows tax laws such as the Income Tax Act, Regulation Governing Assessment of Profit-seeking Enterprise Income Tax, Value-added and Non-value-added Business Tax Act, Tax Collection Act, Stamp Tax Act, Securities Transaction Tax Act, and other relevant financial tax laws. Other applicable tax laws are handled by the respective units. Financial statement and annual report information are disclosed on the MOPS and the Company's website .

2025 Financial Statements

2025 Annual Report

3.1.3 Research and Development

The Company focuses on innovative tech R&D and improves equipment to increase production capacity and efficiency. There were six improvements to the steel structure business:

1. The Company worked with a qualified resource recycling organization to explore options to reuse its waste and jointly proposed the idea to use submerged arc welding slag (industrial waste from the manufacture of steel structures) as an additive and applied for a project-specific reuse permit for CLSM (Controlled Low Strength Materials). The test result report was submitted for viewing in December 2024, and the Company has obtained the permit for this single project in November 2025.
2. Improved efficiency by replacing old cranes. Due to the sheer number of old cranes that need to be replaced, they will be replaced in batches over several years. In 2025, the Company replaced 1 crane and 5 crane winches, and will continue to do so annually after 2026.
3. The Company's collaboration from 2022 to 2025 with the National Center for Research on Earthquake Engineering allows both parties to work together. The first phase of the "Development of Artificial Intelligence Enhanced Robotic Welding Technology for Internal Continuity Plates to a Steel Box Column" project was completed. By incorporating AI, robotic arms, laser scanning/monitoring and welding machine operation to conduct the AI-driven automated welding of internal diaphragms in columns, the testing of the internal diaphragm welding of box steel columns and beam-to-column connection specimens has been completed. The overall welding success rate has been significantly improved, and the feasibility of multi-layer and multi-pass artificial intelligence welding quality has been verified. The collaboration project was granted a subsidy from the National Science and Technology Council in 2025. The second phase of the collaboration project will be conducted from mid-2026 to 2028, aiming to reduce the demand for weld profile scanning, enhance the spatial recognition capability for steel columns, reduce the demand for contact positioning, and improve automated welding efficiency through the application of artificial intelligence technology, serving as the foundation for real-world applications and execution in the future through improvement and refinement.

4. In order to optimize the painting process, enhance the painting quality, and reduce the impact of volatile compounds on the environment, the design and planning for the construction of a new painting facility and the addition of pollution prevention equipment at the Xinying Factory have been completed. The detailed architectural design, as well as the contracting for the factory construction and prevention equipment, have been completed, with the target of completing the factory construction project by the end of 2026.
5. A 10MWh energy storage system was constructed in 2025 to enhance power usage management, the installation was completed in December 2025, the final testing and verification operations are currently underway, and it is expected to be officially put into operation in March 2026.
6. At the end of 2025, the Company planned to promote the replacement of traditional welding machines with new inverter welding machines to achieve the targets of energy conservation and increasing production efficiency. 102 sets of traditional welding machines are expected to be replaced in 2026.

3.2 Quality Control

The Company is a professional steel structure manufacturer. The Company's principal products include building, factory, and bridge steel structures. Our processes include steel plate cutting, assembly, welding, coating, and installation with strict quality control to meet projects' quality requirements. Regular training on advanced production and inspection technology and professional certifications helps reach quality targets and increase customer satisfaction.

Quality Policy

The Company has established a quality policy to implement and establish a strict management review system to supervise the performance of quality management.

- Safety is prioritized with continuous enhancement of the work environment.
- Quality comes first by minimizing defect rates.
- Reduce customer complaints and enhance customer satisfaction.
- Achieve sustainable business development while maintaining balanced production capacity.

Relevant units hold weekly and monthly meetings to review production and quality management. Safety, occupational safety and health, customer complaints, production capacity, processes, and quality targets are reviewed and improved annually at ISO 9001: 2015 management reviews to continuously improve the quality system. Targets are discussed annually at ISO 9001: 2015 management reviews, and all quality targets are met in 2025. The annual performance is summarized in the table below:

<table>
<tr><th>Item</th><th>Target</th><th colspan="5">Performance</th></tr>
<tr><td>Occupational Accidents (on-site)</td><td>0 fatalities; hospitalized injuries ≤ 4</td><td colspan="5">0 fatalities; 0 hospitalized injuries.</td></tr>
<tr><td>Customer Complaints</td><td>≤ 4 cases/year</td><td colspan="5">3 cases</td></tr>
<tr><td rowspan="3">Customer Satisfaction</td><td rowspan="3">Average score ≥3.5;
Individual score ≥ 3.0</td><td></td><td>Quality</td><td>Delivery</td><td>Service Attitude</td><td>Complaints</td></tr>
<tr><td>H1</td><td>4.4</td><td>4.6</td><td>4.7</td><td>4.5</td></tr>
<tr><td>H2</td><td>4.4</td><td>4.5</td><td>4.8</td><td>4.5</td></tr>
<tr><td>Finished Product Defect Rate</td><td>Buildings/Factories ≤ 1.8%;
Bridges ≤ 1.6%</td><td colspan="5">Buildings/Factories: 0.184%;
Bridges: 0%</td></tr>
<tr><td>UT Defect Rate</td><td>SAW ≤ 1.8%; SES ≤ 0.7%;
Bridges ≤ 2.6%</td><td colspan="5">Buildings-SAW: 0.125%; SES: 0.166%;
Bridges: 0%</td></tr>
<tr><td>RT Defect Rate</td><td>Buildings/Factories ≤ 3.2%;
Bridges ≤ 2.6%</td><td colspan="5">Buildings/Factories: 0%;
Bridges: 0%</td></tr>
<tr><td rowspan="3">External Provider Performance</td><td rowspan="3">Average score ≥ 80</td><td></td><td>Manufacturing Contractors</td><td>Design Contractors</td><td>Production Planning Department Suppliers</td><td>Machinery and Material Suppliers</td></tr>
<tr><td>H1</td><td>93</td><td>89.15</td><td>97.79</td><td>87.6</td></tr>
<tr><td>H2</td><td>93</td><td>92.8</td><td>98.3</td><td>87.5</td></tr>
<tr><td>BH Self-inspection Defect Rate</td><td>≤ 2%</td><td colspan="5">0.44%</td></tr>
<tr><td>BOX Self-inspection Defect Rate</td><td>≤ 1%</td><td colspan="5">0.615%</td></tr>
<tr><td>Bridge Box Girder Weld Visual Inspection Defect Rate</td><td>≤ 2%</td><td colspan="5">0%</td></tr>
<tr><td>Process Performance</td><td>Average score ≥ 15</td><td colspan="5">H1: 18.3, H2: 18.3</td></tr>
</table>

Performance and Management System and Verification

The Company is a professional steel structure manufacturer. Its welded H-shaped steel for structural use has obtained the Bureau of Standards, Metrology and Inspection (BSMI) Certification Mark (CNS 12681/ISO 9001: 2015) issued by the Ministry of Economic Affairs. In addition, its non-destructive testing operations have obtained laboratory accreditation from the Taiwan Accreditation Foundation (TAF) (Accreditation No. 3161). The Company has also established the ISO 9001: 2015 Quality Management System to ensure product quality and product safety.

In accordance with relevant regulations and internal quality management mechanisms, the Company regularly conducts product inspections and process controls and continuously strengthens product safety management measures. In 2025, there were no incidents of non-compliance with laws and regulations concerning the health and safety impacts of products and services.

Products with International Certifications		
Product Item	Safety Certification	Percentage of Assessed Products or Services Provided to Clients
Building steel structures, factory steel structures, and bridge steel structures ... etc.	Radiation Inspection Operation Approval for the Steel Industry. (Incoming steel is required to be provided with a Radiation Free Certificate by suppliers and tested to ensure it is 100% radiation free.)	100%

Note: Percentage of Assessed Products or Services Provided to Clients = (Assessed products or services provided to clients ÷ Total amount of products or services provided to clients) * 100.

MOEA Certificate of the CNS Mark

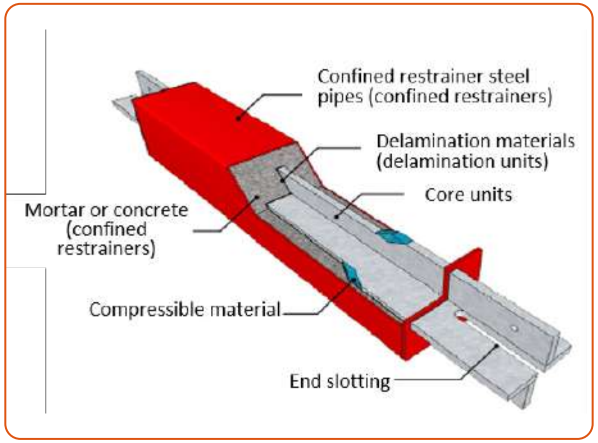
ISO 9001: 2015 Quality Management System Certificate

Product Compliance Information Disclosure

The Company provides safe building structures. Steel structure products are manufactured under the ISO 9001:2015 Quality Management System with standardized documentation to ensure quality of all procedures (including products and services) and customer satisfaction. From steel materials, cutting, assembly, welding, to finished products, procedures are carried out with the following requirements:

Procedure	Standard	Inspection Method	Contract Supervisor and Special Supervisor
Steel Materials Inspection	CNS,JIS,ASTM,JASS	The contract requires suppliers to conduct testing and provide reports, which are reviewed along with the materials.	Periodic sampling that is sent to the TAF metal lab for testing.
Assembly Dimensions	AWSD1.1, JASS 6 steel structure specification, quality control standards	Online inspections	Periodic inspections
Welding Inspections	AWSD1.1, JASS 6 steel structure specification, quality control standards	Inspections certified by The Society for Nondestructive Testing & Certification of Taiwan and conducted by welding inspectors.	Inspection by TAF non-destructive testing companies or supervisors
Finished Product Inspection	AWSD1.1, JASS 6 steel structure specification, quality control standards	Online inspections	Periodic inspections
Field Installation	AWSD1.1, JASS 6 steel structure specification, quality control standards	Online inspections	Continuous inspections

The Company manufactures and supplies seismic components, including buckling-restrained braces (BRBs), in accordance with contract specifications. During earthquakes, these high-performance seismic steel components absorb seismic energy, reduce structural vibration and building sway, and enhance structural safety and occupant comfort. The Company provides steel structure products with certified seismic performance to ensure the safety of public buildings and mitigate losses caused by earthquakes. The Company has participated in various public construction and building projects, including the Twin Oaks 4117 Project, Taiwan Fertilizer Nangang C4 Office Building, and the New Construction Project on Lot No. 94, Huiguo Section, Xitun District, Taichung City, supplying steel structure products equipped with seismic components.



Buckling-restrained Brace Structure Schematic

Buckling-restrained Brace Testing

Our inspected items are as follows:

Document review on construction, hoisting, welding plans, and working drawings	Frequency: —
• Material sampling • In-factory process inspections: cutting, assembly, welding processes, finished components	Frequency: Periodicity
Field inspection: finished components, component correction, bolt locking, welding processes. Welding inspectors inspect welding processes, and TAF non-destructive inspectors inspect welding runs.	Frequency: Continuity

Column ISO 27001: 2022 Information Security Management System Certification: Strengthening Cybersecurity Governance

In an era of rapid digital transformation, information has become not only the foundation of business operations but also a critical asset for maintaining corporate competitiveness.

To address the growing landscape of cybersecurity threats, Evergreen Steel has adopted the internationally recognized ISO 27001: 2022 Information Security Management System (ISMS) as its information security governance framework. Through the establishment of management systems and comprehensive process controls, the Company has strengthened its information security protection capabilities. This initiative demonstrates the Company’s commitment to information security while supporting compliance with personal data protection regulations, government cybersecurity requirements, and supply chain security expectations.

To enhance information security management, the Company focuses on three key principles: comprehensive governance, clear processes, and risk reduction. The following measures have been implemented:

1. Establishment of an Information Security Management System and risk identification, assessment, and response procedures.
2. Enhancement of technical security controls, including firewalls, vulnerability scanning, and intrusion detection mechanisms.
3. Implementation of system change management and cybersecurity incident reporting procedures.
4. Annual cybersecurity awareness training and social engineering simulation exercises to strengthen employees’ security awareness.

Through the implementation and continual operation of ISO 27001: 2022, Evergreen Steel has significantly enhanced its cybersecurity maturity. Key benefits include reduced cybersecurity risks, improved operational resilience and system stability, strengthened trust among customers and business partners, and the cultivation of a culture of continuous improvement in information security. Together, these efforts establish a continuous improvement cycle that drives ongoing enhancement of cybersecurity management.

For Evergreen Steel, the adoption of ISO 27001: 2022 represents far more than obtaining a certification. It reflects a systematic approach toward institutionalizing, standardizing, and integrating information security into corporate operations. In November 2025, the Company successfully passed an external audit conducted by the British Standards Institution (BSI) and officially obtained ISO 27001: 2022 ISMS certification. The certificate is valid from November 30, 2025, to November 29, 2028, demonstrating that the Company’s information security governance practices have been recognized in accordance with international standards.


bsi.

Certificate of Registration

INFORMATION SECURITY MANAGEMENT SYSTEM - ISO/IEC 27001:2022

...making excellence a habit.™

ISO 27001: 2022 Information Security Management System Certificate

3.3 Information Security and Customer Management

3.3.1 Management Policy and Information Security Protection

To strengthen information security management and ensure the security of data, systems, equipment, and networks, as well as the accuracy and availability of information processing, the reliability of software, hardware, and network systems used by employees, and to protect these resources from interference, damage, or intrusion that could damage information assets, this policy is established in accordance with the "Cybersecurity Management Act" and its Enforcement Rules as follows:

Information Security Policy

Personnel Management	• Conduct regular information security training and awareness programs to build employees' security awareness and enhance overall information security standards. • Strengthen training for information security management personnel to improve their management capabilities.
Computer Security Management	Establish information security defense mechanisms such as firewalls, intrusion detection systems, and antivirus software.
Access Control	• Grant corresponding permissions based on job responsibilities and conduct regular reviews. • Implement an information security alert mechanism to immediately notify relevant personnel of any unauthorized activities.
Asset Management	Implement a computerized asset management system.
Audit System	Conduct regular audits by internal and external units to ensure personnel comply with information security management requirements.

To ensure the effectiveness of information security practices, this policy is periodically reviewed by relevant departments and, based on the latest technological and business developments, amended as necessary while complying with applicable laws and regulations.

Information Security Protection and Control Measures

The specific management measures are as follows:

I. Access Control and Encryption Mechanism Management	
Network Security Control	• Users are prohibited from installing personal computers or network communication devices within the office without authorization. • Users must comply with network security policies. Any violation of network security will result in restrictions or revocation of network access rights according to information security regulations.
Permission Management	• Password setup principles should avoid easily guessable or personal information-based passwords. • User accounts and permissions shall be granted based on business needs; personal accounts must not be shared. • When a user is transferred or no longer requires access to information systems, their accounts and permissions should be immediately disabled or removed.
Encryption Management	• Sensitive information must be encrypted during storage and transmission. • Encryption protection measures should avoid retaining decryption keys; if encryption is suspected to be compromised, immediate changes must be made.

II. Operations and Communication Security Management	
Control Measures for Malware Prevention	• Hosts and personal computers must have antivirus software installed and maintained regularly for both hardware and software. • Files obtained from any type of storage media must be checked for malware or viruses. • Users are prohibited from installing unauthorized, suspicious, illegal, or business-unrelated software without permission.
Email Security Management	• Users must exercise caution when using email and avoid opening emails from unknown sources. • Confidential or sensitive information should not be transmitted via email unless encrypted or protected according to relevant policies. • Users must not use company-provided email services for activities that infringe on others’ rights or violate laws. • Regular social engineering drills related to email security should be conducted and reviewed.
Ensuring Physical and Environmental Security Measures	• Information and related ICT equipment must be properly stored and are not allowed to be removed from the office without management authorization.
Media Protection Measures	• Confidential and sensitive data stored on portable devices such as USB drives or disks must be properly secured. • When transferring information via physical storage media, proper packaging and authorized personnel should be used.

II. Operations and Communication Security Management	
Security Management for Personal Computer Usage	• Personal computers must be logged out immediately or set to auto-lock when not in use. • Installation and use of unauthorized software are prohibited. • Personal computers must regularly update operating systems, patches, and antivirus definitions. • Any cybersecurity issues must be reported promptly through company reporting procedures. • Important data must be backed up regularly.
III. Information and Communication Security Protection Equipment	
• Firewalls must be updated and maintained regularly for both firmware and hardware. • Firewall configuration files should be backed up as necessary.	

Personal Data Protection Policy

The Company's principal businesses include the manufacturing and assembly of steel structures, container maintenance and repair, and the development of steel structure and environmental protection businesses. Active in various construction and public infrastructure projects, the Company is deeply committed to safeguarding stakeholder privacy and data security. To ensure the appropriate use of personal data belonging to customers, employees, suppliers, contractors, and other stakeholders while preventing infringement upon their personal rights, the Company strictly complies with the Personal Data Protection Act (PDPA) regarding collection, processing, and utilization. The Company ensures the integrity and security of the personal data files in its custody, establishing these practices as its core Data Privacy Policy. This policy applies to all employees and third parties handling personal data through business interactions, aiming to prevent data from being stolen, altered, damaged, lost, or disclosed.

Implementation of Personal Data Protection

Through internal information security controls, the Company continuously identifies the scope, categories, and potential risks of personal data within operational workflows, establishing robust control measures and driving ongoing improvement initiatives.

To ensure all employees understand their data-handling responsibilities, the Company regularly conducts professional training and awareness campaigns, retaining comprehensive execution records. These initiatives ensure that personnel responsible for daily compliance are fully aware of applicable regulations and obligations. Furthermore, onboarding guidance is provided to newly hired employees to clarify data protection regulations, their scope of responsibility, and mandatory management protocols. As of December 31, 2025, a total of 470 employees completed privacy and information security training, accumulating approximately 470 training hours.

Material Personal Data Incidents

The Company experienced no material personal data incidents and no violations of the Personal Data Protection Act in 2025.

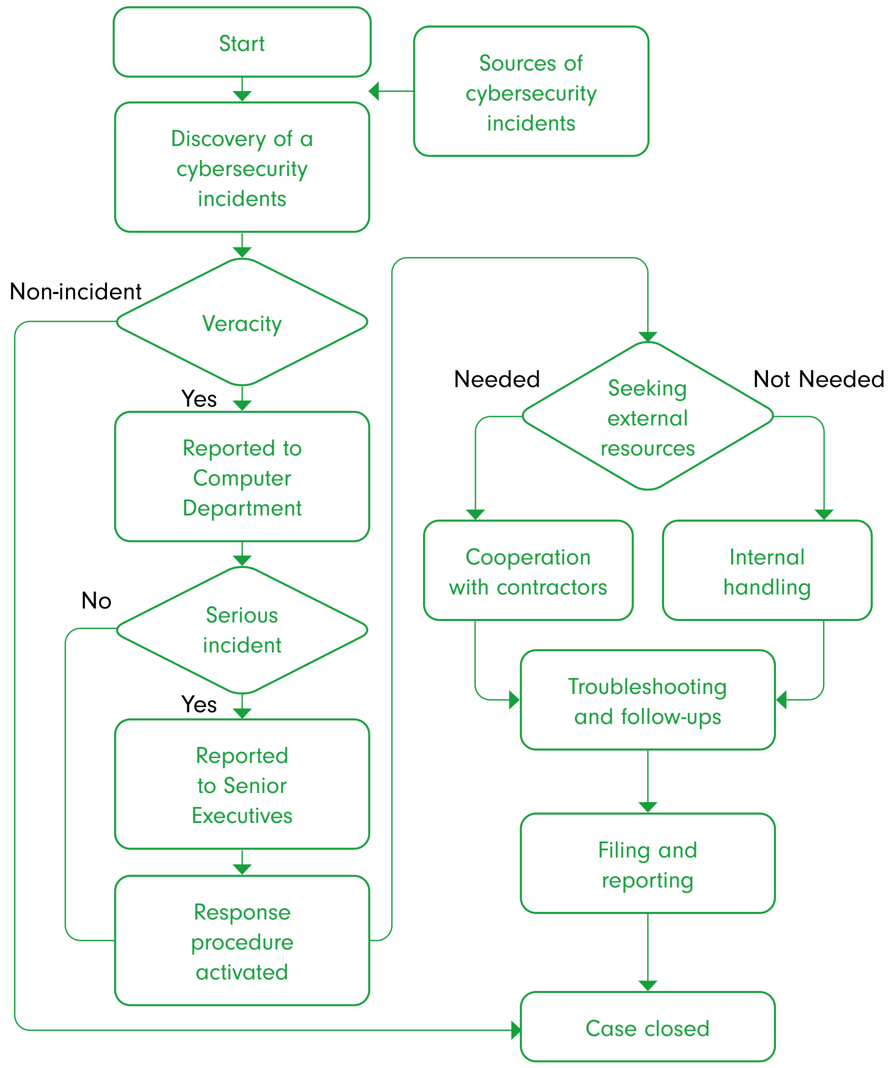
3.3.2 Customer Privacy

The Company places great importance on customer privacy and data protection. On November 30, 2025, the Company obtained certification for the ISO 27001: 2022 Information Security Management System (ISMS). Through comprehensive management practices and technical safeguards, the Company ensures the highest level of protection of customer information. In 2025, the Company experienced no material information security incidents, no violations of customer privacy rights, and no incidents involving the loss of customer data.

- All company computer systems require authorization for use. Department users must apply for user accounts and application access, which are approved by department supervisors and the Computer department, granting formal access to the computer systems. Unauthorized personnel cannot access customer-related information.
- At least one disaster recovery drill is conducted annually to ensure effective restoration of data in case of system damage, preventing data loss.
- Information security announcements are issued quarterly, and at least one employee training session is held annually to reinforce cybersecurity awareness and maintain continuous data protection.
- At least two social engineering drills are conducted annually to enhance employee cybersecurity awareness, fostering vigilance and habitual scrutiny.
- Customer privacy and data protection are prioritized by performing monthly vulnerability scans to verify system security strength. Any identified weaknesses are promptly addressed to mitigate risks of external data breaches.

Disaster Recovery Drill	Completed in July 2025
Information Security Announcements	4 announcements issued (Jan., May, Sep., and Nov. 2025)
Employee Training	2 training sessions conducted (Jun. and Dec. 2025)
Social Engineering Drills	2 drills conducted (Dec. 2025)
Vulnerability Scanning	12 scans completed

Cybersecurity Incident Reporting Procedure



3.3.3 Customer Satisfaction

The Company has established a Customer Complaint Handling Procedure. When receiving a complaint, we follow the Customer Service Handling Procedure formulated by the Company to complete a Customer Complaint Handling Record and investigate causes before relevant units propose solutions. Corrective actions are implemented promptly, customers are informed, and implementation effectiveness is tracked.

In 2025, the Company had 3 cases of customer complaints regarding factory coating quality and fabrication quality accuracy. The Company ordered responsible units to make immediate improvements and report the handling of the complaints to clients. The Company also instructed the contractors to conduct additional inspections before shipping each batch of components and to enhance coordination among on-site personnel. These improvements have been satisfactory to the client.

The Company conducts a customer satisfaction survey every six months, formulating and rigorously following improvement measures. Implementation is documented through Customer Satisfaction Analysis Data, which is reviewed in the Annual Management Review Meeting, better meeting customers needs and building mutual trust with customers.

Customer Satisfaction

Year	2023		2024		2025	
Item	H1	H2	H1	H2	H1	H2
Projects Surveyed	11	11	13	13	11	10
Projects Below Standards for Individual Items (5 Points Overall with 3 as Standard)	0	0	0	0	0	0
Projects Below Standards for Overall Scores (20 Points Overall with 14 as Target)	0	0	0	0	0	0

3.3.4 On-time Delivery

To facilitate contractor management, the Company has established a Key Performance Indicator (KPI) target of maintaining a 100% on-time delivery rate and issues shipment notices in advance, which clearly specify shipment dates, quantities, destinations, and shipment details to ensure the timely delivery of raw materials, semi-finished products, and finished products. In 2025, the Company maintained a 100% on-time delivery rate, with all deliveries completed according to project schedule requirements.

Shipment Trips

Year	2023	2024	2025
Hsinchu Factory	1,344	2,338	1,750
Xinying Factory	5,746	6,583	7,773

Note: The number of deliveries listed in the above table all represent 100% on-time delivery according to the project site's required dates.

3.4 Sustainable Supply Chain Management

3.4.1 Supplier/Contractor Evaluation and Management

Supplier Evaluation and Management

Evergreen Steel's supply chain management is categorized into equipment and material procurement, transportation, security personnel, and providers, which are managed by different responsible units. The screening and selection mechanism of new suppliers are stipulated in the Procurement Management Procedure and Supplier Management Procedure, which also include corresponding review rules. The review procedure is as follows:

The procurement departments are responsible for finding new suppliers and conducting preliminary document reviews. Once a supplier passes the preliminary review, the procurement departments will complete the basic information on a Supplier Evaluation Form and gather QC personnel to form an evaluation team, where a procurement department division chief acts as the team leader. The evaluation focuses on the supplier's commercial capability, samples, and business capability, with weights of 40%, 40%, and 20%, respectively. The evaluation scores are divided into five ratings, with the evaluation criteria as follows:

A	80 or more	Can be registered on the "List of Qualified Suppliers," becoming an official supplier
B	70~79	Can be registered on the "List of Qualified Suppliers," becoming an official supplier
C	60~69	Can be registered on the "List of Qualified Suppliers," becoming an official supplier
D	59 or below	Can't be registered on the "List of Qualified Suppliers"
E	Special Registration	*Special Registration: Suppliers that fail the evaluation but meet the following conditions may be listed as Qualified Suppliers with Special Registration upon approval by the head of the procurement department: • Supplier designated by client or central factory • Market monopoly • Evaluation score is close enough, and the Company cannot find another qualified supplier immediately

New suppliers passing the evaluation will be registered on the Company's List of Qualified Suppliers.

New Supplier Evaluation Results – Xinying and Hsinchu Factory

Year	2023	2024	2025
Qualified New Suppliers	5	6	6

To strengthen supply chain management, the Company requires all material procurement vendors to include anti-corruption clauses in the contract, as well as contract termination clauses in contracts and orders: when in case the selling party is found to have violated ethical principles (such as: offering and receiving bribes, offering illegal political contributions, or offering inappropriate charity donations or sponsorships … etc.); or violated social welfare principles (for example: discrimination, violation of gender equality, infringement of the right to work … etc.); or violated corporate social responsibility for developing a sustainable environment and caused material environmental impacts, party A may terminate or suspend the contract and demand compensation for damages. The Company also promotes the signing of the "Corporate Sustainability Commitment" to implement sustainable supply chain management.

The Company conducts supplier evaluation with the Procurement Department as the organizer, which is responsible for the collection, statistical analysis, and compilation and reporting of all evaluation data, and Quality Control Section and Materials Management Section as the co-organizers that are in charge of providing records on quality or delivery deficiencies. The Procurement Department analyzes the data and reports on the results. Evaluation is held at least once a year and as needed. Evaluation samples must cover at least three months, and results are rated in 4 levels as follows:

A	90 or more	Prioritized for ordinary procurements.
B	70~89	Substitute suppliers when problems occur during ordinary procurement.
C	60~69	Procurement is suspended. But when problems occur with A and B level suppliers and there is an urgent need, limited purchase is allowed.
D	below 59	Procurement is not considered.

Suppliers that fail the evaluation must make improvements and pass re-evaluation before the next transaction. In 2025, 77 material suppliers were evaluated, and the pass rate was 100%.

The Company has established preventive and remedial measures. In case of a major deficiency, the Company will quickly review the situation and decide on the method of correction; conduct supply chain risk assessments and establish supplier sustainability evaluation criteria as a part of supply chain risk assessment along with delivery, quality, financial status, and operations, as important criteria of procurement. When a supplier is found to have environmental or social issues, remedial measures shall be immediately implemented, such as asking the supplier to carry out improvements, etc.

The Company cooperates with suppliers to fulfill corporate social responsibility. We regard our suppliers and contractors as important partners. The Company hopes to establish symbiotic and long-term cooperative relationships with our suppliers. Evergreen Steel values quality, delivery time, and price of the supplied products and established the Supplier Corporate Social Responsibility Management Guidelines for the steel industry, incorporating corporate sustainability into supplier and contractor contracts, who are required to sign a Supplier/Contractor's Corporate Sustainability Commitment or issue an ESG report on Corporate Sustainability fulfillment. Through completing Evergreen Steel Supplier/Contractor Self-Evaluation Questionnaires, the Company tracks suppliers' implementation of corporate social responsibility. We hope to jointly fulfill corporate social responsibility with our suppliers targeting the aspects of ethics, labor rights, environment, health and safety, and management system, while also ensuring risk management and business continuity. In 2025, a total of 90 main suppliers signed the "Corporate Sustainability Commitment", at a rate of 100%. And there were no losses resulting from unsound management of suppliers.

Contractor Evaluation and Management

The steel structure industry is labor-intensive. Steel structure production at the Xinying Factory and Hsinchu Factory were mostly contracted out to professional Taiwanese manufacturers. Contractor selection involves evaluation on quality, delivery time, staffing, and manufacturing experience. Qualified contractors are assigned a registration code in our system and will be flagged when eligible for our projects.

For contractors to quickly adapt to Evergreen Steel's occupational safety and health, as well as quality requirements, the Company has formulated Contract Management Procedures and Quality Management Procedures, detailing occupational safety and health and steel structure component quality management requirements and standards. These procedures are part of contractor terms and conditions, and contractors must comply with Evergreen Steel's working guidelines for occupational safety and health. The Company reserves the right to terminate or suspend the contract with the contractor when an event with major environmental and social impacts occurs.

The Xinying Factory and Hsinchu Factory perform evaluations every six months per ISO 9001: 2015 Contractor Management Procedure. The evaluation scores are divided into three ratings, with the evaluation criteria as follows:

A	85 or more	Priority contractor when workload increases.
B	70~84	Maintain existing assigned workload; Contractor with a total score of 74 points or below will be listed for counseling by outsourcing unit.
C	below 69	Consider decrease of assigned workload.

Major Contractor Evaluation Results – Xinying and Hsinchu Factory

Item	Period	2023		2024		2025	
		H1	H2	H1	H2	H1	H2
Manufacturing Contractors	Evaluated Contractors	36	36	37	34	37	40
	Rating	A	A	A	A	A	A
Drawing Contractors	Evaluated Contractors	9	9	10	8	8	7
	Rating	A	A	A*8 B*2	A*6 B*2	A*7 B*1	A

The Kaohsiung Factory has Contractor Evaluation Guidelines that stipulate annual contractor evaluation, and its results serve as a key factor in contract renewal to create fair competition.

Major Contractor Evaluation Results – Kaohsiung Factory

Year	2023	2024	2025
Evaluated Contractors	5	5	5
Evaluation Result	Pass	Pass	Pass

To eliminate the use of child labor by contractors, each factory has implemented measures to manage contractors. New employees hired by contractors must apply for a work permit from the Company within one week. They are required to submit a basic information inquiry form, relevant identification documents, and a labor insurance enrollment list. These documents are filed internally for inspection at any time, ensuring that no child labor is employed. In 2025, none of our contractors were found to have employed child labor or forced labor.

3.4.2 Material Procurement Management

Procurement Strategy

Our suppliers provide materials, equipment, production, and services and can be categorized as labor, capital, and technology-intensive types. The main suppliers of materials are based in Taiwan. To ensure that suppliers meet Evergreen Steel’s corporate sustainability policy requirements, the Company conducts annual evaluations of main suppliers, the following selection criteria are designated:

- The quality of raw materials must comply with CNS standards or its equivalents.
- Suppliers with good reputation and consistent quality.
- Suppliers who deliver promptly and are cooperative.

In 2025, a total of 77 main suppliers of materials for the Xinying Factory and Hsinchu Factory were all Taiwanese companies. Raw materials necessary for steel structure projects include steel plates, H beams, flat steel, and welding materials, among which steel plates and H beams were the main raw materials for steel structures. In Taiwan, the primary steel plate manufacturer is China Steel, and the largest beam makers are Tung Ho Steel and Dragon Steel. The Company carries out regular steel supplier evaluations as well as annual supplier evaluations of price, quality, delivery and service.

Raw materials are mainly procured from China Steel/Dragon Steel of CSC Group. CSC Group has pledged to use no metals from the Congo (gold) and its surrounding countries in all of its products and packaging, or conflict minerals from areas in these countries under the control of any armed forces; through strengthened supply chain management, effective identification and traceability of raw materials, the Company does not include any mines with concerns of conflict into investment evaluations and consideration of materials sources. CSC Group, when procuring equipment and materials, will also pay attention to the human rights situation in the source countries and makes adjustments accordingly; also, CSC Group has stipulated in tender instructions/contract articles regulations governing bribery, infringement of rights, and ESG rules upon entering CSC Group's factories. In 2025, CSC Group conducted environmental and social impact assessments on more than 2,000 suppliers in accordance with the Occupational Safety, Hygiene, Pollution Prevention of Procurement and Contracting Rules, and the results showed that all suppliers had risks below the medium-risk level. The issuance of sustainability reports by suppliers and their participation in various sustainability-related assessments can also serve as references for supplier management. Approximately 90% of our main materials suppliers have issued sustainability reports. CSC and Tung Ho Steel both achieved Leadership Level A- score in the 2025 CDP Climate Change Questionnaire. None of our suppliers in 2025 have caused significant negative impacts on the environment and society.

The main materials required by the Kaohsiung Factory include processed steel products such as corrugated sheets, angle irons, channel irons, stainless steel plates, container accessories, and composite floor panels. In 2025, there were a total of 32 main materials suppliers. Domestic suppliers are located across northern, central, and southern Taiwan, while international sourcing is primarily from China and Malaysia. The Company conducts irregular evaluations of suppliers based on factors such as price, quality, specifications, delivery time, and service.

Procurement Statistics

Year		2023		2024		2025	
Procurement Category	Procurement Source	Suppliers	Local Procurement Ratio	Suppliers	Local Procurement Ratio	Suppliers	Local Procurement Ratio
Services	Domestic	141	100%	155	100%	180	100%
	Foreign	0		0		0	
Goods (Raw Materials)	Domestic	110	100%	118	98%	108	99%
	Foreign	0		2		1	
Total		251	100%	275	99%	289	99%

Note 1: Domestic refers to suppliers located in Taiwan, while foreign refers to suppliers located outside Taiwan (e.g., the United States, Vietnam, etc.).

Note 2: All Services of the Company are sourced from the Taiwan region. Goods procurement is primarily conducted within Taiwan, while the Kaohsiung Factory procures some materials from China and Malaysia.

Major Suppliers' Share of Net Material Purchases

Factory	Year	2023	2024	2025
Xinying Factory, Hsinchu Factory	Steel Structure	80.15%	79.39%	86.07%
Kaohsiung Factory	Container Steel Products	42.4%	36.33%	36.4%
Kaohsiung Factory	Plywood Board	19.78%	22.24%	15.17%

The primary raw material supply for steel structure projects is determined based on the specific contract requirements of each project, to contract out design drawings or procure main raw materials for steel structures from our partners. The main sources of materials are from long-term business partners such as China Steel, Dragon Steel and Tung Ho Steel. The Company has long-term stable partnerships with suppliers, which has ensured supply stability, and there have never been supply interruptions. Comprehensive market information and strict quality/delivery schedules ensure the timely supply of all raw materials and equipment.

The main raw material used in the production of steel structure components and products at the Xinying Factory and Hsinchu Factory is steel, which is a non-renewable resource. The scrap generated after production cannot be reused internally. Instead, it is recycled and sold to scrap metal recyclers, eventually becoming raw material for upstream steel production at steel mills. Reducing the amount of scrap produced through steel structure production can help to effectively lower costs. Over the past three years (2023-2025), the scrap recycling rates[Note] for steel structure products were 5.64%, 4.64%, and 5.61%, respectively.

The main raw material used for container repair at the Kaohsiung Factory include corrugated steel sheets, angle bars, channel bars, stainless steel plates, container fittings, and plywood flooring. Except for plywood flooring is a renewable resource, and other materials are non-renewable resources. To achieve energy-saving targets, the Kaohsiung Factory not only promotes control of materials usage to contractors and conducts thorough inspections and verifications at requisition, but also sets a quantitative indicator (3%) for the material loss rate of commonly used materials; moreover, the Kaohsiung Factory counts the actual inventory of commonly used materials on-site every month, and calculates losses. In 2025, the material loss rate of commonly used materials at Kaohsiung Factory consistently met the set target.

The Company does not use recycled materials, nor does it recycle sold products and their packaging materials.

Note: Calculation formula = Total scrap iron recycled by the Xinying Factory and Hsinchu Factory ÷ Total steel material procured.

Raw Material Usage by Factory

Factory	Raw Material	Unit	Resource Type	2023	2024	2025
Xinying Factory (including Hsinchu Factory)	Steel	10,000 tons	Non-renewable	11.7	12.60	12.80
Kaohsiung Factory	Container Roof Panel	ton	Non-renewable	2.102	0.934	2.304
	Container Side Panel	ton	Non-renewable	2.966	2.733	3.915
	Container Cross Members	ton	Non-renewable	17.078	10.064	6.920
	Square Tube	ton	Non-renewable	0.924	0.851	1.073
	Plywood Flooring	ton	Renewable	60.1	47.948	39.853

Note 1: Non-renewable resources refer to those that cannot be replaced within a short period of time, such as: coal, natural gas, metals, minerals, and oil; renewable raw materials refer to those that can be quickly replenished through ecological cycles or agricultural processes. Thus, there will be no shortage of services generated from these sources or other related resources, and can be continually used by future generations.

Note 2: All raw materials for steel structure production are procured by the Xinying Factory and then transported to the Hsinchu Factory for processing and production; thus, the Xinying Factory's data includes the Hsinchu Factory.

4 CHAPTER

Environmental Sustainability

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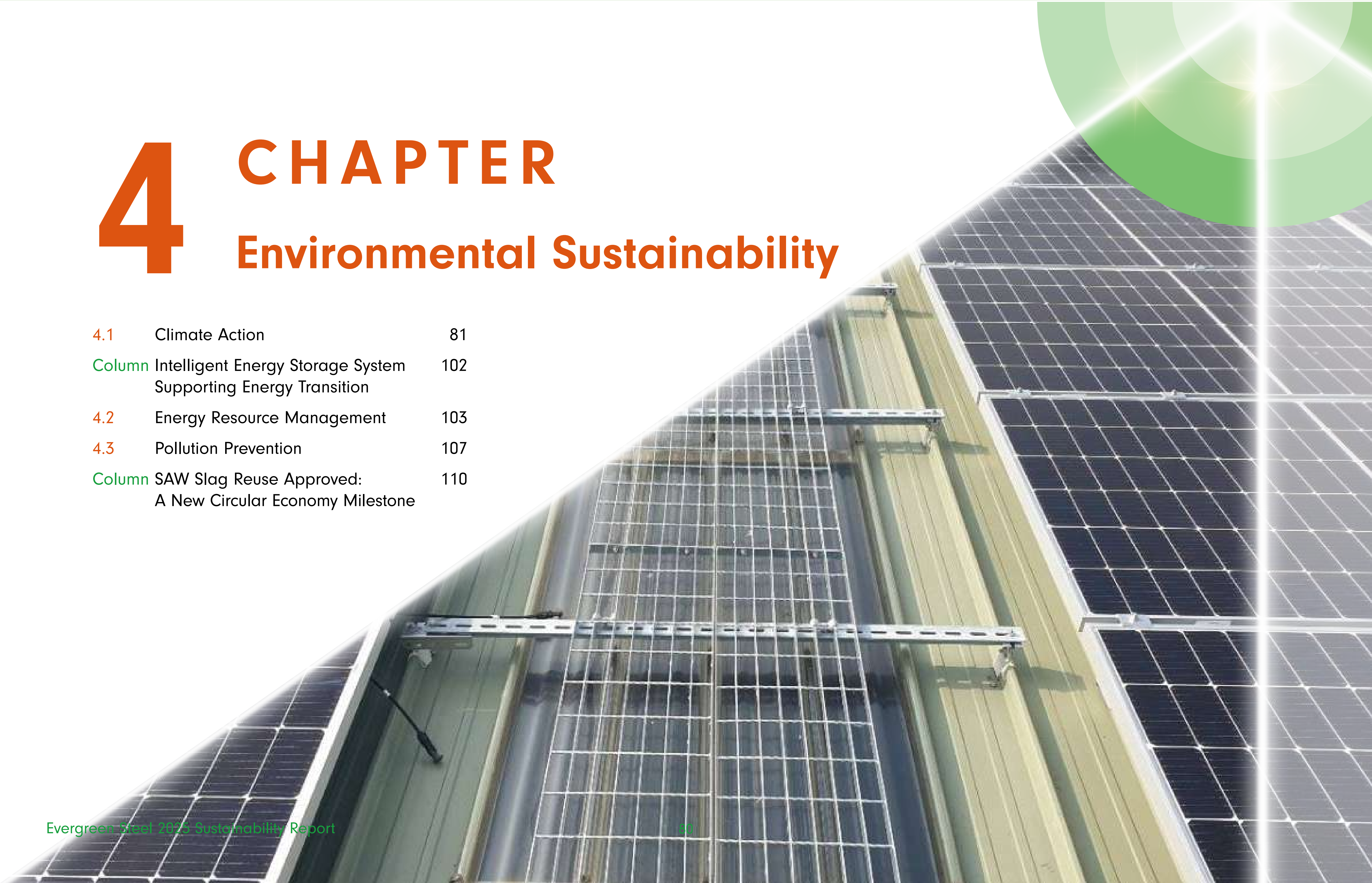


4.1 Climate Action

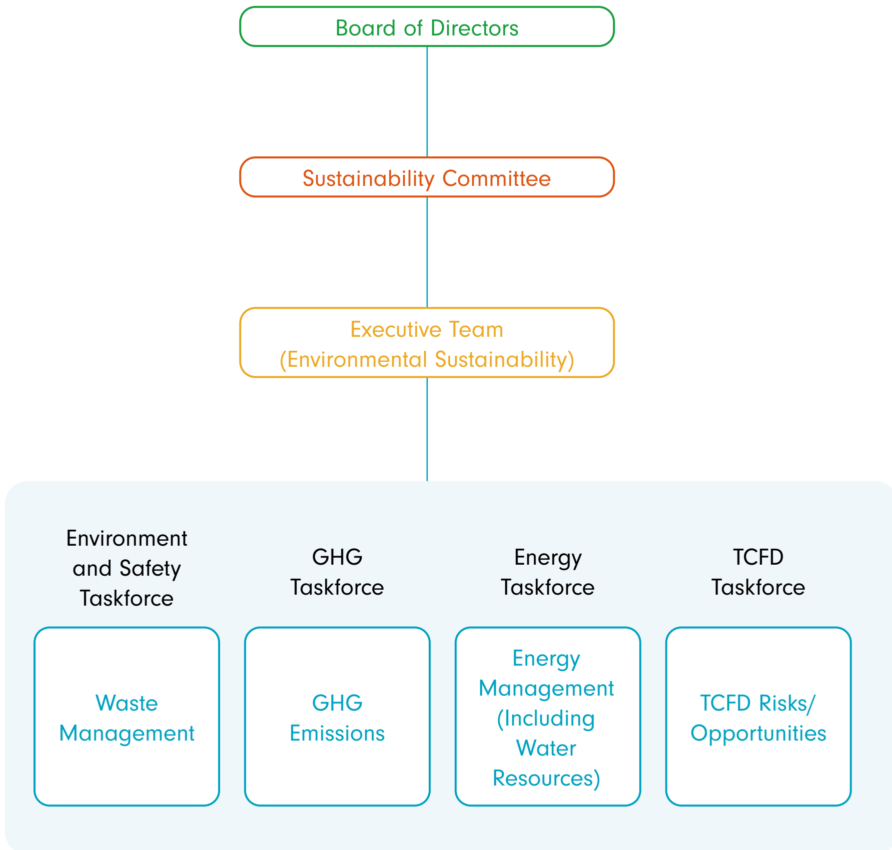
4.1.1 Task Force on Climate-Related Financial Disclosures (TCFD)

Report Downloads

In response to the challenges of global climate change, the Company has established a climate-related governance framework with reference to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) issued by the Financial Stability Board (FSB) and IFRS S2 Climate-related Disclosures. Under this framework, the Company identifies climate-related risks and opportunities that may affect its operations, develops corresponding management strategies and financial analyses, and establishes climate-related indicators and targets to support effective long-term climate management. Since 2023, the Company has published a TCFD Report annually to continuously monitor global climate change trends and developments in international climate policy.

The Board of Directors serves as the highest governing body for the Company's risk management. Based on the Company's business strategy and operating environment, the Board approves risk management policies and procedures, oversees the effective operation of the risk management mechanism, and assumes ultimate responsibility for the Company's overall risk management. The Sustainability Committee, a functional committee reporting directly to the Board of Directors, coordinates and supervises risk management matters across all responsible units. Under the Environmental Sustainability Group of the Sustainability Committee Executive Team, the TCFD Risk/Opportunity Taskforce has been established to manage climate-related risks and oversee implementation, integrating climate-related risks into the Company's enterprise risk assessment system. The Sustainability Committee Executive Team regularly reports risk management performance to the Sustainability Committee and the Board of Directors annually. The 2025 risk management operations (including climate change risks) were reported to the Sustainability Committee and the Board of Directors on December 24, 2025.

Risk and Climate Change Management Organization

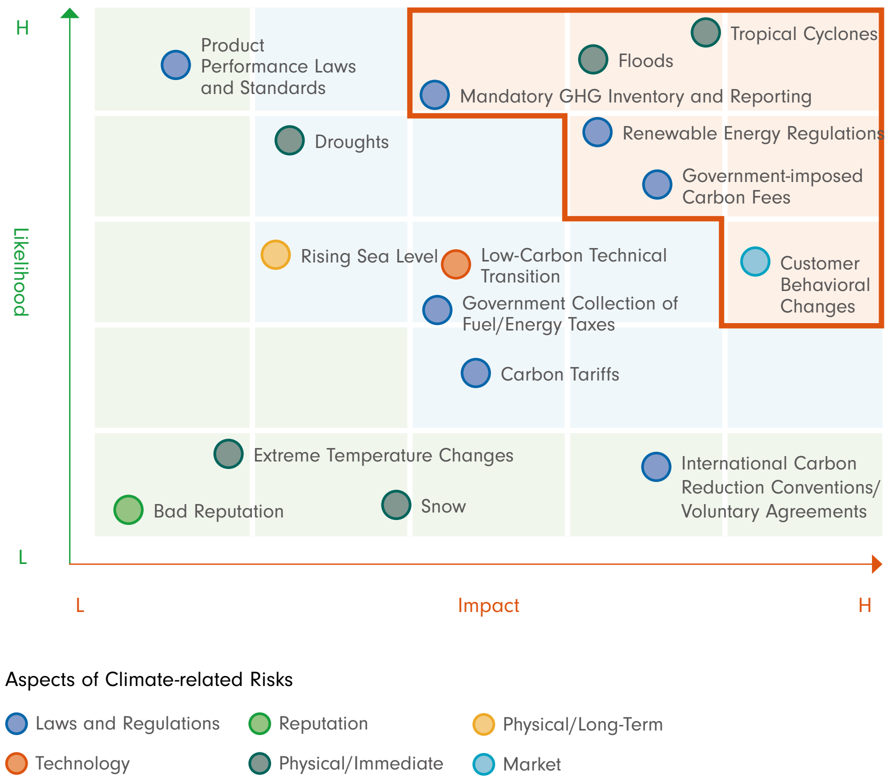


Climate Scenario Analysis

Climate-related Risk & Opportunity Categories	Risk & Opportunity Scenario Evaluated	Scenario
• Transition risk • Opportunities	• 1.5° C scenario • Taiwan's Pathway to Net-Zero Emissions by 2050 • Taiwan's NDC for 2030 • Taiwan's Climate Change Response Act	In alignment with the 2050 net-zero target worldwide, Taiwan published its "Taiwan's Pathway to Net-Zero Emissions by 2050" in March 2022. The pathway is based on 4 transition strategies of Energy Transition, Industrial Transition, Lifestyle Transition, and Social Transition, as well as the 2 governance foundations of Technology R&D and Climate Legislation. The pathway aims to substantially reduce the country's GHG emissions. The National Development Council published the targets of different stages and the key strategies towards the net-zero transition by 2050 in December 2022. The Ministry of Environment, at the end of 2024, announced that the total GHG emissions in 2030 should be within 28±2% of the emission from the base year of 2005, 5% higher than the Nationally Determined Contribution (NDC) of "24%±1%" target announced by the National Development Council in 2022, which may impact the operation of this Company and its value chain. In August 2024, the 3 Carbon Fee Regulations were announced, marking the formal commencement of the carbon pricing era. Carbon fees will be imposed starting in 2026 from enterprises whose total annual GHG emissions at a single facility reach 25,000 tCO_2e or more. Global climate change not only leads to extreme weather but also directly or indirectly affects corporate operations and consumer behaviors. This may impact the operations of the Company and its value chain.
• Physical risk	• The worst-case global warming scenario (SSP5-8.5) from IPCC's 6th global climate report	Under the scenario of extremely-high GHG emissions (SSP5-8.5), climate change will worsen future average temperatures, maximum temperatures, annual rainfall, maximum 1-day rainfall intensity of the year, maximum consecutive dry days without rain and the percentage of severe typhoons, which may impact the operation of the Company and its value chain.

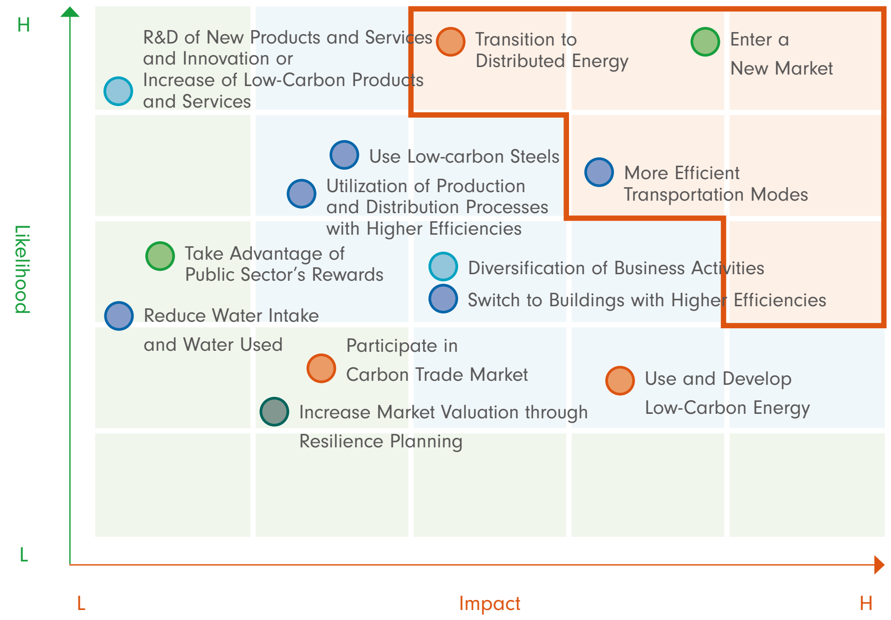
The Company's TCFD Risk/Opportunity Taskforce convened a climate change risk and opportunity identification meeting, identifying 6 significant climate-related risks and 3 climate-related material opportunities after conducting an evaluation based on the TCFD recommended framework.

Evergreen Steel Climate-related Risk Matrix



Identified Major Climate-Related Risks							
Sequence	Climate-related Risk	Impact Boundary			Time Period		
		Upper stream	Parent Company and Its Subsidiaries	Lower stream	Short-term	Mid-term	Long-term
Risk 1	(Transition Risk)-Government-imposed Carbon Fees	●	Xinying Factory	-	-	-	●
Risk 2	(Transition Risk)-Renewable Energy Regulations	-	Xinying Factory	-	●	●	●
Risk 3	(Transition Risk)-Customer Behavioral Changes	-	Evergreen Steel	●	●	●	●
Risk 4	(Physical Risk)-Extreme Rainfall Leading to Floods	-	Xinying Factory, Hsinchu Factory, Kaohsiung Factory, Hsin Yung Enterprise, Super Max Engineering, Ever Ecove	-	●	●	●
Risk 5	(Physical Risk)-Tropical Cyclones	-	Xinying Factory, Hsinchu Factory, Kaohsiung Factory, Hsin Yung Enterprise, Super Max Engineering, Ever Ecove	-	●	●	●
Risk 6	(Transition Risk)-Mandatory GHG Inventory and Reporting	-	Xinying Factory	-	-	-	●

Evergreen Steel Climate-related Opportunity Matrix

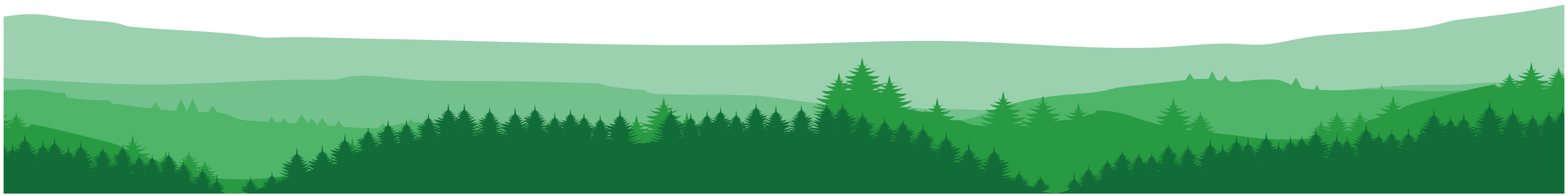


Aspects of Climate-related Opportunities

- Resource Efficiency
- Market
- Products and Services
- Energy Source
- Resilience

Identified Major Climate-related Opportunities

Sequence	Climate-related Opportunity	Impact Boundary			Time Period		
		Upper stream	Parent Company and Its Subsidiaries	Lower stream	Short-term	Mid-term	Long-term
Opp 1	(Climate Opportunity)–Enter a New Market	-	Xinying Factory	-	●	●	●
Opp 2	(Climate Opportunity)–More Efficient Transportation Modes	●	Xinying Factory, Hsinchu Factory	●	●	●	●
Opp 3	(Climate Opportunity)–Transition to Distributed Energy	-	Xinying Factory	-	●	●	●



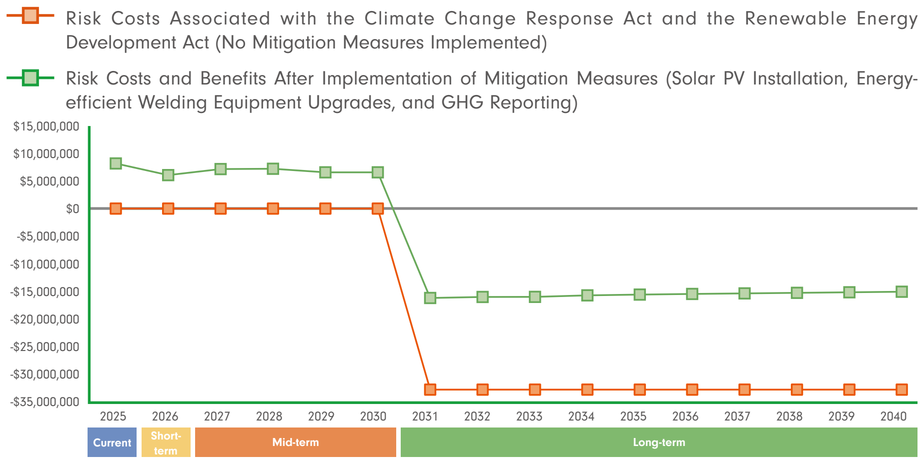
Note: The Company's standalone revenue for 2025 totaled NT$11,547.853 million.

Risk 1: (Transition Risk)-Government-imposed Carbon Fees + Risk 2: (Transition Risk)-Renewable Energy Regulations + Risk 6: (Transition Risk)-Mandatory GHG Inventory and Reporting + Opp 1: (Climate Opportunity)-Enter a New Market	
Scenario Analysis and Strategic Response	In March 2022, Taiwan's National Development Council officially announced the "Taiwan 2050 Net-Zero Emissions Roadmap and Strategy Overview." In 2023, the "Climate Change Response Act" was enacted after its third reading, explicitly incorporating the target of achieving net-zero GHG emissions by 2050 into Article 4 of the law. This made net-zero emissions no longer just a policy declaration but legally binding, demonstrating a commitment to its implementation. In August 2024, three Carbon Fee Regulations were announced, officially marking the beginning of the carbon pricing era. Starting from 2026, a carbon fee will be imposed on enterprises whose annual GHG emissions at a single site reach or exceed 25,000 tCO_2e. In 2024, it was also declared that enterprises whose annual GHG emissions at a single site reach or exceed 10,000 tCO_2e must start conducting inventories and reporting their emissions from 2026, with plans to begin collecting carbon fees from these enterprises starting in 2031. In October 2024, the "Carbon Fee Collection Rate" was announced, setting a general rate of NT$300 per tCO_2e. The emissions subject to the fee are calculated as the annual emissions minus 25,000 tCO_2e. In the future, the rate will gradually increase, projected to reach NT$1,800 per tCO_2e after 2031. Additionally, under the Renewable Energy Development Act, the threshold for major electricity consumers is set at a contracted capacity of 5,000 kW from 2024 to 2030, and is expected to decrease to 800 kW from 2031 to 2040. Beginning in 2031, the Xinying Factory, Hsinchu Factory and Super Max Engineering Enterprise Co., Ltd will be exposed to renewable energy compliance charges. In 2024, the Company's combined Scope 1 and Scope 2 GHG emissions totaled 13,159.147 tCO_2e. As an enterprise included in the third batch required to report GHG emissions, and in response to increasingly stringent government-imposed corporate carbon fees and the trend concerning the regulations on major electricity users under the Climate Change Response Act, our company's Xinying Factory has adopted the strategy of utilizing low-carbon energy and improving energy efficiency. This involves progressively implementing measures such as upgrading to high-efficiency welding equipment and installing solar PV systems to mitigate financial risks arising from carbon fees and renewable energy compliance charges. Furthermore, aligning with the global trend towards net-zero emissions by 2050, it is anticipated that more companies will need to purchase renewable energy certificates. Our company plans to enter the renewable energy market in 2030, which will benefit sales and increase gross profit.

Type of Financial Impact	Time Period	Financial Impact Description (Financial Position, Financial Performance, and Cash Flows)
Financial Effects without Mitigation	Current (2025)	In accordance with the Carbon Fee Collection Regulations and the Major Electricity Consumer Clause in the Renewable Energy Development Act, the Company does not have any single site with an accumulated GHG emission reaching or exceeding 25,000 tCO_2e per year, nor does it have any contracted electricity capacity of 5,000 kW or above. Therefore, in 2025, the Company's increased operating cash outflows due to carbon fees and renewable energy compliance charges totaled NT$0.
	Short-term (2026)	In accordance with the Carbon Fee Collection Regulations and the Major Electricity Consumer Clause in the Renewable Energy Development Act, the Company does not have any single site with an accumulated GHG emission reaching or exceeding 25,000 tCO_2e per year, nor does it have any contracted electricity capacity of 5,000 kW or above. Therefore, in 2026, the Company's increased operating cash outflows due to carbon fees and renewable energy compliance charges totaled NT$0.
	Mid-term (2027-2030)	In accordance with the Carbon Fee Collection Regulations and the Major Electricity Consumer Clause in the Renewable Energy Development Act, the Company does not have any single site with an accumulated GHG emission reaching or exceeding 25,000 tCO_2e per year, nor does it have any contracted electricity capacity of 5,000 kW or above. Therefore, from 2027 to 2030, the Company's increased operating cash outflows due to carbon fees and renewable energy compliance charges totaled NT$0.
	Long-term (2031-2040)	The Company's GHG emissions are projected to average approximately 13,159.147 tCO_2e per year during the period from 2030 to 2039. Assuming the carbon fee rate increases to NT$1,800 per tCO_2e, the Company is expected to incur additional operating cash outflows associated with carbon fee expenses during the period from 2031 to 2040. In addition, starting from 2031, the contracted capacity at the Xinying Factory, Hsinchu Factory, and Super Max Engineering is expected to exceed 800 kW, resulting in additional operating cash outflows associated with renewable energy charges during the period from 2031 to 2040. The annual increase in operating cash outflows resulting from the above cost increases is estimated to account for approximately 0.21% of the Company's 2025 revenue. These expenditures are expected to be funded through the Company's internal resources and are not anticipated to affect operations or create material cash flow risks. Furthermore, no material impact is expected on the Company's access to financing or cost of capital.

Type of Financial Impact	Time Period	Financial Impact Description (Financial Position, Financial Performance, and Cash Flows)
Financial Effects after Strategic Response	Current (2025)	To manage future financial risks associated with carbon fees and renewable energy compliance charges, in 2025 the Company's Xinying Factory installed solar PV systems and upgraded to high-efficiency welding equipment. Capital expenditures for these investments represented approximately 0.03% of the Company's 2025 revenue, financed entirely with internal funds, without affecting operations or creating cash flow risks. In 2025, the Xinying Factory incurred the depreciation expenses, maintenance costs for solar panels, disposal costs for discarded solar panels, and insurance costs associated with the solar panels, as well as electricity sales income from solar power generation to Taiwan Power Company and electricity cost savings from upgraded welding equipment, resulting in an overall net cost reduction equivalent to approximately 0.05% of the Company's 2025 revenue. It is expected that these initiatives will not significantly impact access to financing or the cost of capital.
	Short-term (2026)	In response to future financial cost risks associated with carbon fees and renewable energy credits, in 2026, the Company's Xinying Factory will continue to upgrade to high-efficiency welding equipment. The capital expenditures resulting in investment cash outflows will be approximately 0.01% of the Company's 2025 revenue. These costs will be covered using the Company's own funds, without affecting operations or causing cash flow risks. The depreciation costs of solar power generation facilities and upgraded high-efficiency welding equipment, maintenance costs for solar panels, disposal fees for discarded solar panels, and insurance expenses for solar panels at the Xinying Factory in 2026 will be offset by income from solar panel electricity sales to Taiwan Power Company and electricity cost savings from upgraded welding equipment. Overall, in the short term, these measures will result in a net cost reduction amounting to approximately 0.04% of the Company's 2025 revenue. It is expected that these initiatives will not significantly impact access to financing or the cost of capital.
Financial Effects after Strategic Response	Mid-term (2027-2030)	Between 2027 and 2030, the Company's Xinying Factory will have no capital expenditures or investment cash outflows related to solar power facilities or high-efficiency welding equipment. However, the Xinying Factory will incur the depreciation costs for previously installed solar PV systems and welding equipment, maintenance costs for solar panels, disposal fees for discarded solar panels, and solar panel insurance costs from 2027 to 2030. Overall, in the mid-term, these installations will lead to net cost reductions equal to approximately 0.04% of the Company's 2025 revenue. It is expected that these measures will not significantly impact access to financing or the cost of capital.
	Long-term (2031-2040)	In the long-term, the Company anticipates no capital expenditures or investment cash outflows. Operating cash outflows from increased carbon fees and renewable energy compliance charges are expected to account for approximately 0.1% of the Company's 2025 revenue. From 2031 to 2040, the Xinying Factory will continue incurring the depreciation costs for previously installed solar PV systems and welding equipment, maintenance costs for solar panels, disposal fees for discarded solar panels, and solar panel insurance costs. Conversely, electricity cost savings from upgraded welding equipment, reductions in electricity expenses due to solar power generation, partial offsets of carbon fees and renewable energy credits, and increased income from selling renewable energy certificates will also be realized. Overall, through strategic implementation of solar PV systems and welding equipment upgrades, the Company's additional costs associated with carbon fees, renewable energy compliance charges, and penalties for failure to report GHG inventories will decrease from approximately 0.21% to 0.1% of the Company’s 2025 revenue. It is anticipated that these initiatives will not significantly impact access to financing or the cost of capital.

Financial Performance Impacts for Risk 1, 2, 6, and Opportunity 1



Note: In financial impact figures (NTD/year), "-" denotes a decrease in operating profit, while "+" denotes an increase.

In the short and mid-term, the Company does not expect to incur significant cost risks associated with government-imposed carbon fees, renewable energy surcharges, or penalties for non-compliance with GHG inventory reporting requirements. Over the long-term, however, annual operating costs are projected to increase by approximately 0.21% of 2025 revenue. To mitigate these risks, the Company has implemented strategies including the installation of solar PV systems and the replacement of welding equipment with high-efficiency models. These measures are expected to reduce operating costs and enhance profitability in the short and mid-term. In the long-term, although carbon fees and renewable energy-related costs are expected to arise, the implementation of these strategies is projected to reduce the estimated financial impact from approximately 0.21% to approximately 0.01% of 2025 revenue per year, thereby effectively alleviating the overall financial burden. All related capital and operating expenditures are funded through internal resources and are not expected to pose material risks to operations or liquidity. In addition, no material impact is anticipated on the Company's access to financing or cost of capital.

Risk 3: (Transition Risk)-Customer Behavioral Changes	
Scenario Analysis and Strategic Response	Taiwan's National Development Council officially announced the "Taiwan 2050 Net-Zero Emissions Roadmap and Strategy Overview" in March 2022. Based on the government's target of net-zero emissions by 2050, both public and private construction projects will require the Company to provide carbon management capabilities and qualified personnel with carbon management certifications in the future. Failure to meet these requirements will lead to a loss of revenue for the Company. The Company is actively applying for product carbon footprint certification to minimize such financial risks.

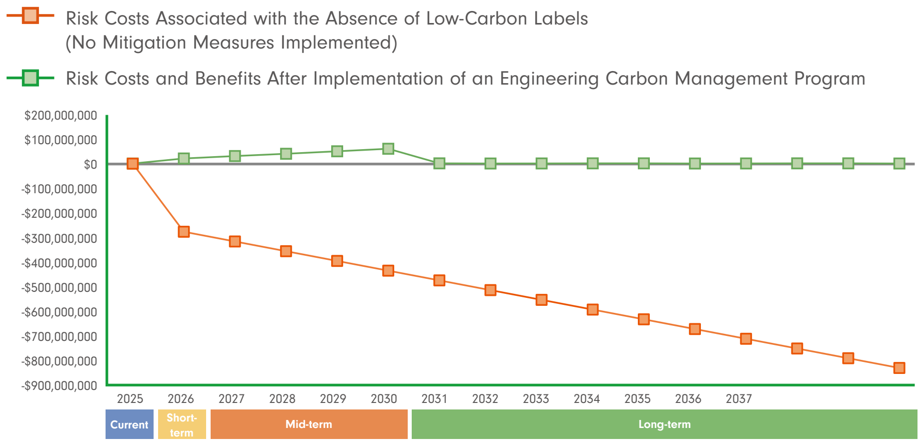
Note: The Company's standalone revenue for 2025 totaled NT$11,547.853 million.

Type of Financial Impact	Time Period	Financial Impact Description (Financial Position, Financial Performance, and Cash Flows)
Financial Effects without Mitigation	Current (2025)	In 2025, no customer has required the Company's steel structure projects to include carbon management capabilities or qualified personnel with carbon management certifications. Therefore, the loss in revenue and gross profit due to changes in customer behavior is NT$0.
	Short-term (2026)	It is estimated that by 2026, 8% of customers will require the Company's steel structure projects to include carbon management capabilities or qualified personnel with carbon management certifications. If the Company does not respond to this changes in customer behavior, it will result in decreased revenue.
	Mid-term (2027-2030)	It is estimated that by 2030, 20% of customers will require the Company's steel structure projects to include carbon management capabilities or qualified personnel with carbon management certifications. If the Company does not respond to this changes in customer behavior, it will result in decreased revenue.

Type of Financial Impact	Time Period	Financial Impact Description (Financial Position, Financial Performance, and Cash Flows)
Financial Effects without Mitigation	Long-term (2031-2040)	It is estimated that by 2040, 64% of customers will require the Company's steel structure projects to include carbon management capabilities or qualified personnel with carbon management certifications. If the Company does not respond to this changes in customer behavior, it will result in decreased revenue.
Financial Effects after Strategic Response	Current (2025)	As a strategic response, the Company has arranged for relevant personnel to obtain Lead Auditor certification for product carbon footprint verification and has pursued product carbon footprint certification. This approach involves no capital expenditure cash outflows but does incur operating cash outflows related to certification costs. On the other hand, the Company's proactive carbon management initiatives not only mitigate revenue loss risks due to changes in customer behavior but also increase gross profits. Overall, in the current year, these initiatives reduced the Company's profit by approximately 0.005% of the Company's 2025 revenue. This is expected to have no significant impact on access to financing or the cost of capital.
	Short-term (2026)	As a strategic response, the Company has arranged for relevant personnel to obtain Lead Auditor certification for product carbon footprint verification and has pursued product carbon footprint certification. This approach involves no capital expenditure cash outflows but does incur operating cash outflows related to certification costs. On the other hand, the Company's proactive carbon management initiatives not only mitigate revenue loss risks due to changes in customer behavior but also increase gross profits. Overall, in the short term, these initiatives are expected to increase the Company's profit by approximately 0.13% of the Company's 2025 revenue. This is expected to have no significant impact on access to financing or the cost of capital.

Type of Financial Impact	Time Period	Financial Impact Description (Financial Position, Financial Performance, and Cash Flows)
Financial Effects after Strategic Response	Mid-term (2027-2030)	As a strategic response, the Company has arranged for relevant personnel to obtain Lead Auditor certification for product carbon footprint verification and has pursued product carbon footprint certification. This approach involves no capital expenditure cash outflows but does incur operating cash outflows related to certification costs. On the other hand, the Company's proactive carbon management initiatives mitigate the risk of revenue loss resulting from changes in customer behavior. Overall, in the mid-term, these initiatives are expected to increase the Company's profit by approximately 0.29% of the Company's 2025 revenue. This is expected to have no significant impact on access to financing or the cost of capital.
	Long-term (2031-2040)	As a strategic response, the Company has arranged for relevant personnel to obtain Lead Auditor certification for product carbon footprint verification and has pursued product carbon footprint certification. This approach involves no capital expenditure cash outflows but does incur operating cash outflows related to certification costs. On the other hand, the Company's proactive carbon management initiatives not only mitigate revenue loss risks due to changes in customer behavior but also increase gross profits. Overall, in the long-term, these initiatives are expected to impact the Company's finances by approximately 0.002% of the Company's 2025 revenue. This is expected to have no significant impact on access to financing or the cost of capital.

Financial Performance Impacts for Risk 3



Note: In financial impact figures (NTD/year), "-" denotes a decrease in operating profit, while "+" denotes an increase.

In the short, mid, and long-term, the Company faces potential revenue loss risks as customers increasingly require carbon management capabilities and certified personnel for steel structure projects. Failure to meet these expectations could lead to reduced contract opportunities and lower profitability. To mitigate this risk, the Company is actively pursuing product carbon footprint certification for both personnel and products. These initiatives are expected to eliminate revenue loss risks across all time horizons and, in the short to mid-term, are anticipated to generate additional profit through enhanced customer confidence and improved project competitiveness. All associated operating cash outflows are expected to be funded internally, posing no operational or liquidity risk. The Company anticipates no material impact on access to financing or the cost of capital.

Risk 4: (Physical Risk)-Extreme Rainfall Leading to Floods + Risk 5: (Physical Risk)-Tropical Cyclones

Scenario Analysis and Strategic Response

According to the presentation (p.48) of the National Science and Technology Council and Ministry of Environment's "National Climate Change Science Report 2024: Phenomena, Impacts, and Adaptation – Key Scientific Points from Chapters 1 to 3", the number of typhoons affecting Taiwan annually is expected to decrease in the future. Currently, the most common annual frequency is 4 to 5 typhoons, decreasing to 3 to 4 by mid-21st century and further declining to 1 to 2 by the end of the 21st century. Based on this projection, the annual probability of typhoons occurring is estimated to be greater than 60%, with 2 typhoons expected annually in the short and mid-term (2027-2030) and 3 typhoons annually in the long-term (2031-2040).

According to the IPCC AR6 (Sixth Assessment Report by the Intergovernmental Panel on Climate Change), under the worst-case scenario for Taiwan's climate by the mid-21st century, the number of typhoons affecting Taiwan is expected to decrease by approximately 15%, while the proportion of severe typhoons will increase by approximately 100% and the rainfall intensity associated with typhoons will increase by about 20%. Based on the predicted proportion of severe typhoons, the estimated disaster loss severity for the short and mid-term (2027-2030) remains at 100% (same as current conditions), while the long-term (2031-2040) increases to 150%.

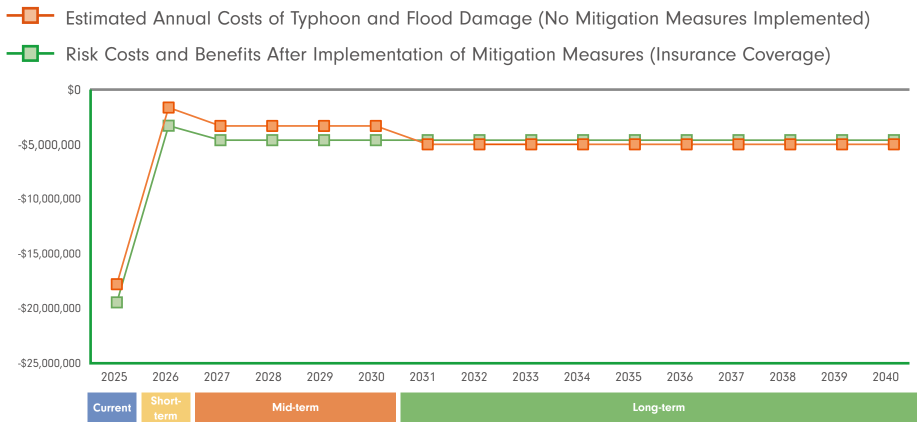
Taiwan's maximum single-day rainfall intensity shows an increasing trend. Under the worst-case scenario (SSP5-8.5), by the mid and end of the 21st century, the average maximum single-day rainfall intensity is expected to increase by approximately 20% and 41.3%, respectively.

The Company expects to experience 1 typhoon and flood-related disaster event annually in the short term, 2 annually in the mid-term, and 3 annually in the long-term. To mitigate the risk of increased disaster-related costs due to extreme weather events such as typhoons and floods, the Company strategically plans to transfer the risk through the purchase of typhoon and flood insurance.

Note: The Company's standalone revenue for 2025 totaled NT$11,547.853 million

Type of Financial Impact	Time Period	Financial Impact Description (Financial Position, Financial Performance, and Cash Flows)
Financial Effects without Mitigation	Current (2025)	Currently, the Company's operating cash outflow due to typhoon and heavy rainfall-related disasters accounted for approximately 0.12% of its 2025 revenue. This cost was covered entirely by the Company's internal funds, with no impact on operations or cash flow risk, and is not expected to significantly impact access to financing or the cost of capital.
	Short-term (2026)	In the short term, the Company's operating cash outflow due to typhoon and heavy rainfall-related disasters will account for approximately 0.01% of its 2025 revenue. This cost will be covered entirely by the Company's internal funds, with no impact on operations or cash flow risk, and is not expected to significantly impact access to financing or the cost of capital.
	Mid-term (2027-2030)	In the mid-term, the Company's operating cash outflow due to typhoon and heavy rainfall-related disasters will account for approximately 0.02% of its 2025 revenue. This cost will be covered entirely by the Company's internal funds, with no impact on operations or cash flow risk, and is not expected to impact access to financing or the cost of capital.
	Long-term (2031-2040)	In the long-term, the Company's operating cash outflow due to typhoon and heavy rainfall-related disasters will account for approximately 0.033% of its 2025 revenue. This cost will be covered entirely by the Company's internal funds, with no impact on operations or cash flow risk, and is not expected to significantly impact access to financing or the cost of capital.
Financial Effects after Strategic Response	Current (2025)	Currently, the Company adopted a risk transfer strategy by purchasing typhoon and flood insurance. There were no capital expenditures or investment-related cash outflows, and the operating cash outflows related to insurance premiums were approximately 0.01% of the Company's 2025 revenue, with no insurance claim proceeds received. Overall, in the current year, the Company's profit reduction due to extreme weather events such as typhoons and heavy rainfall was approximately 0.13% of its 2025 revenue. It is anticipated that this will have no significant impact on access to financing or the cost of capital.
Financial Effects after Strategic Response	Short-term (2026)	In the short term, the Company will adopt a risk transfer strategy by purchasing typhoon and flood insurance. There will be no capital expenditures or investment-related cash outflows, and the operating cash outflows related to insurance premiums will be approximately 0.01% of the Company's 2025 revenue, with no insurance claim proceeds received. Overall, in the current year, the Company's profit reduction due to extreme weather events such as typhoons and heavy rainfall was approximately 0.02% of its 2025 revenue. It is anticipated that this will have no significant impact on access to financing or the cost of capital.
	Mid-term (2027-2030)	In the mid-term, the Company will adopt a risk transfer strategy by purchasing typhoon and flood insurance. There will be no capital expenditures or investment-related cash outflows, and the operating cash outflows related to insurance premiums will be approximately 0.01% of the Company's 2025 revenue, with insurance claim proceeds received at 0.002% of its annual revenue. Overall, in the mid-term, the Company's profit reduction due to extreme weather events such as typhoons and heavy rainfall was approximately 0.03% of its 2025 revenue. It is anticipated that this will have no significant impact on access to financing or the cost of capital.
	Long-term (2031-2040)	In the long-term, the Company will adopt a risk transfer strategy by purchasing typhoon and flood insurance. There will be no capital expenditures or investment-related cash outflows, and the operating cash outflows related to insurance premiums will be approximately 0.01% of the Company's 2025 revenue, with insurance claim proceeds received at 0.01% of annual revenue. Overall, in the long-term, the Company's profit reduction due to extreme weather events such as typhoons and heavy rainfall was approximately 0.031% of its 2025 revenue. It is anticipated that this will have no significant impact on access to financing or the cost of capital.

Financial Performance Impacts for Risk 4, 5



Note: In financial impact figures (NTD/year), "−" denotes a decrease in operating profit, while "+" denotes an increase.

Extreme weather events such as typhoons and floods may result in damage and increased operating costs for the Company. To mitigate this risk, the Company has purchased typhoon and flood insurance as a risk transfer strategy. Premium payments are incurred across all periods, with claims compensation serving as an offset. Overall, profitability in the short and mid-term is expected to decrease by approximately 0.02~0.03% of 2025 revenue per year, while in the long-term, the profitability risk is projected to be reduced from 0.033% to 0.031% of 2025 revenue. No material impact is anticipated on access to financing or the cost of capital.

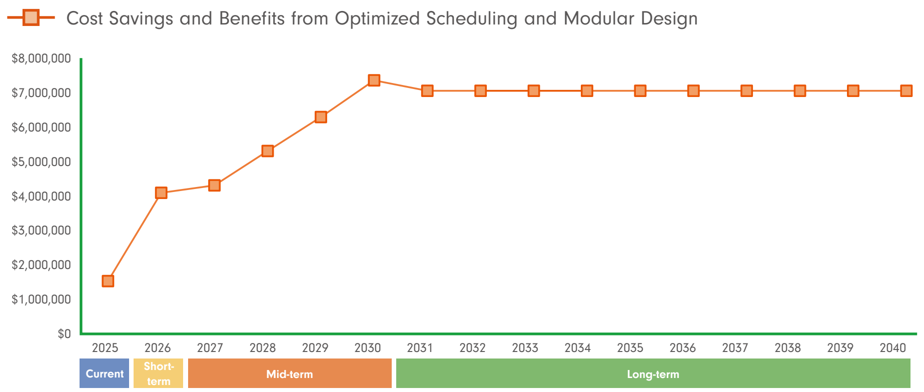
Opp 2: (Climate Opportunity)-More Efficient Transportation Modes

Opportunity Scenario and Strategy Details	In response to the national target of achieving net-zero emissions by 2050, the Company optimizes shipping arrangements to reduce transportation frequency, thereby lowering carbon emissions and freight costs. On the other hand, the Company has begun evaluating the carbon reduction potential and financial benefits of using electric trucks to transport products. However, due to uncertainty in the electric truck market, this initiative has not yet been included as part of the strategic response.

Note: The Company's standalone revenue for 2025 totaled NT$11,547.853 million.

Type of Financial Impact	Time Period	Financial Impact Description (Financial Position, Financial Performance, and Cash Flows)
Financial Effects after Strategic Response	Current (2025)	Currently, the Company optimized shipment scheduling to reduce transportation frequency. This strategy involved no capital expenditures or cash outflows from investment and operating activities and reduced shipping costs. Overall, the strategy reduced costs equivalent to approximately 0.02% of the Company's 2025 revenue. This is not expected to significantly impact access to financing or capital costs.
	Short-term (2026)	In the short term, the Company will strategically optimize shipping arrangements to reduce transportation frequency. This strategy will involve no capital expenditures or cash outflows from investment and operating activities and reduces shipping costs. Overall, the strategy will reduce costs equivalent to approximately 0.03% of the Company's 2025 revenue. This is not expected to significantly impact access to financing or the cost of capital.
	Mid-term (2027-2030)	In the mid-term, the Company will strategically optimize shipping arrangements to reduce transportation frequency. This strategy will involve no capital expenditures or cash outflows from investment and operating activities and reduces shipping costs. Overall, the strategy will reduce costs equivalent to approximately 0.04% of the Company's 2025 revenue. This is not expected to significantly impact access to financing or the cost of capital.
	Long-term (2031-2040)	In the long-term, the Company will strategically optimize shipping arrangements to reduce transportation frequency. This strategy will involve no capital expenditures or cash outflows from investment and operating activities and will reduce both shipping costs and future carbon fee costs. Overall, the strategy will reduce costs equivalent to approximately 0.05% of the Company's annual revenue. This is not expected to significantly impact access to financing or the cost of capital.

Financial Performance Impacts for Opportunity 2



Note: In financial impact figures (NTD/year), "-" denotes a decrease in operating profit, while "+" denotes an increase.

The Company's strategic response to this climate-related opportunity focuses on optimizing shipment arrangements to reduce transportation frequency, thereby lowering both freight expenses and potential future carbon fee costs. This strategy requires no capital expenditures and involves no additional operational cash outflows. Implementation of this approach is expected to deliver annual cost savings across the short, mid, and long-term, averaging approximately 0.03% to 0.05% of 2025 revenue, contributing positively to overall profitability. All benefits are achieved through internal resources, with no significant impact anticipated on access to financing or the cost of capital.

Opp 3: (Climate Opportunity)-Transition to Distributed Energy

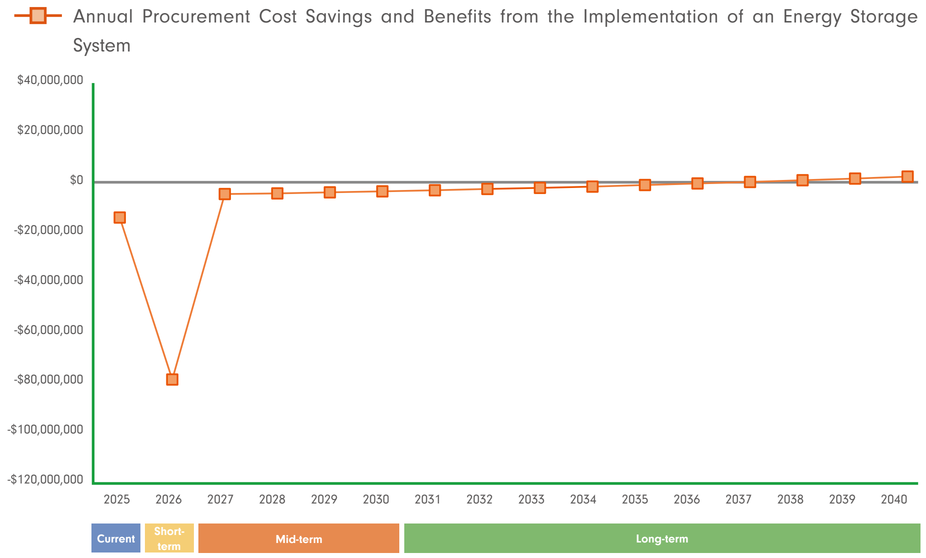
Opportunity Scenario and Strategy Details	An energy storage system can charge during off-peak hours when electricity prices are low and discharge during peak hours (peak shaving and load shifting) to reduce electricity costs. In the future, if combined with a transition from full FIT sales to self-consumption with surplus electricity sold to the grid, coupled with energy storage management, it will enhance energy self-sufficiency, reduce carbon emissions, and decrease reliance on the power grid, supporting the Company's sustainability strategy. Following the implementation at the Xinying Factory, it will enhance power management efficiency and operational stability while laying a foundation for green transformation.

Note: The Company's standalone revenue for 2025 totaled NT$11,547.853 million.

Type of Financial Impact	Time Period	Financial Impact Description (Financial Position, Financial Performance, and Cash Flows)
Financial Effects after Strategic Response	Current (2025)	The Company's current capital expenditure for energy storage system resulted in an investment cash outflow of NTD 2.38 million. The increase in costs resulting from the installation of energy storage equipment is expected to account for approximately 0.02% of the Company's 2025 revenue.
	Short-term (2026)	In the short term, the Company will complete the installation of energy storage system, with capital expenditures for civil engineering and equipment resulting in investment and operating cash outflows accounting for approximately 0.71% of the Company's 2025 revenue. Following the implementation of this strategy, costs such as amortization of civil engineering expenses, depreciation of energy storage equipment, maintenance and operation costs, insurance premiums, and miscellaneous expenses will be incurred. However, benefits including electricity cost savings from energy storage and reduced contract capacity charges will also be realized. Overall, in the short term, the average annual increase in costs resulting from the installation of energy storage equipment is expected to account for approximately 0.62% of the Company's 2025 revenue. This is expected to have no significant impact on access to financing or the cost of capital.

Type of Financial Impact	Time Period	Financial Impact Description (Financial Position, Financial Performance, and Cash Flows)
Financial Effects after Strategic Response	Mid-term (2027-2030)	Following the implementation of the energy storage system, costs such as amortization of civil engineering expenses, depreciation of energy storage equipment, maintenance and operation costs, insurance premiums, and miscellaneous expenses will be incurred. However, benefits including electricity cost savings from energy storage and reduced contract capacity charges will also be realized. Overall, in the mid-term, the average annual reduction in costs resulting from the installation of energy storage system is expected to account for approximately 0.08% of the Company's 2025 revenue. This is expected to have no significant impact on access to financing or the cost of capital.
	Long-term (2031-2040)	Following the implementation of the energy storage system, costs such as amortization of civil engineering expenses, depreciation of energy storage equipment, maintenance and operation costs, insurance premiums, and miscellaneous expenses will be incurred. However, benefits including electricity cost savings from energy storage and reduced contract capacity charges will also be realized. Overall, in the long-term, the average annual reduction in costs resulting from the installation of energy storage system is expected to account for approximately 0.11% of the Company's 2025 revenue. This is expected to have no significant impact on access to financing or the cost of capital.

Financial Performance Impacts for Opportunity 3



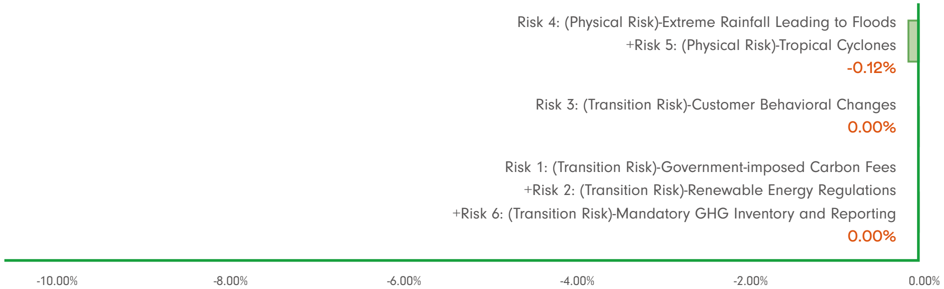
Note: In financial impact figures (NTD/year), "–" denotes a decrease in operating profit, while "+" denotes an increase.

Following the implementation of the Company's energy storage strategy, additional costs are expected to arise, including amortization of civil engineering expenses, amortization of energy storage equipment, operation and maintenance costs, insurance expenses, and miscellaneous expenses. However, the strategy is also expected to generate cost savings through reduced electricity expenses and lower contracted capacity charges resulting from the use of energy storage systems. Overall, the Company estimates that the implementation of energy storage systems will reduce costs by an average of approximately 0.08% of the Company's 2025 revenue annually in the mid-term, and by approximately 0.11% of the Company's 2025 revenue annually in the long-term. No material impact is expected on the Company's access to financing or cost of capital.

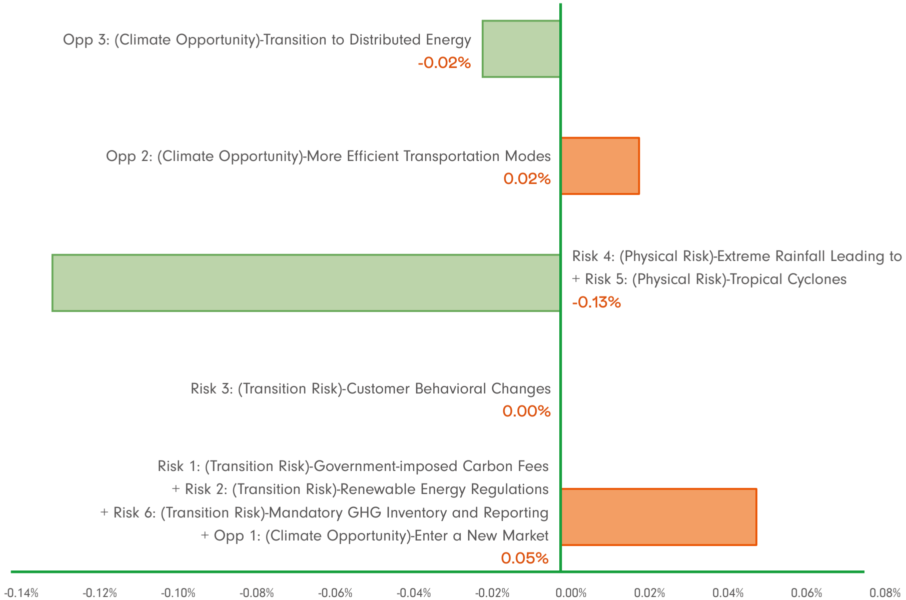
The challenges of climate change faced by the Company include government-imposed carbon fees, renewable energy laws and regulations, customer behavioral changes, floods caused by extreme rainfall events, and tropical cyclones. Through pragmatic evaluation of strategies and financial impacts, the Company is confident that its financial position will remain robust and sustainable in the short, mid, and long-term, while also creating greater financial value.

The climate-related opportunities facing the Company include access to new markets and more efficient transportation modes. The Company's management team has conducted practical assessment of strategies and financial impacts and deems that the Company is able to take advantage of the opportunities brought by climate change, maintaining sustainable development and generating greater earnings.

Unmitigated Climate-related Financial Risks-Current

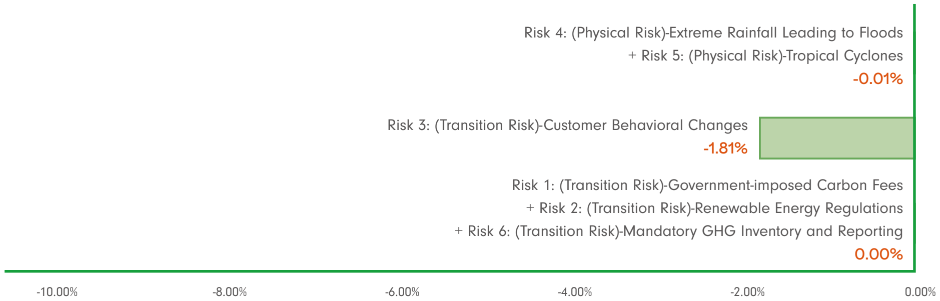


Mitigated Climate-related Financial Risks and Opportunities-Current

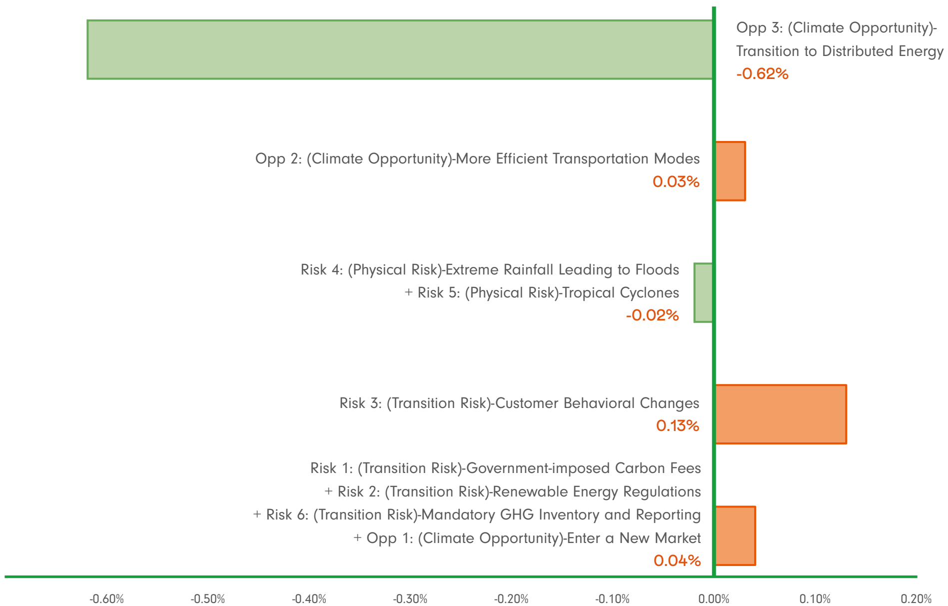


Note: Annual Financial Impact Equivalent Revenue Ratio, "–" denotes a decrease in operating profit, while "+" denotes an increase.

Unmitigated Climate-related Financial Risks-Short-term

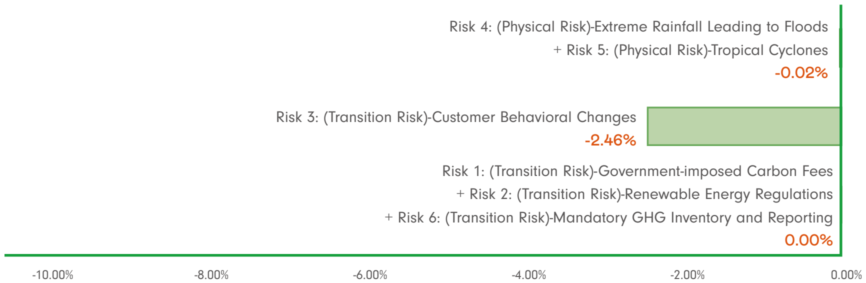


Mitigated Climate-related Financial Risks and Opportunities-Short-term

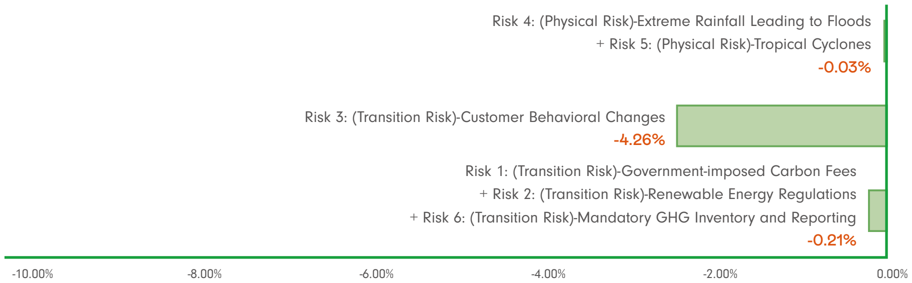


Note: Annual Financial Impact Equivalent Revenue Ratio, "–" denotes a decrease in operating profit, while "+" denotes an increase.

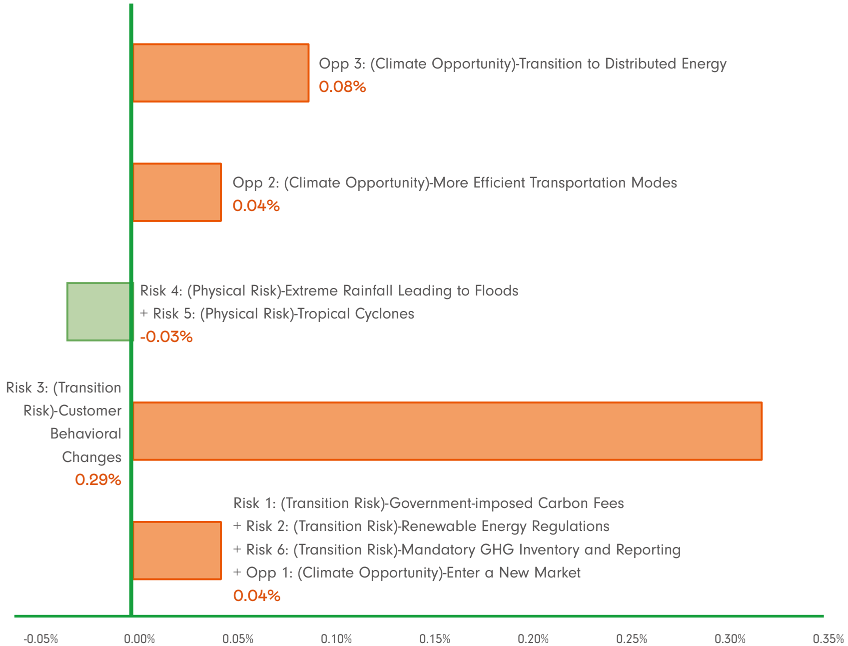
Unmitigated Climate-related Financial Risks-Mid-term



Unmitigated Climate-related Financial Risks-Long-term

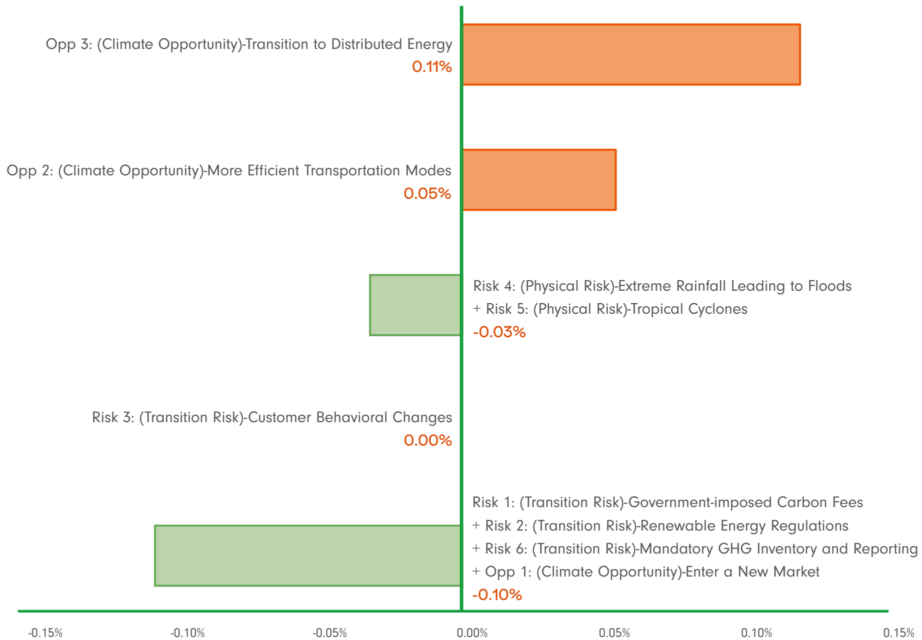


Mitigated Climate-related Financial Risks and Opportunities-Mid-term



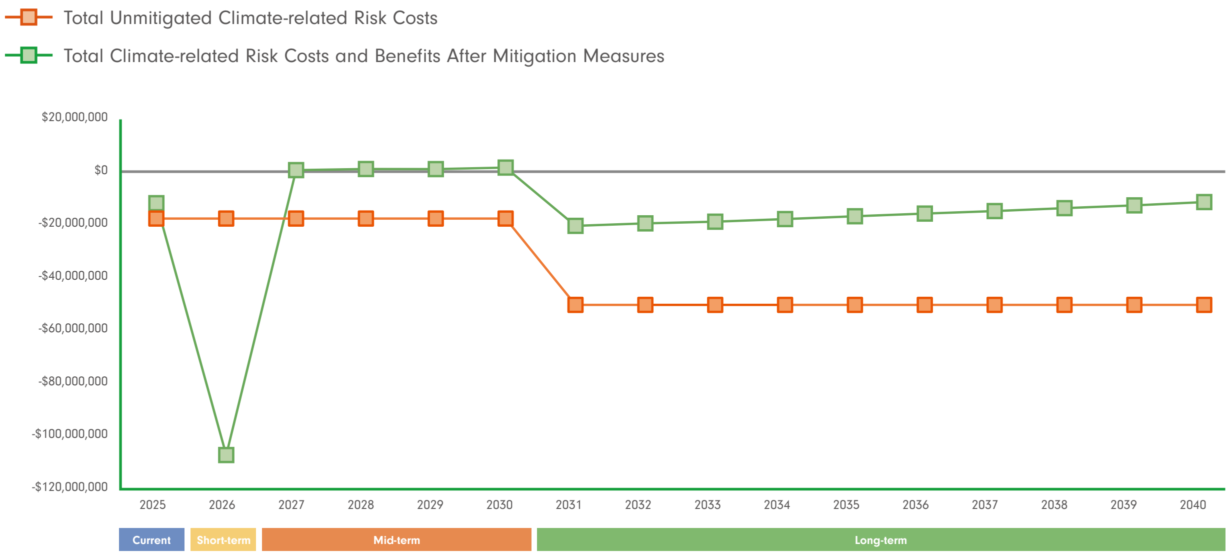
Note: Annual Financial Impact Equivalent Revenue Ratio, "–" denotes a decrease in operating profit, while "+" denotes an increase.

Mitigated Climate-related Financial Risks and Opportunities-Long-term



Note: Annual Financial Impact Equivalent Revenue Ratio, "–" denotes a decrease in operating profit, while "+" denotes an increase.

Financial Impacts of Climate-related Risks and Opportunities



Note: Annual Financial Impact Equivalent Revenue Ratio, "–" denotes a decrease in operating profit, while "+" denotes an increase.

- In response to the government's net-zero emissions target by 2050, Evergreen Steel has installed renewable energy equipment and made follow-up plans as described below:
  1. Installed solar PV systems with a total capacity of 2,221.8 kW on the rooftops of the Hsinchu Factory (1,722 kW) and Xinying Factory (499.8 kW) in 2022.
  2. The Company installed solar PV systems (1,999.56 kW) on buildings A, B and C at the Xinying Factory in 2023. The meter was installed and power generation began in Feb 2024.
  3. The Company installed solar PV systems (547.65 kW) on buildings D and E at the Xinying Factory in 2024. The meter was installed and power generation began in November 2024.
  4. The Company installed solar PV systems (161.68 kW) on building F at the Xinying Factory in 2025.
  5. Evergreen Steel obtained ISO 14067:2018 Product Carbon Footprint certification for building steel structures and bridge steel structures in 2025.
  6. The energy storage equipment (10 MWh) at the Xinying Factory officially began operation on March 1, 2026.
  7. On March 30, 2026, the operation mode of the Phase I to III solar PV systems (with a total installed capacity of approximately 2,708.89 kW) at the Xinying Factory transitioned from "full FIT sales" to "self-consumption with surplus electricity sold to the grid" to increase the proportion of renewable energy self-consumption and improve energy efficiency.
  8. The Company's investee company – Super Max Engineering Corp., installed solar PV systems (499.815 kW) in 2025.
  9. The Company's investee company – Ever Ecove Corp., is a biomass energy center in Taiwan. It uses the biogas generated from the fermentation of kitchen waste to produce renewable energy. Ever Ecove registered its renewable energy generation facilities (29,780 kW from waste) on June 2, 2023 and biomass (800 kW from anaerobic digestion) on March 30, 2023. It also installed a solar PV system (200 kW) that generates energy for its own consumption on June 24, 2024.

4.1.2 GHG Inventory

GHG emissions are one of the primary drivers of climate change and the increasing severity of climate-related risks. Accordingly, GHG management has become a key issue of concern for stakeholders. Since 2021, the Company has established a GHG inventory management mechanism in accordance with ISO 14064-1:2018 and the Ministry of Environment's "Guidelines for GHG Verification." The Company conducts annual inventories of GHG emissions at each operating site. The GHG inventory results for 2022 through 2025 were verified by an independent third-party verification body, the Metal Industries Research & Development Centre (MIRDC), to comprehensively understand the Company's GHG emissions profile and to serve as the basis for evaluating emission reduction measures and their effectiveness. The Company adopts the operational control approach to define its organizational boundary for GHG inventory management. The inventory scope covers all operational sites, including the Taipei Head Office, Hsinchu Factory, Xinying Factory, Kaohsiung Factory, and the Seventh Container Center, encompassing related management activities, processes, and facilities. Based on the inventory results, the Company's GHG emissions consist primarily of carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), and hydrofluorocarbons (HFCs). No ozone-depleting substances (ODS) were used across all operating sites.

Unit: tCO_2e

Item	Year	2023	2024	2025
Scope 1	Total GHG Emissions	3,874.3844	4,681.0683	4,092.8365
	GHG Emissions Intensity (tCO_2e/NT$ million)	0.47292	0.46766	0.35442
Scope 2	Total GHG Emissions	7,726.1365	8,478.0791	9,076.5292
	GHG Emissions Intensity (tCO_2e/NT$ million)	0.94307	0.84700	0.78599
Scope 3	Total GHG Emissions	245,474.9649	268,973.0761	285,646.1017
	GHG Emissions Intensity (tCO_2e/NT$ million)	29.9632	26.87173	24.73586
Total	Total GHG Emissions	257,075.486	282,132.224	298,815.467
	GHG Emissions Intensity (tCO_2e/NT$ million)	31.3792	28.1864	25.8763

Note 1: Scope 1 emissions are direct GHG emissions that occur from sources that are controlled or owned by the Company, including emissions associated with stationary combustion sources, process emissions, mobile combustion sources of transportation, and sources of fugitive emissions. The emission factor is calculated according to the GHG emission factors announced by the Ministry of Environment on February 5, 2024.

Note 2: Scope 2 emissions are indirect GHG emissions, such as purchased electricity. The electricity carbon emission factor announced by Bureau of Energy, MOEA, is used for procured electricity.

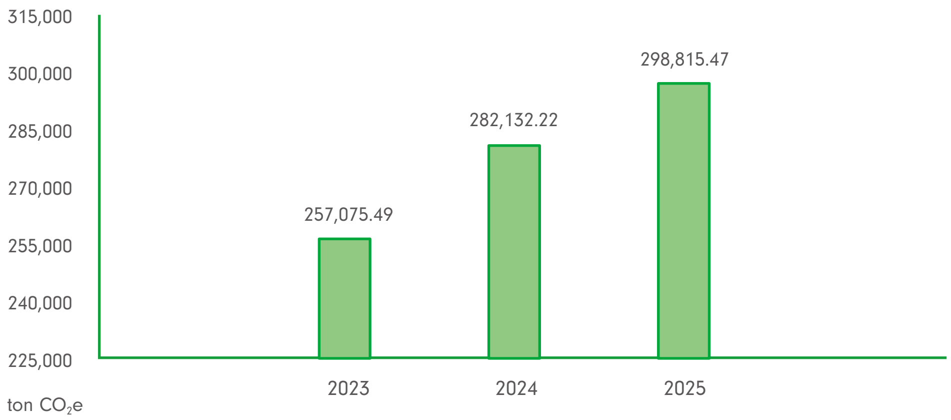
Note 3: Scope 3 emissions refer to other indirect emissions resulting from the Company's activities, originating from sources not owned or directly controlled by the Company. The categories included in the Company's inventory are: upstream transportation and distribution, downstream transportation and distribution, and emissions from purchased products and energy resources.

Note 4: GHG Emissions Intensity = Total GHG Emissions ÷ Specific Unit.

Note 5: The specific unit of the chart is annual net revenue (NT$ million): 2023, 8,192.540; 2024, 10,009.518; 2025, 11,547.853.

Note 6: The GHG emission data disclosed by the Company has been verified by a third-party verification body.

GHG Emissions Trend



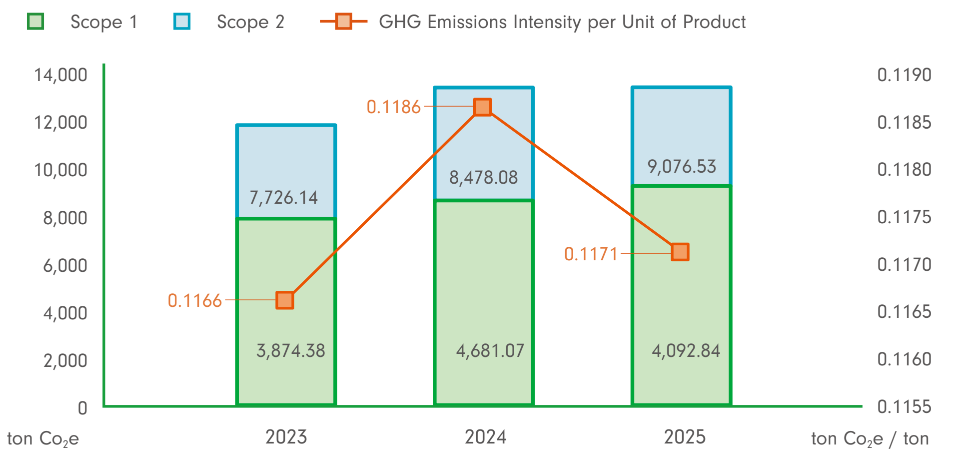
Direct and Indirect GHG Emissions Verified by a Third Party (Scope 1, Scope 2)

In accordance with the Ministry of Environment's "Guidelines for Greenhouse Gas Verification," the Company conducted inventories of direct GHG emissions (Scope 1) and energy indirect GHG emissions (Scope 2). In 2025, direct GHG emissions (Scope 1) totaled 4,092.8365 tCO_2e, while energy indirect GHG emissions (Scope 2) totaled 9,076.5292 tCO_2e. Compared with the 2024 base year, the Company's total GHG emissions in 2025 increased by 10.22 tCO_2e. However, the steel structure emissions intensity per unit of production slightly decreased from 0.1186 tCO_2e/t to 0.1171 tCO_2e/t, indicating a slight improvement in overall emission efficiency. Based on the inventory analysis, the primary source of GHG emissions was electricity consumption, followed by the use of CO_2 welding gas in manufacturing processes. Accordingly, future emission reduction measures will focus on reducing equipment energy consumption and optimizing the use of welding gases in order to continuously promote GHG reduction.

GHG Emissions Intensity of Steel Structure Products

Year	Unit	2023	2024	2025
GHG Emissions	tCO_2e	11,176.1329	12,816.2447	12,892.6121
Production Volume	ton	95,815	108,027	110,087
GHG Emissions Intensity per Unit of Product	ton CO_2e/ton	0.1166	0.1186	0.1171

Note: GHG emission data only cover steel structure manufacturing processes at the Hsinchu Factory and Xinying Factory, excluding the Taipei Head Office, Kaohsiung Factory, and the Seventh Container Center.



Other Indirect GHG Emissions Verified by a Third Party (Scope 3)

To better understand and quantify other indirect GHG emissions, identify major emission sources, and formulate corresponding carbon reduction strategies, the Company has quantified other indirect GHG emissions since 2022 in accordance with ISO 14064-1:2018 and the relevant technical guidance of the Ministry of Environment's Carbon Footprint Information Platform. The inventory results have been externally verified in accordance with ISO 14064-3:2019. In 2025, other indirect GHG emissions totaled 285,646.102 tCO_2e. The inventory results are presented below. Among all categories, GHG emissions from purchased goods and services accounted for the largest proportion, followed by emissions from downstream transportation and distribution. Compared with the 2024 base year, GHG emissions in 2025 increased by 16,673.03 tCO_2e. The increase was primarily attributable to higher steel structure production in 2025 compared with 2024, which led to increased demand for raw material procurement and transportation, thereby resulting in higher Scope 3 GHG emissions.

Inventory Results for Other Indirect GHG Emissions (Scope 3) in 2025

Category	GHG Emission (tCO_2e)	Referenced Coefficient Sources	Data Sources
Purchased Goods and Services	277,494.3543	Ministry of Environment Carbon Footprint Information Platform CSC Carbon Footprint Report Dragon Steel Carbon Footprint Report	According to Actual Statistics
Downstream Transportation and Distribution	3,760.4874	Ministry of Environment Carbon Footprint Information Platform	According to Actual Statistics
Upstream Transportation and Distribution	2,198.4924	Ministry of Environment Carbon Footprint Information Platform	According to Actual Statistics
Fuel- and Energy-related Activities	2,192.7676	Ministry of Environment Carbon Footprint Information Platform	According to Actual Statistics

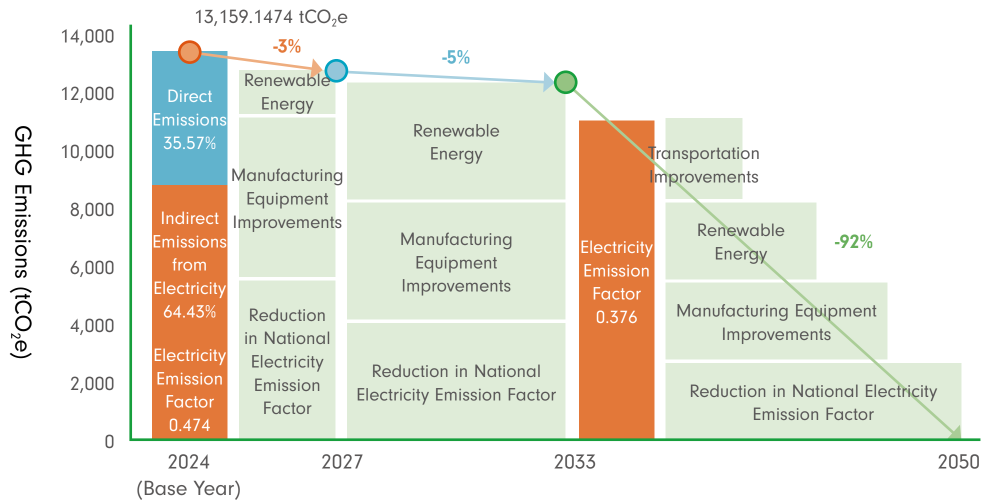
The Company published its first GHG inventory report on the Company's website in June 2023, and plans to release GHG inventory reports annually. Based on the inventory results, the Company reviews emission source activity data and plans emission reductions, and has set short-, mid-, and long-term carbon reduction targets to promote environmental sustainability.

Report Downloads

GHG Emissions Reduction Targets

The National Development Council announced the phased targets and key strategies for Taiwan's Pathway to Net-Zero Emissions by 2050 in December 2022. On December 30, 2024, the Ministry of Environment updated Taiwan's 2030 Nationally Determined Contribution (NDC) target to a GHG emissions reduction of 28% ± 2%. Accordingly, the Company has established short-, mid-, and long-term GHG emissions reduction targets using its 2024 Scope 1 and Scope 2 GHG emissions as the baseline. The Company aims to achieve a cumulative 3% reduction by 2027 and a cumulative 8% reduction by 2033, with the goal of achieving carbon neutrality by 2050. All GHG emissions data have been verified by verification bodies accredited by the Ministry of Environment, and third-party verification statements have been obtained.

Decarbonization Roadmap

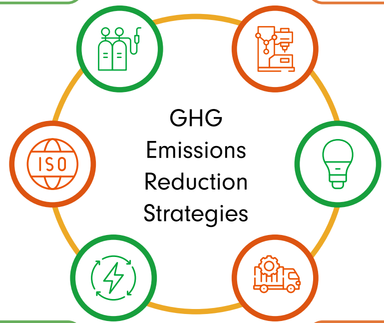


In 2025, the Company's GHG emissions (Scope 1 + Scope 2) totaled 13,169.3657 tCO_2e. This increase compared to 2024 was primarily due to higher production capacity. The Company will continue to regularly review its carbon reduction performance and remain committed to meeting its decarbonization targets.

In alignment with the government's policy trend, the Company seeks to meet its carbon reduction targets with the following measures:

Assessing the energy-saving benefits of inverter welding equipment.

Replacing outdated and energy-intensive equipment to improve energy efficiency and manufacturing processes.



Implementing the ISO 50001:2018 Energy Management System to continuously improve energy efficiency.

Replacing old lighting equipment with LED lighting.

Promoting self-generation and self-consumption of renewable energy to reduce carbon emissions.

Replacing fossil fuel-powered company and logistics vehicles.

Column Intelligent Energy Storage System Supporting Energy Transition

To fulfill the Company's sustainability strategy and energy transition targets, Evergreen Steel has installed a 10 MWh Intelligent Energy Storage System (ESS) at Xinying Factory, which officially commenced operation in March 2026. Integrated with an advanced Energy Management System (EMS), the ESS automatically schedules charging and discharging operations based on peak and off-peak electricity periods. This ensures a stable power supply, reduces electricity costs, and improves overall energy efficiency.

- Key Benefits of the System

    1. Optimized Electricity Consumption Structure: The ESS performs peak shaving and load shifting, reducing electricity demand during peak periods and optimizing the plant's power consumption profile.
    2. Enhanced Renewable Energy Utilization: By integrating with the Company's solar PV system in the future, the ESS will help balance fluctuations in renewable power generation and increase the self-consumption rate of renewable electricity.
    3. Reduced Energy Costs: Through precise energy management, the system helps lower contracted capacity requirements, thereby reducing electricity-related expenses and optimizing overall energy costs.

The implementation of the Intelligent Energy Storage System not only establishes a solid foundation for future improvements in energy efficiency, but also demonstrates the Company's ongoing commitment to innovation in green energy and smart manufacturing. It represents a concrete action in response to the global energy transition and the Company's pursuit of its carbon reduction targets.

Looking ahead, Evergreen Steel will continue to monitor and optimize system performance while actively planning to adopt AI-based energy forecasting and dispatching technologies. The Company will also assess the feasibility of expanding this smart energy storage solution to other operational sites, with the aim of maximizing energy efficiency and achieving its long-term vision of low-carbon operations.

Energy Storage System at the Xinying Factory

4.2 Energy Resource Management

4.2.1 Energy Management

The Company actively implements energy conservation measures by adopting energy-efficient equipment and energy-saving designs to reduce energy consumption in both operations and products, while expanding the use of renewable energy to improve energy efficiency. Major initiatives include the installation of solar PV systems and the replacement of inverter welding machines. The Company's energy management target is to achieve an annual electricity-saving rate of more than 1%. In 2025, electricity-saving rates reached 1.26% and 1.52% at the Xinying and Hsinchu Factory, respectively.

To align with the global transition toward a green economy, the Company continues to enhance its energy management practices. In 2024, the Company implemented the ISO 50001:2018 Energy Management System and obtained ISO 50001 certification following third-party verification. The system successfully passed the annual surveillance audit in 2025, demonstrating the effectiveness of the Company's energy management framework and its commitment to continual improvement.

Certificate validity period: October 24, 2025 – November 20, 2027.

Energy Consumption

Unit: GJ

Year	2023	2024	2025
Gasoline	781.13	911.52	777.20
Diesel	4,097.20	3,417.05	2,259.48
Liquefied Petroleum Gas (LPG)	9,122.41	16,290.28	10,260.48
Electricity	54,120.72	64,390.48	68,935.67
Total Energy Consumption	68,121.46	85,009.33	82,232.83
Energy Intensity (GJ/NT$ million)	8.32	8.49	7.12

Note 1: Statistical data covers all operational sites of the Company, including the Taipei Head Office, Hsinchu Factory, Xinying Factory, Kaohsiung Factory, and the Seventh Container Center.

Note 2: Conversion factors:

Year	Gasoline	Diesel Fuel	Liquefied Petroleum Gas (LPG)	Source
2023-2024	7,609 kcal/L	8,642 kcal/L	10,731 kcal/L	Ministry of Environment Greenhouse Gas Emission Factor Management Table (Version 6.0.4)
2025	7,586 kcal/L	8,636 kcal/L	5,993 kcal/L	Net calorific values announced by the Ministry of Environment on February 10, 2026

Note: 1 kcal = 4.1868 kJ.

Note 3: For electricity, the thermal equivalent is 1 kWh = 0.0036 GJ.

Note 4: Energy Intensity = Total Energy Consumption ÷ Specific Unit.

Note 5: The specific unit of the chart is annual net revenue (NT$ million): 2023, 8,192.540; 2024, 10,009.518; 2025, 11,547.853.

Energy Saving and Carbon Reduction

To reduce the impact of energy consumption on global warming, Evergreen Steel has established an energy policy and promotes various energy-saving and carbon reduction measures through internal meetings and announcements. Through both engineering improvements and administrative management measures, the Company implements energy conservation initiatives to reduce energy consumption.

Energy Policy

- **Compliance with Energy Regulations:**
  Comply with energy related legal requirements and fulfill corporate social responsibilities.
- **Energy Efficiency Improvement:**
  Continue to replace old equipment and reduce energy consumption.
- **Energy-efficient Equipment Procurement:**
  Support the procurement of energy-saving equipment.
- **Employee Participation:**
  Continue to implement equipment improvements through employee proposals.

Energy Saving and Carbon Reduction in Offices and Workplaces
Lighting in offices, public spaces and on site workplaces is gradually replaced with LED bulbs or LED panel lights, and the lights are turned off when not in use.
Office areas prioritize the procurement of office supplies certified with environmental labels, such as FSC or PEFC certifications, and implement recycling and reuse of office equipment consumables. Multifunction office machines (including copying, fax, and scanning functions) are leased, and their consumables (such as toner cartridges) are recycled and reused. In addition, the Company promotes duplex printing and the reuse of single-sided paper to reduce resource consumption and waste generation.
Official vehicles have been gradually replaced with hybrid or electric vehicles, and employees are encouraged to take public transportation.
Employee Welfare Committee distributes festival gift vouchers, adding the option of e-vouchers to promote paperless operations, reduce use of paper vouchers, and respond to environmental protection, while also enhancing convenience.
Provide reusable tableware for employees to reduce the amount of waste.
Implement waste segregation and recycling and reduce the amount of waste.
Meetings and educational training are conducted by video conferencing to reduce personnel traffic.
Equipment replacement: 1. Submerged Arc Welding Machine: Replace with inverter-type power sources. 2. Air Compressor, CO_2 Welding Machine, AC Welding Machine: Replace with inverter-type power sources

Energy Saving Target

According to the "Regulations Governing the Establishment of Energy Saving Targets and Implementation Plans by Energy Users from 2025 to 2028" announced by the Ministry of Economic Affairs, power users with contracted capacity exceeding 800 kW are required to establish energy-saving targets and implementation plans, with an annual electricity-saving rate of at least 1%. Accordingly, **the Company (Hsinchu Factory and Xinying Factory) has set an annual energy-saving target of reducing electricity consumption by 1%**.

Electricity Savings

Year	2023		2024		2025	
Factory	Hsinchu Factory	Xinying Factory	Hsinchu Factory	Xinying Factory	Hsinchu Factory	Xinying Factory
Electricity-saving Rate	0.64%	2.05%	1.25%	1.10%	1.52%	1.26%
Average Annual Electricity-saving Rate	1.24%	1.78%	1.24%	1.72%	1.52%	1.26%

Note: The Taipei Head Office and Kaohsiung Factory are not required to report electricity-savings data as their contracted electricity capacities are below 800 kW and therefore not subject to the regulatory threshold.

The Company has long been committed to energy conservation and energy management. In 2025, the Company replaced lighting equipment that had reached the end of its service life within the plant areas, upgraded production equipment, and replaced air conditioning systems and transformers, achieving total electricity-savings of 883.65 GJ.

Note: Electricity-savings were calculated using the formula: Electricity Savings (kWh) * 0.0036.

2025 Statistics of Energy Saving Achievements			
Site	Energy Saving Measure	Electricity Savings (kWh)	GHG Emissions Reduction (tCO_2e)
Taipei Head Office	Implemented an air conditioning system energy-saving project in June 2025, including thermostat control panel upgrades and replacement of chilled water system valves	9,360	4.4366
Hsinchu Factory	• Replaced air compressors with inverter-type air compressors • Replaced cooling water pumps and cooling tower fans	64,002	30.3369
Xinying Factory	• Replaced transformers with high-efficiency transformers • Replaced air-cooled package air conditioners in the 69kV control room • Replaced CO_2 welding machines with inverter-type models • Replaced recessed T8 office lighting fixtures with recessed T5 LED energy-saving fixtures • Replaced CNC dual-axis drilling machines • Replaced fixed cranes	171,492.9	81.2876
Kaohsiung Factory	Replaced air conditioning equipment in the first-floor cafeteria of the administrative building	603.75	0.2097
Total		245,458.65	116.27

Note 1: Hours of use = Annual working days (247) * Daily working hours (8)

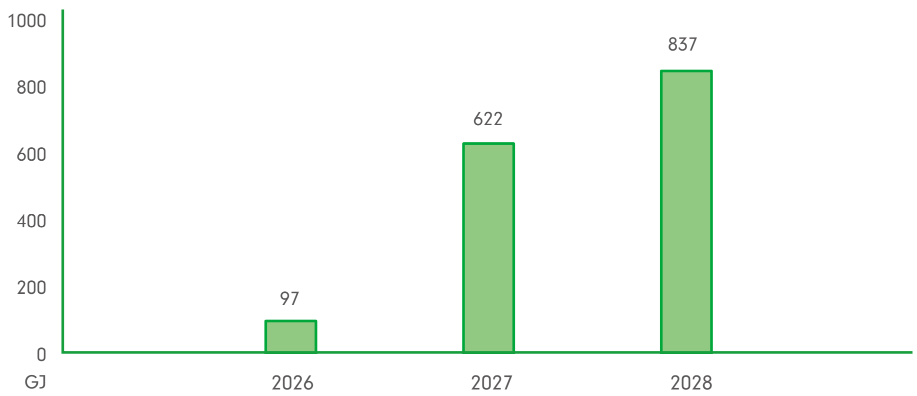
Note 2: Estimated value = Total replacement * (Wattage difference) * Hours of use

In addition, based on the annual electricity-saving target of 1% and using 2025 as the baseline year for electricity consumption, the Company plans to gradually replace high-energy-consuming process equipment. It is estimated that cumulative savings of 837 GJ in externally purchased electricity will be achieved from 2026 to 2028.

Unit: GJ

Estimated Electricity Savings for the Next Three Years					
Year	Energy Saving Measure	Before	After	Estimation	Total
2026	Replacing AC Welding Machine	144	108	36	97
	Replacing CO_2 Welding Machine	243	182	61	
2027	Replacing AC Welding Machine	279	209	70	525
	Replacing CO_2 Welding Machine	1,820	1,365	455	
2028	Replacing Submerged Arc Welding Machine	745	530	215	215
Total					837

Projected Cumulative Electricity Savings



4.2.2 Water Resources Management

All operational sites of the Company — including the Taipei Head Office, Hsinchu Factory, Xinying Factory, Kaohsiung Factory, and the Seventh Container Center — source their water supply from tap water. Each responsible unit implements effective water resource management measures within its facilities, conducts annual water consumption statistics and water quality testing, and promotes various water-saving measures to reduce water consumption. For example, in 2025, water-saving devices were installed on faucets in restrooms and pantry areas at Plants 1 and 2 of the Xinying Factory to reduce water flow without affecting user experience.

Compared to 2024, total water consumption in 2025 decreased by 1.565 megaliters (approximately 2.52%).

Water-saving Measures

Gradual replacement of sanitary equipment with the water conservation label.

Water-saving slogans posted in washrooms.

Periodic promotion of water conservation awareness.

Water Consumption

Unit: megaliters

Year	2023	2024	2025
Water Withdrawal	50.474	62.202	60.637
Water Discharge	25.826	30.452	27.286
Water Consumption	24.648	31.750	33.351
Water Intensity (megaliters/NT$ million)	0.0062	0.0062	0.0053

Note 1: Water withdrawal was calculated based on water consumption recorded on water utility bills, while wastewater discharge was calculated based on billable water volume stated on wastewater treatment fee invoices.

Note 2: Water Consumption = Water Withdrawal - Water Discharge.

Note 3: Water Intensity = Water Withdrawal ÷ Specific Unit.

Note 4: The specific unit of the chart is annual net revenue (NT$ million): 2023, 8,192.540; 2024, 10,009.518; 2025, 11,547.853.

4.3 Pollution Prevention

The Company has implemented the ISO 14001:2015 Environmental Management System and obtained its initial certification on December 9, 2024. During 2024, the Company established the environmental management framework and set relevant management targets, which were formally implemented in 2025.

Certificate validity period:
July 25, 2025 – December 8, 2027.

The environmental management targets and performance are summarized as follows:

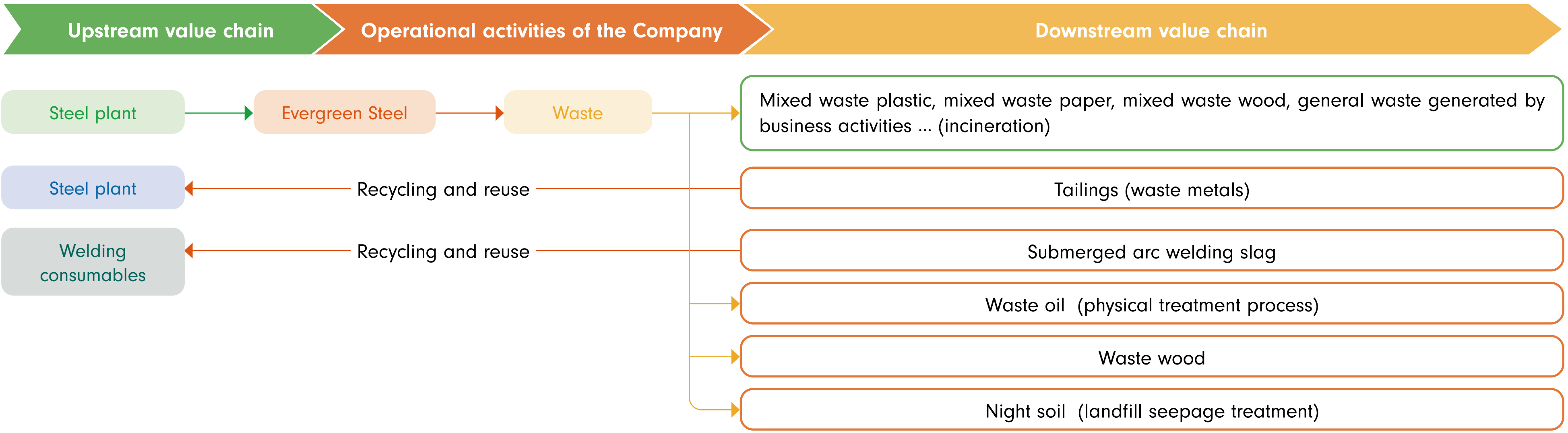
1. Compliance with Environmental Regulations: The annual target was to maintain 3 or fewer environmental regulatory violations. The target was successfully achieved in 2025.
2. Continuous Improvement of Pollution Control Facilities: The Company continued to maintain and enhance its air pollution control equipment. Annual targets included limiting equipment malfunctions to 4 or fewer incidents per year and completing improvements to the waste storage area. All targets were achieved.
3. Energy Conservation and Carbon Reduction Initiatives: The Company has established targets of achieving an annual electricity-saving rate of more than 1% and reducing GHG emissions by 3% by 2027. The 2025 electricity-saving target was achieved. The Company will continue to implement various carbon reduction initiatives and regularly monitor progress toward its carbon reduction target, with overall performance to be evaluated in 2027.
4. Process Waste Reduction and Resource Recovery Management: The Company continued to promote process waste reduction and resource recovery management. The generation rates of various process wastes per unit of product (such as submerged arc welding slag, waste glass and ceramic mixtures, and dust collection ash) remained within internally controlled standards.
5. Operation and Maintenance of Pollution Control Equipment: Through differential pressure monitoring, regular filter bag replacement, and routine inspections and maintenance, the Company maintained the stable operation of pollution control equipment. The 2025 management targets were successfully achieved.

4.3.1 Waste Management

All waste generated by Evergreen Steel is sorted and stored in designated storage areas in accordance with applicable regulations. Based on categories such as mandatory recyclable waste, reusable waste, and industrial waste, the Company signs contracts with qualified waste transporters and commissions licensed recycling, transportation and treatment contractors to conduct waste recycling and disposal operations, ensuring the legality and safety of final treatment. The waste generated by the Company is entirely classified as non-hazardous waste, primarily including domestic waste, inorganic sludge, mixed waste wood, mixed waste plastics, scrap iron, submerged arc welding slag, and septic waste. Recyclable materials, such as inorganic sludge, scrap iron, submerged arc welding slag, and waste wood, are properly sorted and recycled. To enhance resource utilization efficiency and reduce treatment costs, the Company continues to evaluate diversified disposal and recycling approaches for waste reduction and strives to maintain a waste resource recovery rate above 90%, exceeding the Ministry of Environment's target resource recovery rate of 85%. Waste that cannot be recycled is ultimately treated through incineration, landfill disposal, or other appropriate disposal methods.

All waste generated by the Company is treated off-site. Waste (including recyclables) generated at each plant is temporarily stored on-site in accordance with the waste clearance plan. Once a certain quantity is accumulated, qualified contractors approved by the Ministry of Environment are commissioned to conduct waste transportation and treatment operations. Relevant declarations are completed within the specified timeframe, and waste manifest records are retained for three years. In 2025, the Company did not experience any significant waste leakage incidents.

Waste Treatment Process



Waste Generation and Treatment

Unit: ton

Type	Item	2023	2024	2025	Final Treatment Method
General Industrial Waste	Domestic Waste	85.50	154.08	90.10	Incineration
	Mixed Waste Plastics	8.00	6.53	7.00	
	Waste Wood Pallets	2.90	3.20	0.80	
	Mixed Waste Paper	2.33	2.76	2.39	
	Mixed Waste Fibers, Cotton, and Clothes	0.04	0.03	0.06	
	Paint Sludge	6.55	4.89	7.08	
	Mixed Waste Wood	22.89	20.68	20.78	
	Employee-generated Domestic Waste	0	0	76.01	
	Non-hazardous Dust Collection Ash	13.43	60.13	0	Landfill
	Sandblasting Waste	193.39	146.22	138.40	
	Waste Grinding Wheels	11.71	4.73	6.89	
	Other Single Non-hazardous Metals or Mixed Metal Scrap	0	1.945	0	Physical treatment
	Other Mixed Waste Glass, Ceramics, Bricks, Tiles, and Clay	165.5	179.42	136.08	
	Inorganic Sludge	42.85	60.13	19.73	
	Waste Lubricating Oil	0.98	0.95	0.50	
	Mixed Waste Oil	2.68	2.60	5.36	Physical treatment
	Non-hazardous Dust Collection Ash	-	87.81	170.76	
	Total	558.75	736.11	681.94	-

Type	Item	2023	2024	2025	Final Treatment Method
Recyclable Waste	Scrap Iron	6,641.08	5,978.74	7,260.50	Recycling and Reuse
	Submerged Arc Welding Slag	799.36	883.53	959.43	
	Waste Wood	43.14	46.36	45.89	
	Other Single Non-hazardous Metals or Mixed Metal Scrap (Submerged Arc Welding Slag)	0	0	58.90	
	Total	7,483.58	6,908.63	8,324.72	-
Grand Total		8,042.33	7,644.74	9,006.66	-
Waste Resource Recovery Rate		93.05%	90.37%	92.43%	-
Waste Intensity (ton/NT$ million)		0.9817	0.7637	0.7799	-

Note 1: Statistics cover all office locations and plant sites, except the Taipei Head Office, which is an administrative office and therefore excluded from waste statistics.

Note 2: All waste generated by the Company is classified as non-hazardous waste.

Note 3: Waste Resource Recovery Rate = Total Recyclable Waste ÷ Grand Total.

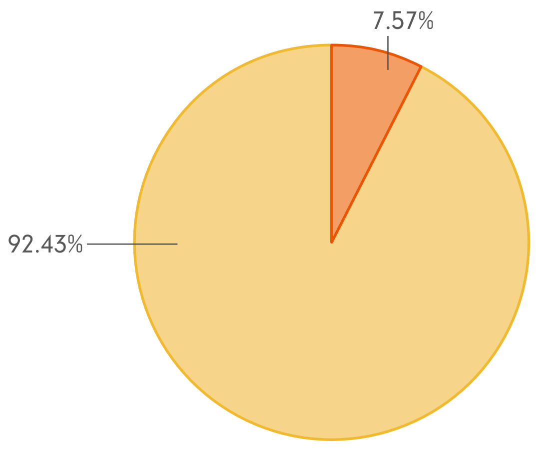
Note 4: Waste Intensity = Grand Total ÷ Specific Unit.

Note 5: The specific unit of the chart is annual net revenue (NT$ million): 2023, 8,192.540; 2024, 10,009.518; 2025, 11,547.853.

Note 6: The case-specific reuse application for submerged arc welding slag was approved by the Ministry of Economic Affairs on November 18, 2025. Following approval, the material has been reported under the category of " Other Single Non-hazardous Metals or Mixed Metal Scrap " and treated as recyclable waste.

In 2025, the Company's total waste generation totaled 9,006.66 tons, including 681.94 tons of waste for final disposal and 8,324.72 tons of recyclable waste. The waste resource recovery rate reached 92.43% (Recyclable Waste ÷ Total Waste), achieving the Company's annual target.

Waste Resource Recovery Rate



Column SAW Slag Reuse Approved: A New Circular Economy Milestone

Breaking Through Disposal Limitations: Case-by-Case Reuse of SAW Slag Opens a New Path for Circularity

Submerged Arc Welding (SAW) slag generated during steel structure manufacturing has traditionally faced a single and easily saturated disposal channel due to statutory reuse regulations. To break through this bottleneck, the Company proactively shifted its management mindset from passive compliance to applying for case-by-case reuse. Through collaboration with qualified recycling and treatment partners, SAW slag has been successfully transformed into Controlled Low-Strength Material (CLSM) for construction applications. This initiative not only creates diversified circular pathways but also ensures the optimization of resource allocation.

Rigorous Verification: Balancing Technical Reliability and Environmental Safety

The project underwent strict testing and field verification to ensure that the material application achieves both technical feasibility and environmental safety:

- Physical Properties and Strength: Slump flow (flowability) and 28-day compressive strength tests confirmed full compliance with standard public works construction specifications.
- Environmental Safety: Heavy metal content testing verified that the material poses no risk of soil or groundwater contamination after backfilling.
- Traceability Management: A traceable management mechanism has been established covering generation, sorting, storage, handover, to tracking and reporting, ensuring that every ton of welding slag is properly disposed of according to the approved reuse purposes.

The Circular Regeneration Journey of Submerged Arc Welding Slag


1. Generation & Storage


2. Compliant Transport


3. Processing & Treatment


4. Product Conversion

Creating Shared Value: Tangible Benefits of the Circular Economy

The implementation of this case-by-case reuse model has delivered concrete ESG performance:

1. Operational Cost Reduction & Efficiency: Compared with conventional welding slag recycling processes, treatment costs have been significantly reduced by approximately 41%, effectively enhancing business resilience.
2. Diversification of Disposal Channels: The model eliminates dependence on a limited number of contractors, avoiding waste accumulation caused by capacity saturation.
3. Protecting Natural Resources: By replacing a portion of natural river sand or gravel with SAW slag, the project reduces natural resource extraction and minimizes environmental impacts on land and rivers.
4. Alignment with Policy Demonstrations: The project received positive recognition from the review committee, serving as an exemplary case for the metal processing industry in realizing "resource circulation and zero waste."

Continuous Advancement: Maximizing Resource Utilization and Environmental Responsibility

The approval of SAW slag for case-by-case reuse symbolizes the Company's transition from compliance management toward circular innovation. The Company's plant-wide waste resource recovery rate has remained consistently above 90% for five consecutive years.

Moving forward, we will continue to steadily operate our circular resource system to ensure long-term and stable disposal pathways for core waste streams, thereby fulfilling our commitment to environmental sustainability and achieving a win-win balance between operational benefits and ecological protection.

4.3.2 Air Pollution Control

The Taipei Head Office serves as an administrative unit, while the manufacturing processes at the Hsinchu Factory and Kaohsiung Factory do not generate air pollutant emissions and are therefore not subject to regulation by the Ministry of Environment. In 2025, the Xinying Factory implemented air pollution control operations in accordance with the requirements of its fixed pollution source operating permit and completed air pollutant emission testing on April 10, 2025. All testing results complied with the applicable emission standards.

The Company conducts annual maintenance of pollution control equipment and regularly replaces filter bags to ensure stable operation. With a target of "Zero Pollution Incidents," the Company continues to implement pollution prevention measures and maintain compliance with applicable environmental regulations.

2025 Stationary Source Emission Monitoring Results

Source and Pipe No.	Test Item	Value	Emission Standard of Permit	Date
Sandblasting Machine/P002	Particulate Pollutants	$4mg/Nm^3$	$14.11mg/Nm^3$	April 10, 2025
Sandblasting Machine/P005		$9mg/Nm^3$	$100mg/Nm^3$	

Testing Agency: Dauge Pharmaceutical Factory Co., Ltd. MOENV Certification No.040.

4.3.3 Water Pollution Control

The Company's main businesses include steel structure production and assembly, and container maintenance and cleaning. The Taipei Head Office serves as the administrative unit, and the steel structure manufacturing at Hsinchu Factory and Xinying Factory do not generate industrial wastewater. The wastewater produced during container cleaning processes at Kaohsiung Factory undergoes 16-stage treatment process, including sedimentation, rapid mixing, slow mixing, chemical precipitation, equalization, and sludge thickening and dewatering, to meet discharge standards before being discharged to the industrial wastewater treatment plant in the industrial park. The Kaohsiung Factory conducts regular annual maintenance of its treatment equipment and commissions a certified inspection agency to perform water quality testing to ensure that discharged water complies with legal standards and does not negatively impact the environment. The Company will continue to operate in compliance with environmental regulations, maintaining its target of zero pollution and zero leakage.

Test Item	Effluent Standards	Unit	2025 H1	2025 H2
pH Value	5.0~9.0	-	7.5	7.2
Water Temperature	Under 40°C	°C	28.7	25.7
Suspended Solids (SS)	240	mg/L	<1.5	1.5
Chemical Oxygen Demand (COD)	480	mg/L	▽ 10.5	▽ 10.7
Biochemical Oxygen Demand (BOD)	240	mg/L	2.7	2.5
True Color	400	-	<15	<15
Free Available Residual Chlorine	1	mg/L	▽ 0.09	▽ 0.06

Note: A value marked with ▽ indicates that the analytical result was below the quantification limit (QL).

5 CHAPTER

Friendly Workplace

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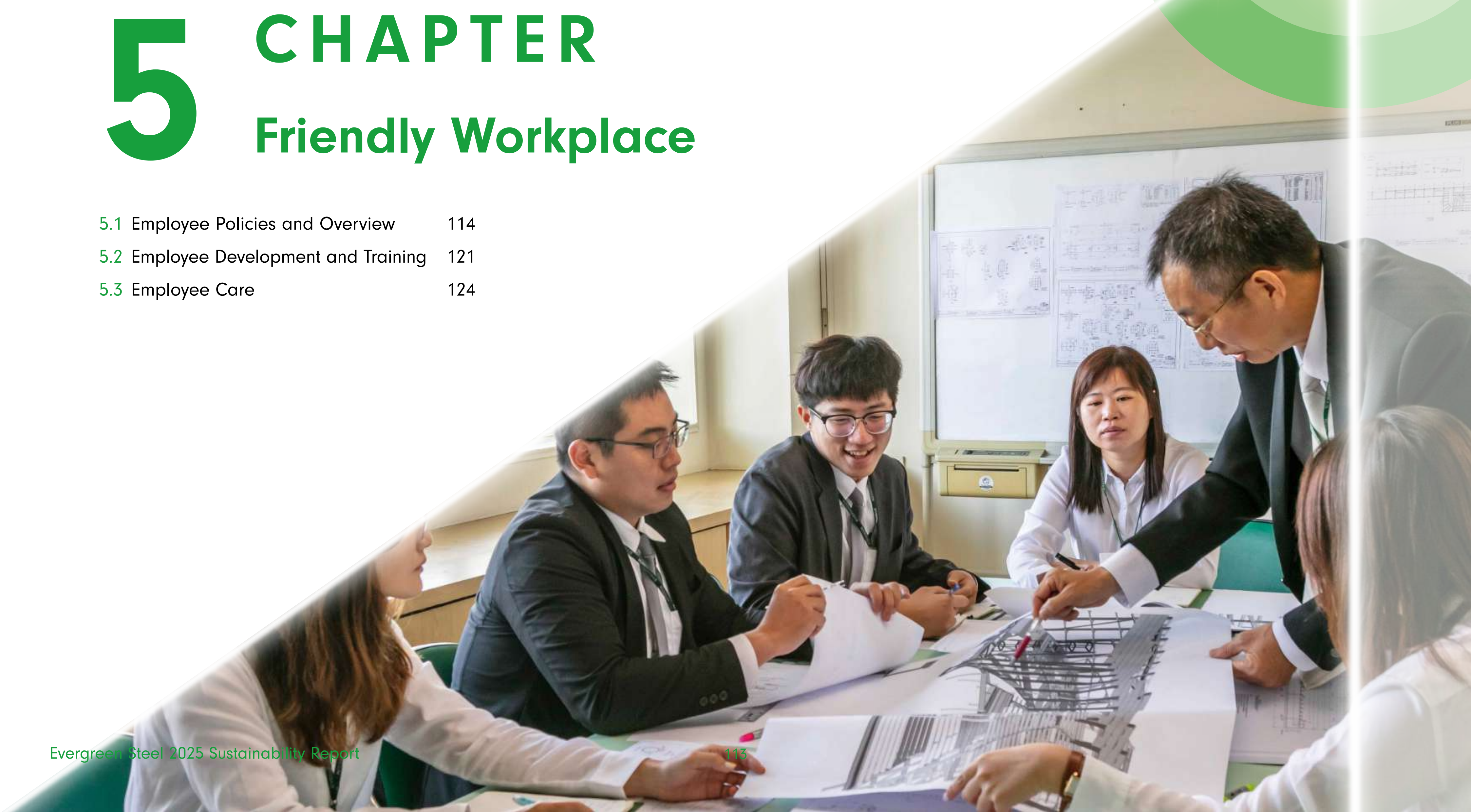


5.1 Employee Policies and Overview

Human Rights Policy

Evergreen Steel is committed to the principles of gender equality and non-discrimination. In its talent recruitment practices, the Company does not discriminate on the basis of gender, race, age, marital status, family status, or any other protected characteristics. The Company strictly prohibits child labor and any form of forced or compulsory labor in accordance with applicable laws and regulations, and relevant requirements are clearly stipulated in its internal management regulations. Equal standards are applied to all employees, regardless of gender, with respect to training opportunities, compensation, and promotion.

To safeguard the fundamental human rights of employees and stakeholders, the Company supports and follows the principles set forth in the Universal Declaration of Human Rights and respects internationally recognized human rights principles. Guided by these principles, the Company has established a Human Rights Policy covering the provision of a fair, diverse and inclusive workplace, respect for workplace human rights, the provision of a safe and healthy workplace, and the protection of information security. In 2025, the Company reported no incidents or grievances related to discrimination, and there were no cases involving child labor or forced labor.

To promote harmonious labor-management relations and comply with applicable laws and regulations, the Company has established an Employee Grievance Handling Procedure. In addition, to prevent workplace sexual harassment and uphold gender equality and personal dignity in the workplace, the Company has formulated the Procedures for the Prevention, Complaint Handling, and Disciplinary Actions for Workplace Sexual Harassment in accordance with the Gender Equity Education Act, the Act of Gender Equality in Employment, the Sexual Harassment Prevention Act, and the Regulations for Establishing Measures for the Prevention of Sexual Harassment in the Workplace. The relevant policies and procedures are published on the Company's electronic information platform for employee reference. Employees may submit complaints through the dedicated grievance hotline (02-2513-5655) or via email at comment@evergreennet.com. The Company has also established a Workplace Sexual Harassment Complaint Review Committee responsible for handling and investigating related complaints.

To continuously maintain a friendly and harassment-free workplace, the Company conducted sexual harassment prevention awareness training in 2025, with a total of 479 participants and 239.5 person-hours of training. In addition, to strengthen managerial awareness and ensure compliance with relevant regulations, the Company organized an Advanced Sexual Harassment Prevention Training Program for Supervisors, with 111 participants and 222 person-hours of training.

Human Rights Due Diligence

In accordance with its Human Rights Policy and with reference to internationally recognized human rights guidelines, Evergreen Steel continues to develop a human rights due diligence framework by integrating human resource management, occupational safety and health management, and supplier management mechanisms. The objective is to identify, prevent, and mitigate potential adverse human rights impacts arising from the Company's operations and supply chain activities.

The scope of the Company's human rights due diligence covers stakeholders including employees and suppliers. Through the annual material topic assessment process, the Company identifies significant issues associated with its operations and further evaluates human rights risk areas.

Based on the assessment results, employment topics (GRI 401: Employment) primarily cover compensation and benefits, working hours management, occupational safety and health, gender equality, and employee communication. These topics serve as the basis for the Company's human rights risk management.

1. Employee Human Rights Due Diligence: The Company implements employee human rights due diligence based on the framework of Commitment, Identification, Implementation, and Monitoring, as described below:
   - Commitment: Implement the principles of fundamental human rights protection in accordance with the Company's Human Rights Policy.
   - Identification and Assessment: Identify potential human rights risks in operations and the supply chain through the annual material topic assessment process.
   - Implementation Measures:
     - Establish employee grievance and communication mechanisms, supported by dedicated handling procedures.
     - Establish policies and procedures for the prevention of workplace sexual harassment and conduct related awareness campaigns and training programs. In 2025, sexual harassment prevention training programs recorded a total of 590 participants and 461.5 person-hours of training.
     - Promote occupational safety and health and employee health management initiatives. In 2025, occupational safety and health training programs recorded 822 participants and 2,193 person-hours of training. In addition, the Company conducted 52 health consultation sessions and 12 health promotion seminars and activities.
   - Monitoring and Continuous Improvement: Continuously monitor implementation effectiveness and conduct improvements through grievance mechanisms and existing management procedures.
2. Supplier Human Rights Due Diligence: The Company incorporates human rights considerations into its supply chain management framework and strengthens supplier management through systematic processes.
   - Assessment Scope: Major suppliers and contractors.
   - Risk Identification: Assess suppliers' human rights management performance through annual self-assessment questionnaires.
   - Implementation Measures: Review questionnaire results and communicate with suppliers as the basis for management actions and improvement initiatives.
   - Monitoring Mechanism: Conduct annual assessments and continuously track implementation progress.

5.1.1 Workforce Structure

As of the end of December 2025, the Company had 678 employees. All employees are full-time and permanent, with no temporary or part-time staff, and there are no employees on contracts with no guaranteed working hours. All senior executives are Taiwanese nationals and have been promoted internally from entry-level positions. They participate in job rotation programs based on organizational and business needs.

Workforce Overview

Year	2023		2024		2025	
Age/Gender	Male	Female	Male	Female	Male	Female
Under 30	93	26	139	26	121	28
30-50	276	82	288	90	317	90
Over 50	103	23	100	23	95	27
Subtotal	472	131	527	139	533	145
Total	603		666		678	

Note 1: The employee headcount presented herein covers employees in Taiwan only. The male workforce includes 190 migrant workers.
Note 2: The Company has no employees of other genders or employees whose gender is undisclosed.
Note 3: All employees of the Company are permanent full-time employees. The Company does not employ temporary employees, part-time employees, or employees with no guaranteed hours.
Note 4: Employee: An individual who is in an employment relationship with the Company according to national law or practice.
Note 5: Permanent employee: An employee with an employment contract of indefinite duration.
Note 6: Temporary employee: An employee with an employment contract of limited duration that ends when a specific time period expires, or when a specific task or event is completed.
Note 7: Full-time employee: An employee whose working hours are defined according to national laws or practice regarding working time. In Taiwan, working hours shall not exceed 8 hours per day and 40 hours per week.
Note 8: Part-time employee: An employee whose working hours are less than those of a comparable full-time employee.
Note 9: Employee on a contract with no guaranteed hours: An employee who has no guaranteed minimum or fixed number of working hours per day, week, or month, but may be required to be available for work as needed.

Item	Year	2023		2024		2025	
	Age	Male	Female	Male	Female	Male	Female
Senior Executives	Under 30	0	0	0	0	0	0
	30-50	2	1	2	1	2	0
	Over 50	20	5	21	5	19	6
	Subtotal	22	6	23	6	21	6
	Total	28		29		27	
Managerial	Under 30	0	0	0	0	0	0
	30-50	25	8	32	7	35	7
	Over 50	30	3	27	4	29	4
	Subtotal	55	11	59	11	64	11
	Total	66		70		75	
Non-managerial	Under 30	93	26	139	26	121	28
	30-50	249	73	254	82	280	83
	Over 50	53	15	52	14	47	17
	Subtotal	395	114	445	122	448	128
	Total	509		567		576	
Grand Total		603		666		678	

Note: Senior executives are at manager level or above, and all are Taiwan residents.

2025 Employment of Disadvantaged and Underrepresented Groups

To support Taiwan's Diversified Employment Development Program and comply with the People with Disabilities Rights Protection Act and other applicable labor regulations, the Company actively employs disadvantaged and underrepresented groups in accordance with relevant legal requirements as part of its commitment to fostering an inclusive workplace.

Age	Male	Female	Total
Under 30	0	1	1
30-50	6	1	7
Over 50	4	0	4
Total	10	2	12

Note 1: Disadvantaged and underrepresented groups refer to individuals or groups with specific economic, physical, political, or social characteristics who may be more vulnerable to adverse impacts arising from organizational activities than the general population.

Note 2: The Company fully complies with the statutory employment requirements for disadvantaged and underrepresented groups.

Non-Employee Workers

Non-employee workers refer to individuals who work for the Company but are not officially employed by the Company. These are contractors engaging in various types of work such as cleaning, security, catering, steel structure processing, scrap handling, container maintenance, and construction site steel structure installation. In 2025, there were a total of 896 non-employee workers, remaining generally stable compared with the previous year.

Operation Site	Non-employee Workers		2025 Percentage
	2024	2025	
Taipei Head Office	2	2	0.22%
Hsinchu Factory	87	84	9.38%
Xinying Factory	711	738	82.37%
Kaohsiung Factory	68	72	8.03%
Total	868	896	100%

5.1.2 Talent Recruitment and Turnover

Employees are the Company's most important asset, as well as the main driving force of sustainable growth. When new employees join the Company, we provide pre-employment training, which includes an introduction of the workplace of each department and organization, the Company's corporate philosophy, code of conduct and ethical standards, ethical corporate management and code of conduct, an introduction to key HR policies, employee benefits and management systems and human rights policies, sexual harassment prevention, information system operations, occupational safety and health, and other basic guidelines to help new employees adapt quickly to the workplace. In 2025, 84 employees joined the Company. Among them are 12 female employees and 72 male employees (including migrant workers).

New Hires

Year	2023		2024		2025	
Age/Gender	Male	Female	Male	Female	Male	Female
Under 30	48	7	88	7	33	8
30-50	42	13	47	9	39	3
Over 50	1	0	1	0	0	1
Total	111		152		84	
Employees	603		666		678	
Hire Rate	18.41%		22.82%		12.39%	

Employee Turnover

Year	2023				2024				2025			
Gender	Male		Female		Male		Female		Male		Female	
Age	Headcount	%	Headcount	%	Headcount	%	Headcount	%	Headcount	%	Headcount	%
Under 30	21	22.58	6	23.08	28	20.14	2	7.69	24	19.83	1	3.57
30-50	28	10.14	5	6.10	41	14.24	5	5.56	32	10.09	5	5.56
Over 50	12	11.65	1	4.35	12	12.00	1	4.35	10	10.53	0	0
Total	61	12.52	12	9.16	81	15.37	8	5.76	66	12.38	6	4.14
Employees	603				666				678			
Turnover Rate	12.11%				13.36%				10.62%			

Note: Following the lifting of COVID-19 restrictions in May 2023, turnover among international migrant workers increased significantly in 2024. Employee departures increased by 20 compared with 2023, primarily driven by greater labor mobility and expanded employment opportunities. As workforce conditions stabilized in 2025, the employee turnover rate decreased accordingly.

Freedom of Association and Collective Bargaining

Neither the Company nor its suppliers had labor unions or collective bargaining agreements in place during 2025. However, in order to respect the freedom and rights of employees to associate, we regularly hold labor-management meetings as a platform for coordination and communication, ensuring the protection of workers' rights and interests.

The Company values human rights and complies with labor-related laws and regulations, and constructs multiple grievance channels, which are handled by supervisors of all levels and the human resources unit, while also establishing complaint handling measures to make sure that all complaints are handled in a timely and confidential manner, ensuring smooth channels of communication between employees and supervisors.

2025 Employee Satisfaction Survey

The Company has long utilized various communication channels, as well as regular and ad hoc meetings and interviews, to listen to and gather feedback from our colleagues. This feedback is then analyzed by the Human Resources Department and relevant managing authorities to formulate and implement improvement measures. To strengthen the two-way labor-management communication mechanism, starting from 2025, in addition to using the aforementioned channels for formal and comprehensive surveys, the Company has expanded the implementation of rotating employee forums across departments. By directly and proactively engaging with colleagues to gather their feedback, the management can respond to employees' needs more swiftly and accurately, and take appropriate corrective actions.

Survey Period	2025.01.01~2025.12.31
Target Respondents/ Total Count/ Coverage Rate	All domestic employees, 488 people in total, with a 100% coverage rate. Note: Considering that the job nature of international migrant workers differs from that of domestic employees, different appointment and management practices apply. Therefore, the 2025 survey and analysis primarily focused on domestic employees, and the coverage rate was calculated based on domestic employees.
Responsible Units	Human Resources Department and relevant management units
Communication Channels and Frequency	• Routine: Grievance Handling Procedures (Announced), Internal Communication Hotline/ Suggestion Box • Monthly: Company Operations Meetings, Departmental/Factory/Section Meetings • Quarterly (or Ad Hoc): Labor-Management Committee Meetings, Occupational Safety and Health Management Committee/Employee Welfare Committee • Annually (or Ad Hoc): Employee Performance Review Interviews, Promotion Interviews, Departmental Employee Forums (implemented since 2025) • Ad Hoc: New Hire Orientation Forums, Exit Questionnaires and Interviews
Survey Results and Improvements	The employee feedback collected this year was categorized into five major areas: "Compensation and Benefits," "Workplace Safety and Sustainable Operations," "Management Systems and Process Improvement," "Career Development and Education and Training," and "A Friendly Workplace and Labor-Management Communication." Following analysis and deliberation by the Human Resources Department and relevant responsible units, a total of 41 enhancement and improvement measures were planned. Among these, 31 concrete measures were implemented in 2025, including comprehensive salary structure adjustments; the establishment of a performance-based reward system; diversification of holiday gifts; upgrades to office equipment and computer hardware/software; the provision of cold-weather jackets for construction site and maintenance personnel; process simplification projects for attendance management, promotion, training, and employee welfare procedures; AI and emerging technology application courses; group travel programs for employees and their family members; and employee forums and social gatherings. The remaining 10 measures are still under deliberation or in progress.
Overall Satisfaction Rate	The implementation rate of the improvement measures implemented in 2025 serves as the indicator for employee satisfaction for the year. The average overall satisfaction rate was 75.6% (31/41).

The Company will continue to leverage its internal labor-management communication mechanisms to regularly review processes and systems, listen to and respond to our colleagues' feedback, substantially enhance employee well-being, and cultivate a friendly workplace environment. In 2025, the Company incurred no losses resulting from labor disputes.

5.1.3 Salary and Benefits

The Company ensures that the basic salaries of all employees are no lower than the statutory minimum wage. Compensation is determined based on employees' educational background, professional skills, and experience, and is not differentiated by gender, geographic location, ethnicity, political affiliation, or any other non-job-related factors. Appropriate compensation structures are established for different professional and job levels. Base salaries, allowances, performance bonuses, and other remuneration are provided in compliance with the Labor Standards Act and applicable regulations. The Company also regularly benchmarks compensation practices against industry standards to ensure overall remuneration remains competitive in the labor market. When annual profits are generated, the Company allocates at least 0.5% of annual profits as employee compensation in accordance with its Articles of Incorporation, with no less than 60% of such compensation reserved for frontline employees. In addition, year-end bonuses and on-site operation bonuses are awarded based on the Company's operating performance and employees' individual performance to recognize and reward their contributions. Furthermore, ESG-related performance indicators, including environmental protection, energy conservation and carbon reduction, resource recovery, green procurement and supply chain management, occupational safety and health, and information security, are incorporated into the overall performance evaluation and remuneration framework. This approach encourages employees to contribute to the achievement of the Company's sustainability targets and long-term sustainable development.

Country/Region	Ratio of the annual total compensation of the highest-paid individual to the median annual total compensation of employees (excluding the highest-paid individual)	Ratio of the percentage increase in annual total compensation of the highest-paid individual to that of employees (excluding the highest-paid individual)
Taiwan	5.57	0.68

Note 1: The Chairman is not counted as the highest-paid individual unless the Chairman also serves as the general manager/CEO.
Note 2: Formula for calculating the ratio of total annual compensation of the highest-paid individual to the median of total annual compensations of employees: Total Annual Compensation of Highest-Paid Individual/Median of Total Annual Compensations of Employees.
Note 3: Formula for calculating the ratio of increases in total compensations: Percentage of Increase in Total Annual Compensation of the Highest-Paid Individual/Percentage of Increase in the Median of Total Annual Compensations of Employees.
Note 4: The median of employees' total annual compensation in 2025 increased compared to 2024.

Compensation Ratios of Different Categories	Employee		Compensation Ratio	
	Female	Male	Female	Male
Senior Executives	6	21	1	0.88
Managerial and Supervisory Employees	11	64	1	0.93
Non-managerial Employees	128	448	1	0.80

Note 1: Total Employees comprise senior executives, managerial and supervisory employees, and non-managerial employees.
Note 2: Ratio of Male to Female Compensation (Annual Salary): Average Annual Compensation of Male in the Category ÷ Average Annual Compensation of Female in the Category.

Employee Cash Compensation Approved by the Board of Directors in the Past Three Years

Year	2023	2024	2025
Employee Cash Compensation (NT$)	20,450,000	15,000,000	21,000,000

2025 Salary Ratio

Item	Gender Pay Ratio (Male : Female)	Local Minimum Wage (The Company's Salary to the Local Minimum Wage)
Average Salary of Non-management Employees	1 : 1	1 : 1.47

Note 1: Male and female employees receive equal pay for equal work and the ratio is 1 : 1.
Note 2: Local minimum wage (statutory minimum wage): NT$28,590 in 2025.

Average Compensation of Non-Managerial Employees

Item	2024	2025	Difference
Full-time Non-management Employees	603	651	48
Total Salary of Full-time Non-management Employees	633,668,906	704,048,587	70,379,681
Average Salary of Full-time Non-management Employees	1,050,861	1,081,488	30,627
Median Salary of Full-time Non-management Employees	1,021,099	1,063,255	42,156

Note 1: Non-management Employees: Refers to a regular employee who is not included in the definitions of "manager" based on the regulations of the competent authority. The scope is consistent with the disclosure regarding insiders (managers) in the Company's filing and the annual report for the shareholders' meeting.
Note 2: Full-time Employees: Refers to those who work the normal working hours or legal working hours stipulated by the Company and does not include part-time employees.
Note 3: Full-time Non-management Employees excludes those employed for less than six months during the reporting year. This differs from the total headcount disclosed in the report, which is based on active employees as of December 31.
Note 4: Total salary: Refers to employees' total income from salary recognized when they are due on an accrual basis. It includes recurring salary (basic salary and fixed monthly allowances and bonuses), overtime pay (whether taxable or tax-exempt), and non-recurring salary (allowances, bonuses, employee compensation, etc. not distributed on a monthly basis), but does not include severance pay and pension. Except for the employee remuneration (cash or stocks) distributed in accordance with the Company's Articles of Incorporation which must be included in the total salary, the estimated share-based payments (e.g., transfer or employee subscription warrants to employees) are not included.
Note 5: The figures in the table above were calculated based on the employees' salaries in 2024 and 2025.
Note 6: Disclosure path: Data on full-time non-managerial staff salaries can be found on the Taiwan Stock Exchange Public Information Observatory under: Summary Reports → Corporate Governance → Employee Welfare & Compensation Statistics → "Full-time Non-managerial Employees' Salary"

Minimum Notice Periods Regarding Operational Changes

The Company may terminate a labor contract in one of the following situations:

- Where the employer's business is suspended, or has been transferred.
- Where the employer's business suffers operating losses, or business contractions.
- Where force majeure necessitates the suspension of business for more than one month.
- Where the change of the nature of business necessitates the reduction of workforce and the terminated employees cannot be reassigned to other suitable positions.
- A particular worker is clearly not able to perform satisfactorily the duties required of the position held.
- When other reasons of termination of labor contract arise.

Where an employer terminates a labor contract the provisions set forth below shall govern the minimum period of advance notice:

- Where a worker has worked continuously for more than three months but less than one year, the notice shall be given ten days in advance.
- Where a worker has worked continuously for more than one year but less than three years, the notice shall be given twenty days in advance.
- Where a worker has worked continuously for more than three years, the notice shall be given thirty days in advance.

5.2 Employee Development and Training

5.2.1 Talent Cultivation

The Company places great importance on employees' physical and mental well-being, workplace safety, environmental protection, and compliance with ethical standards and workplace conduct. To support employee growth and sustainable corporate development, the Company has established a comprehensive training and development system that provides employees with comprehensive learning opportunities. As our employees are our most valuable asset, we respect their rights and value their opinions while placing particular emphasis on occupational safety and health. By fostering a safe and healthy workplace and supporting employees' professional and personal development, the Company strives to create a workplace where employees can work with satisfaction, realize their potential, and contribute to a harmonious and mutually beneficial labor-management relationship.

Employee training programs are divided into pre-employment training and on-the-job training. For new employees, the Human Resources Department arranges orientation programs covering organizational structure and departmental functions, workplace environment introduction, corporate culture and business philosophy, professional ethics, integrity management and codes of conduct, key personnel policies and management systems, human rights policy, sexual harassment prevention, employee benefits, information system operation, and occupational safety and health requirements.

Through education and training, employees can enhance their professional competencies while also supporting the Company in obtaining project qualifications, contractor qualifications, professional licenses, and certifications. By providing diverse learning resources, the Company helps employees strengthen professional expertise, unlock their potential, enhance employability, and support competency development and lifelong learning.

Based on the operational requirements of each business unit and regulatory requirements related to occupational safety and health, fire safety, and other professional qualifications, the Company fully subsidizes employees in obtaining relevant licenses and certifications. In 2025, employees obtained a total of 120 certifications. The number and major categories of certifications obtained over the past three years are presented below.

Unit: Certificates

Certification Category	2023	2024	2025
Professional Skills (Including Non-Destructive Testing, Steel Structure Assembly, Environmental Safety ... etc.)	30	33	43
Safety and Health (Including Occupational Safety, Emergency Rescue, Disaster Prevention ... etc.)	86	47	40
Machinery Operation (Including Crane, Forklift ... etc.)	42	43	37
Total	158	123	120

Employee Education, Training, and Implementation Status

Pre-employment training for new employees

The Human Resources Department is responsible for organizing pre-employment training for new employees upon onboarding. Training topics include introductions to departmental functions and working environments, corporate culture and business philosophy, professional ethics, ethical corporate management and codes of conduct, key HR policies and management systems, human rights policies, sexual harassment prevention, employee benefits, information system operations, occupational safety and health, and other essential workplace guidelines. The program is designed to help new employees become familiar with and adapt to the working environment. In 2025, a total of 84 new employees (including migrant workers) participated in the onboarding training program, which was arranged on their first day of employment, with a total of 672 person-hours of training provided.

On-the-job training for employees of each department

To support the Company's long-term development, operational needs of each department, and regulatory requirements applicable to various professional positions, each department prepares its employee training plan and budget for the following year at the end of each year. The plans are implemented upon approval and cover a wide range of training programs, including general, professional, and managerial competency development. The Company conducts quarterly reviews of training implementation progress and adjusts training measures as necessary to ensure effective execution of the plans and enhance overall training effectiveness. In 2025, a total of 683 participants were recorded, with a total of 3,776 person-hours of training.

Occupational safety and health, and health talks

The Occupational Safety and Health Management Department, the Supervisory Department (Supervisory Section), and the medical unit periodically organize education and training programs covering traffic safety, first aid, fire and earthquake emergency response drills, as well as health promotion topics such as healthcare, food safety, and stress management. In 2025, a total of 822 participants were recorded, with 2,193 person-hours of training provided.

Corporate Governance

To enhance the overall sound corporate governance and regulatory compliance, the Company provides training covering ethical conduct and integrity, internal control and management systems, information security, legal compliance, and risk identification and response. These programs help the Company balance business performance with corporate responsibility. In 2025, a total of 2,525 participants were recorded, with 2,929 person-hours of training.

Language Learning Subsidies

To encourage employees to continuously enhance their language proficiency, the Company provides subsidies for continuing education expenses. In addition, in support of the internal promotion system, each employee is eligible for a subsidy for one TOEIC examination fee. In 2025, a total of 27 participants received continuing education subsidies, with total subsidies amounting to NT$45,900.

2025 Training Performance

Category	Description	Performance
Professional Competencies	Professional training courses of each unit, necessary knowledge/skills for work, relevant certificates, refresher training, etc.	683 participants 3,776 person-hours $992,540
Management Competencies	Management knowledge, leadership, communication and coordination, problem-solving skills, etc.	6 participants 152 person-hours $236,000
Safety and Health	Including occupational safety, first aid, fire safety, occupational traffic safety, and health talks.	822 participants 2,193 person-hours $258,661
Corporate Governance	Including ethics, internal control and management, information security, legal compliance, risk management and Corporate sustainability.	2,525 participants 2,929 person-hours $173,300
Pre-Employment Training for New Employees	Department organization, corporate culture, business philosophy, professional ethics and integrity, ethical corporate management, HR benefit system, human rights protection, sexual harassment prevention,information system, and occupational safety and health guidelines.	84 participants 672 person-hours $0

Participants 4,120 person-times | **Training Hours** 9,722 person-hours | **Training Expenses** NT$1,660,501

Note: For details of training programs for occupational safety and health professionals, please refer to Chapter 5.3.2.

Average Training Hours per Employee

Year	2023	2024	2025 Note2
Total Employees	603	666	678
Training Hours (person-hours)	8,672.5	10,730	9,722
Average Training Hours per Employee (hours/person)	14.4	16.1	14.3

Note 1: Total training hours were calculated by multiplying the duration of each group training session by the total participants.
Note 2: Information restatement: The total training participants was recalculated based on all employees, excluding the Chairman.

Average Training Hours by Employee Category

Item/Category	Managerial		Non-Managerial	
Unit/Gender	Male	Female	Male	Female
Total Employees	85	17	448	128
Training Hours (person-hours)	1,618	431	6,002	1,671
Average Training Hours per Employee (hours/person)	19.04	25.35	13.4	13.05

Note 1: Total Employees = Managerial + Non-Managerial.
Note 2: Information restatement: The total training participants was recalculated based on all employees, excluding the Chairman.

Advanced Sexual Harassment Prevention Training for Supervisors

Industrial Engineering (IE) Work Study and Improvement Practices Course

Performance Management and Development

To ensure a fair, objective, and transparent performance evaluation of employees' job competencies, performance, and conduct, supervisors at all levels are responsible for continuously documenting employees' work performance, professional conduct, and professional attitude. Performance evaluations are conducted annually in March and September to assess performance outcomes. All employees are evaluated based on their job grade and the aforementioned evaluation principles, without distinction based on gender. All evaluation records are kept confidential by the Human Resources Department and are not disclosed except to the evaluator and authorized Human Resources personnel. Evaluation results serve as references for promotions, salary adjustments, and year-end bonus allocations, and also provide an important basis for talent development and employee growth. The performance evaluation distribution is presented below:

Item	Managerial	Non-Managerial
Percentage of Male Employees Evaluated	100%	100%
Percentage of Female Employees Evaluated	100%	100%

Note 1: For newly hired employees, performance evaluations are conducted jointly by the employing department and the Human Resources Department prior to the completion of the probation period. Evaluation criteria include job performance, work handling capability, sense of responsibility, diligence, compliance and teamwork, conduct, professional knowledge and skills, physical fitness and appearance, integrity, and initiative.

Note 2: The Company had 85 male and 17 female managerial employees, and 448 male and 128 female non-managerial employees, for a total workforce of 678 employees.

Note 3: The total employees, employees subject to evaluation, and employees actually evaluated were identical, with no employees excluded from the evaluation process.

5.3 Employee Care

5.3.1 Diverse Benefits

Employee Benefits

Evergreen Steel is committed to maintaining a rational and compliant system for all employment-related matters. Attendance, leave, retirement, and related practices are handled in accordance with the provisions of the Labor Standards Act. Additionally, annual bonuses are granted based on the Company's operational performance and individual performance evaluations. Under a well-structured personnel and welfare system, the Company enjoys a sound and harmonious labor-management relationship. Key agreements and employee rights protections are outlined as follows:

Item	Description
Leave	Two days off per week (for employees who are required to take shifts due to business requirements, the days off are not always on Saturdays and Sundays).
Special Leave	Employees may apply for paid leave after they work at the Company for six months. The number of days of paid leave increases with seniority.
Insurance	Labor insurance, national health insurance, group accident insurance, employees' medical insurance for foreign travel hospitalization and injuries, and discounts for group life insurance policies.
Employee Meals	The Company provides free nutritious and nutritious lunches and meals (or expense payments) for overtime work.
Healthcare	The medical unit provides medical consultation, workplace health promotion and health management as well as free regular health examinations.
Leisure Benefits	Employees receive discounted accommodation at domestic and overseas hotels.
Performance-based Bonuses	Operational performance bonuses, year-end bonus, and employee remuneration.
Benefits Provided by the Employee Welfare Committee	Marriage gifts and funeral allowances, injury and illness consolation payments, festival gifts and cash gifts, birthday gifts, group travel subsidies, language training subsidies, and childbirth subsidies (effective January 1, 2026).

To encourage employees to fully embody the "Evergreen Spirit" in their daily work, the Company organizes an annual Outstanding Employee Recognition Program. Each department nominates candidates, and outstanding employees who best demonstrate the values of "Challenge, Innovation, and Teamwork" and serve as role models for all employees are selected through a joint evaluation process. The selected employees are publicly recognized and presented with plaques and gift vouchers. In addition, the Company organizes retirement farewell events and presents commemorative gifts to retiring employees in recognition of their dedication and contributions throughout their service.

To enhance employee benefits and help alleviate childcare-related financial burdens, the Company introduced a Childbirth Subsidy Program in 2026. Under the program, employees or their spouses who have a child during the year are eligible to receive a subsidy of NT$10,000 for each newborn child. The program is intended to provide tangible support for employees' family care needs and further promote employee well-being and a family-friendly workplace. As of the first quarter of 2026, a total of two employees (or their spouses) had met the eligibility requirements, and subsidies totaling NT$20,000 had been granted.

In addition, to foster interaction and strengthen relationships among employees, while encouraging healthy outdoor recreational activities, the Company organizes group travel programs for employees across different regions. These activities provide opportunities for employees and their family members to gather together, enhance interpersonal connections, and promote physical and mental well-being.

Recognition of Model Employees
-Steel Structure Business Div.

Recognition of Model Employees
-Steel Structure Business Div.

Presentation of Souvenirs to Retiring Employees

Recognition of Model Employees- Container Dept.

Employee Group Travel Program-Taipei Head Office

Employee Group Travel Program – Hsinchu Factory

Employee Group Travel Program – Xinying Factory

Employee Group Travel Program – Xinying Factory

Employee Group Travel Program – Kaohsiung Factory

Pension System

The Company's Labor Pension Supervisory Committee was established on January 23, 1987, and was approved by the Taoyuan County Government under Letter No. (76) Fu-She-Lao-Zi No. 10389. The Company has established the Employee Retirement Regulations, in accordance with Article 2 of the Regulations for the Allocation and Management of Labor Retirement Reserve Funds, contributes an amount equivalent to 6% of total monthly payroll to the labor retirement reserve fund account maintained with the Bank of Taiwan. The retirement reserve fund account has been fully funded in accordance with regulatory requirements. As of December 31, 2025, the balance of the labor retirement reserve fund account maintained with the Bank of Taiwan totaled NT$380,839,413. Based on actuarial valuation results, the reserve fund is sufficient to meet future employee retirement obligations.

According to the Labor Pension Act, the employer shall pay 6% of the employees' monthly salary as the pension reserve fund to the employees' personal pension account for all employees who opt for the pension system under the Act starting from July 1, 2005.

Parental Leave

The Company proactively complies with government policies, encouraging childbirth, as well as those eligible to apply for parental leave. All regulations regarding employees' unpaid parental leave are established in accordance with government regulations.

Parental Leave and Return-to-Work Status

Year/Gender	2023		2024		2025	
	Male	Female	Male	Female	Male	Female
Employees Eligible for Parental Leave	9	9	7	7	3	6
	18		14		9	
Applicants for Unpaid Parental Leave in the Current Year (A)	1	2	0	2	0	2
	3		2		2	
Employees Reinstated from Unpaid Parental Leave in the Current Year (B)	1	1	0	2	0	2
	2		2		2	
Employees Returning to Work from Parental Leave in the Current Year (C)	1	1	0	2	0	2
	2		2		2	
Employees Returning to Work from Parental Leave in the Previous Year (D)	0	2	1	1	0	2
	2		2		2	
Employees Reinstated from Parental Leave in the Previous Year and Have Worked Continuously for at Least One Year (E)	0	2	1	1	0	2
	2		2		2	
Reinstatement Rate After Parental Leave in the Current Year % (C/B)	100	100	-	100	-	100
	100		100		100	
Retention Rate after Parental Leave in the Current Year % (E/D)	-	100	100	100	-	100
	2		100		100	

Note: In 2025, two female employees returned from parental leave but their reinstatement was less than a year, and one female employee is expected to return in 2026.

5.3.2 Occupational Safety and Health System

Evergreen Steel is committed to preventing work-related injuries and health hazards and providing employees with a safe and healthy workplace. The Company has established an occupational safety and health management system covering workers engaged in operations at the Xinying Factory, Hsinchu Factory, and affiliated construction sites. Evergreen Steel obtained OHSAS 18001 and CNS 15506 certification in 2015 and successfully transitioned to ISO/CNS 45001:2018 certification in 2019. To verify the implementation and effectiveness of the management system, the Company conducts annual internal and external audits. Through the continual operation of the PDCA cycle, Evergreen Steel continuously improves its occupational safety and health performance and fosters a safe, healthy, and safe and healthy workplace.


CERTIFICATE
OF CONFORMITY
ISO 45001:2018/CNS 45001:2018


CERTIFICATE
OF CONFORMITY
ANNEX

Occupational Safety & Health Certificate

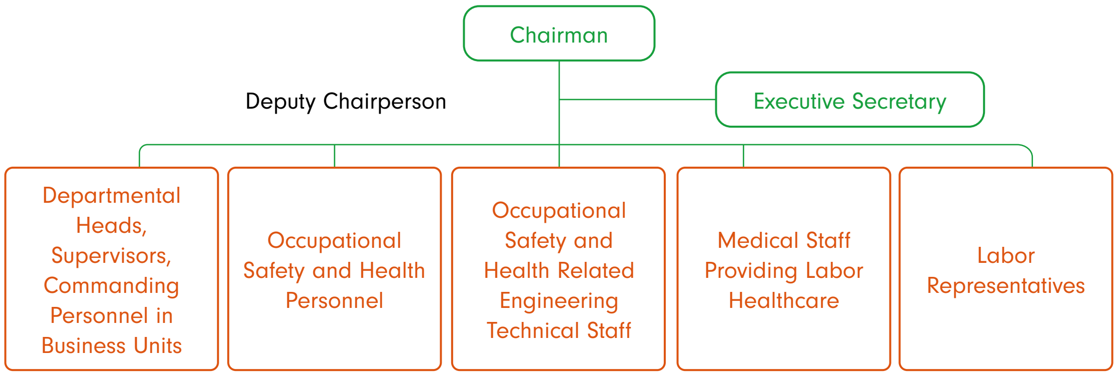
- ISO 45001:2018/CNS 45001: 2018
- Valid period: December 24,2028

In accordance with the requirements of ISO 45001:2018, the Company incorporates all workers engaged in operations at the Xinying Factory, Hsinchu Factory, and affiliated construction sites into the scope of its occupational health and safety management system through established management procedures. The system covers both employees and non-employee workers whose work and/or workplace is under the Company's control. The proportion of workers covered by the management system is shown below.

Location	Employees	Contractors	Total Workforce	Percentage of Total Workforce
Xinying Factory	362	341	703	51%
Hsinchu Factory	105	84	189	14%
Construction Sites	128	366	494	35%
Total	595	791	1,386	100%

Occupational Safety and Health Committee

To ensure the effective implementation of occupational safety and health management, Evergreen Steel has established an Occupational Safety and Health Committee in accordance with applicable occupational safety and health regulations. The Committee is responsible for providing recommendations on occupational safety and health policies, as well as reviewing, coordinating, and advising on occupational safety and health-related matters. Its members include occupational safety and health personnel, department managers, engineering and technical personnel, medical personnel, and labor representatives. Labor representatives comprise more than one-third of the Committee membership (5 out of 9 members), ensuring effective labor-management communication and worker participation in occupational safety and health matters. The Committee's organizational structure is presented below.



The Occupational Safety and Health Committee holds quarterly meetings, with a total of four meetings were held in 2025. During these meetings, various topics related to occupational safety and health reviewed, including prevention measures for electrical disasters (welding, maintenance, power outages, etc.), operational safety measures for forklifts and hazardous machinery, falling and flying object prevention measures, and procedures for component stacking operations. The meetings also reviewed the implementation of the 2025 occupational safety and health targets and approved the 2026 safety and health policy and annual targets.

		Targets	Performance
Safety First	Occupational fatalities	• 0 case	• Hsinchu Factory 0 case • Xinying Factory 0 case • Kaohsiung Factory 0 case • Construction Sites 0 case
Safety First	Hospitalized injuries	• Hsinchu Factory ≤ 2 cases • Xinying Factory ≤ 2 cases • Kaohsiung Factory ≤ 0 case • Construction Sites ≤ 2 cases	• Hsinchu Factory 0 case • Xinying Factory 0 case • Kaohsiung Factory 0 case • Construction Sites 1 case
Eliminate Hazards	Pass rate for working environment monitoring	• 100%	• 100%
Education and Training	Certification rate for safety and health supervisors (section-level managers)	• 100%	• 100%
Health and Safety	Health seminars	• Hsinchu Factory ≥ 2 sessions • Xinying Factory ≥ 2 sessions • Kaohsiung Factory ≥ 1 session	• Hsinchu Factory 3 sessions • Xinying Factory 4 sessions • Kaohsiung Factory 1 session
Health and Safety	Health promotion activities	• ≥ 1 event	• Hsinchu Factory 1 event • Xinying Factory 2 events • Kaohsiung Factory 1 event
Health and Safety	Minor injuries/property damage incidents	• Hsinchu Factory ≤ 6 cases • Xinying Factory ≤ 9 cases • Kaohsiung Factory ≤ 2 cases • Construction Sites ≤ 6 cases	• Hsinchu Factory 3 cases • Xinying Factory 5 cases • Kaohsiung Factory 1 case • Construction Sites 10 cases

Hazard Identification and Risk Assessment

Evergreen Steel has established safety and health assessment criteria in accordance with the ISO/CNS 45001:2018 Occupational Health and Safety Management System. Hazard identification and risk assessment for each department are conducted by department supervisors and qualified personnel who have received appropriate occupational safety training. These assessments are reviewed annually at year-end, and improvement or control measures are proposed as necessary. Hazard identification and risk assessment activities are also carried out whenever there are changes to equipment or production processes, following occupational injury incidents, or when corrective actions are required to address nonconformities, ensuring that risks remain within acceptable levels. As near misses are considered an important indicator of potential risks, whenever an occupational incident occurs, the Company activates its occupational health and safety management system to conduct incident reporting, root cause investigations, and the implementation of corrective and improvement measures. Follow-up actions are continuously monitored until their effectiveness has been verified.

To eliminate potential hazards and enhance occupational safety and health performance, Evergreen Steel has established the Factory Safety, Health and 6S Promotion Reward and Disciplinary Regulations to encourage employees to proactively identify issues, improve the working environment, and fulfill their responsibilities for self-management of occupational safety and health. In accordance with Article 18 of the Occupational Safety and Health Act, employees who reasonably believe that there is an imminent and serious danger while performing their duties may stop work and evacuate to a safe location, provided that doing so does not endanger other workers, and shall immediately report the situation to their direct supervisor. The Company shall not dismiss, transfer, withhold wages during the work stoppage period, or otherwise impose unfavorable treatment on employees exercising such rights. However, this protection shall not apply where an employee is found to have abused the right to stop work, as determined by the competent authority and in accordance with applicable labor laws and regulations.

Disaster Risk Management

To strengthen risk control and implement self-management of loss prevention, the Occupational Safety and Health Department and the General Affairs and Supervision Unit require departments responsible for assets and equipment to conduct quarterly self-inspections (in February, May, August, and November) and complete Damage Prevention Inspection Checklists based on the inspection results. In accordance with ISO 45001:2018, the Company has established a Hazard Identification and Risk Assessment Procedure and conducts hazard identification and risk assessment annually during the fourth quarter. Additional hazard identification and risk assessment are carried out whenever there are changes in work processes, new equipment, or working conditions. Any abnormalities or incidents must be reported and corrected promptly to ensure the proper operation of electrical, mechanical, and fire protection systems. Prior to extended holiday periods and the arrival of typhoons, the Company requires all relevant units to strengthen patrols, security measures, inspections, testing, and preparedness activities for fire protection, electrical, and emergency response equipment and facilities to ensure the safety of buildings and workplaces and prevent accidents during holiday periods. To mitigate the impacts of disasters such as extreme rainfall, typhoons, earthquakes, and fires, and to achieve its safety objectives of protecting personnel, safeguarding assets, and ensuring business continuity, the Company has implemented the following disaster risk management measures:

Risk Management Measures

1. The Company has established a Disaster Prevention and Emergency Response Plan as guidance for responding to emergencies and conducts fire and earthquake emergency response drills every six months.
2. Building structures are regularly inspected and maintained, with inspection records retained. Public building safety inspections and reporting are conducted in accordance with applicable regulations.
3. Damage prevention inspections are conducted quarterly. Improvement recommendations are provided for identified deficiencies, and follow-up inspections are performed within specified timeframes. In 2025, a total of 16 identified deficiencies were corrected.
4. Risk management seminars and related training programs are organized annually to enhance employees' risk awareness and emergency response capabilities.
5. A backup information system environment has been established to provide stable and uninterrupted information services and ensure the normal operation of all departments.
6. A self-management system for fire safety equipment has been implemented to ensure routine inspection, maintenance, and fire prevention management. Fire safety equipment inspections and reporting are conducted in accordance with applicable regulations.
7. The grounding resistance of lightning protection systems and plant electrical systems is regularly inspected by qualified external service providers.
8. Working environment monitoring and drinking water quality testing are conducted on a regular basis.

Disaster Prevention and Emergency Response Drills

Fire Drill (Safety Protection Team)

Fire Drill (Safety Protection Team)

Fire Drill (Firefighting Team)

Fire Drill (Firefighting Team)

Fire Drill (Emergency Rescue Team)

Fire Drill (Emergency Rescue Team)

Fire Drill (Evacuation Guidance Team)

Fire Drill (Evacuation Guidance Team)

Fire Drill (Notification Team)

Fire Drill (Notification Team)

Damage Prevention Inspections – Self-improvement Results

Current Condition: #618 Forklift: Abnormal brake operation and excessive wear of brake shoes.

Corrective Action: Brake shoes replaced.

Current Condition: Lighting failure in the restroom of Building F at the Xinying Factory.

Corrective Action: Light bulb replaced.

Current Condition: Damaged corrugated metal panel outside the Maintenance Section 1 workshop of Building A at the Xinying Factory.

Corrective Action: A replacement corrugated panel was cut and installed as a temporary cover.

Current Condition: Sealant tape detached from the side of the high-pressure gas storage tank.

Corrective Action: Leak inspection conducted and sealant tape replaced.

We use the aforementioned inspection measures and disaster prevention drills to strengthen employees' awareness of hazards, enhance crisis management response, and reduce and minimize risks and property loss in the event of a disaster.

Other Safety Management Measures

The Company promotes a safety and health culture for all employees and implements 6S management based on the principles of Seiri, Seiton, Seiso, Seiketsu, Shitsuke, and Safety. Safety and health inspections are conducted semi-annually for factories and construction sites and annually for office areas. Designated personnel on a rotating basis are assigned to inspect and record conditions relating to workplaces, the environment, buildings, and related facilities. Inspection results are tracked through a reward and disciplinary system to ensure timely correction of deficiencies. In addition, the Company conducts Safety, Health and 6S Performance Evaluations and recognizes outstanding units to encourage continuous improvement and continuously enhance occupational safety and health management performance.

The Company has established the Factory Occupational Safety, Health and 6S Reward and Disciplinary Regulations and the Construction Site Occupational Safety and Health Reward and Disciplinary Regulations as the basis for performance evaluations. At the Hsinchu Factory , employees are encouraged to identify issues and implement improvements during daily operations. The unit receiving first place is awarded a commemorative plaque and a cash prize of NT$20,000. At the Xinying Factory and construction sites, awards are presented to the top three performers based on their performance during the first and second half of each year, with cash prizes of NT$30,000, NT$20,000, and NT$10,000 for first, second, and third place, respectively. In addition, the Xinying Factory presents a Best Improvement Award with a cash prize of NT$10,000 to recognize significant improvements and promote continuous safety enhancement.

2025 Occupational Safety and Health/6S Implementation Evaluation

Hsinchu Factory Factory Category-First Place

Hsinchu Factory Office-First Place

Xinying Factory Construction Site Category -First Place

Xinying Factory Factory Category -First Place

Xinying Factory Factory Category -Best Improvement Award

H1

Xinying Factory Construction Site Category -First Place

Xinying Factory Factory Category -First Place

Xinying Factory Factory Category -Best Improvement Award

H2

Occupational Safety and Health Training

To ensure that occupational safety and health personnel remain informed of regulatory developments and emerging trends in occupational safety and health management, Evergreen Steel regularly assigns relevant personnel to participate in seminars and training courses organized by government authorities. In addition, the Company establishes an annual occupational safety and health training plan and conducts a variety of training and awareness activities to strengthen all workers' understanding of workplace hazards and safety requirements.

Training	Implementation Method	Participants	Training Expenses (NT$)
New Employee Occupational Safety and Health Training	Internal Training	62	0
Occupational Safety and Health Training for Migrant Workers	Internal Training	41	0
Occupational Safety and Health Supervisor Training	External Training	9	13,000
Occupational Safety and Health Officer Training	External Training	2	5,500
Oxygen-Deficient Operations Supervisor Training	External Training	1	3,300
Specific Chemical Substances Operations Supervisor Training	External Training	1	5,000
Organic Solvent Operations Supervisor Training	External Training	1	800
High-Pressure Gas Supply and Consumption Operations Supervisor Training	External Training	1	1,800
Fixed Crane Operator Certification Training (Over 3 Tons)	On-site training delivered by external instructors/ External Training	31	108,830
Slinging and Lifting Signal Person Training	External Training	6	30,000
Forklift Operator Certification Training (Over 1 Ton)	On-site training delivered by external instructors/ External Training	36	79,360
Aerial Work Platform Operator Training	External Training	2	16,000
High-Pressure Gas Specific Equipment Operator Training	External Training	7	10,000
Fire Safety Manager Training	External Training	2	5,000
First Aid Personnel Training	External Training	3	1,600
Total		205	280,190

Accident Investigation

To ensure effective management of emergency response and follow-up investigations related to occupational incidents involving employees and contractors, Evergreen Steel has established the Safety and Health Incident Management Procedure. The procedure aims to minimize losses resulting from incidents and prevent the recurrence of similar events. Upon the occurrence or discovery of an occupational incident, the responsible department, on-duty personnel, and the individual discovering the incident must immediately notify the relevant supervisor by phone or verbally communication. Depending on the nature and severity of the incident, the supervisor shall initiate occupational accident reporting procedures and make any necessary notifications to higher-level management. Following the incident, the responsible department shall complete an Accident Investigation Report, conduct incident analysis and root cause investigation, and implement corrective actions to eliminate the causes of the incident and prevent recurrence.

Occupational Injury Statistics

The Company aims to achieve zero occupational accidents in its occupational accident management. The target is used as the basis for improving safety activities in the factory. We also present monetary rewards and certificates to support zero-accident activities and commend units with outstanding performance.

Occupational Injuries of Employees

Year		2023		2024		2025	
Category		Male	Female	Male	Female	Male	Female
Total Hours Worked		658,245	188,823	716,860	194,055	741,848	202,984
		847,068		910,915		944,832	
Occupational Accidents	Fatalities	0	0	0	0	0	0
		0		0		0	
	Severe Occupational Injuries	0	0	0	0	1	0
		0		0		1	
	Recordable Occupational Injuries	2	0	4	0	2	0
				4		2	
Fatality Rate		0.00		0.00		0.00	
Severe Occupational Injury Rate		0.00		0.00		1.06	
Recordable Occupational Injury Rate		2.36		4.39		2.12	
Types of Occupational Injuries (e.g., fractures, cutting, and bruises)		• During welding operations, accidentally stepped into a gap while shifting, resulting in a sprained right ankle. (Xinying Factory) • Fell and got injured while inspecting components riding a motorcycle. (Xinying Factory)		• While moving a large electric fan, the employee's right thumb and index finger were accidentally struck by the fan blades. • While stepping on and moving box girder stiffeners, the employee slipped and fell, resulting in a strained arm from the impact. • While manually handling tie rods, the employee's wrist was accidentally crushed by a falling wooden pallet. • During material retrieval, the employee failed to notice the surroundings and accidentally bumped into a stationary overhead crane motor.		• Minor burn injury to the right forearm caused by sparks from a detached cutting torch hose during steel plate cutting. • Right-hand fracture caused by entanglement with rotating wire during drilling operations.	
Corrective Actions		• Fill out accident report according to the ISO 45001 Occupational Health and Safety Management Systems. • Included in employee safety training and awareness programs.					

Note 1: Severe Occupational Injuries refer to those occupational injuries that cannot be recovered from within six months.
Note 2: Recordable Occupational Injuries do not include occupational injuries during commuting.
Note 3: Fatality Rate = Fatalities ÷ Total Hours Worked * 1,000,000 hrs.
Note 4: Severe Occupational Injury Rate = Severe Occupational Injuries ÷ Total Hours Worked * 1,000,000 hrs.
Note 5: Recordable Occupational Injury Rate = Recordable Occupational Injuries ÷ Total Hours Worked * 1,000,000 hrs.

Occupational Injuries of Non-Employees

Year		2023		2024		2025	
Category		Male	Female	Male	Category	Male	Female
Total Hours Worked		937,861	207,971	844,728	199,144	771,168	177,360
		1,145,832		1,043,872		948,528	
Occupational Accidents	Fatalities	0	0	1	0	0	0
		0		1		0	
	Severe Occupational Injuries	0	0	0	0	0	0
		0		0		0	
	Recordable Occupational Injuries	4	0	8	0	4	0
				8		4	
Fatality Rate		0.00		0.96		0.00	
Severe Occupational Injury Rate		0.00		0.00		0.00	
Recordable Occupational Injury Rate		3.49		7.66		4.22	
Types of Occupational Injuries (e.g., fractures, cutting, and bruises)		• During lifting operations, the beam component accidentally toppled over, resulting in a crush injury to the left thigh. • While handling materials, accidentally stepped into a gap and fell, resulting in an injury. • During collaborative work to place cylindrical pipe blocks, accidentally got caught in and injured by the cylindrical pipe. • While tying chains on a hand truck, accidentally fell and got injured.		• While dismantling a safety net on the 41st floor, the worker fell and bounced off the structure, landing on the 39th floor. The worker was transported to the hospital but did not survive. • During lifting operations, improper use of the remote control caused a steel plate to strike the worker's abdomen. • While manually handling angle irons, the worker failed to check finger placement during release, resulting in a crush injury to the right index finger. • While working at the BOX assembly station, an internal partition panel toppled over, causing a shin abrasion.		• Lower leg tibial injury caused by a falling gas cylinder after slipping on a wet floor. • Right ankle sprain caused by stepping into an opening while transporting a checker steel plate. • Minor swelling of the left foot caused by collision with a plate strip during SAW operations. • Lacerations to the right index and middle fingers caused by contact with fan blades while moving an electric fan.	

Year	2023		2024		2025	
Category	Male	Female	Male	Category	Male	Female
Types of Occupational Injuries (e.g., fractures, cutting, and bruises)			• During grinding operations, metal shavings splashed and struck the left cheek, causing a minor abrasion. • While adjusting the position of a steel plate at the assembly station, the worker accidentally struck the middle finger of the right hand, resulting in bruising. • While descending a steel staircase after work, the worker stepped on a misplaced steel bar and fell. • While assisting with cleaning flatbed trailer tires, the worker turned on the water source; as the previous user had not closed the water gun, it recoiled and caused a minor injury.			
Corrective Actions	• Fill out accident report according to the ISO 45001 Occupational Health and Safety Management Systems. • Included in employee safety training and awareness programs. • During the Occupational Health and Safety Promotion Meeting, accidents that occurred and corrective measures are discussed.					

Note 1: Severe Occupational Injuries refer to those occupational injuries that cannot be recovered from within six months.
Note 2: Recordable Occupational Injuries do not include occupational injuries during commuting.
Note 3: Fatality Rate = Fatalities ÷ Total Hours Worked * 1,000,000 hrs.
Note 4: Severe Occupational Injury Rate = Severe Occupational Injuries ÷ Total Hours Worked * 1,000,000 hrs.
Note 5: Recordable Occupational Injury Rate = Recordable Occupational Injuries ÷ Total Hours Worked * 1,000,000 hrs.

5.3.3 Employee Health Management and Promotion

To foster a safe and healthy workplace and protect employees' physical and mental well-being, Evergreen Steel has established and implemented comprehensive occupational health management measures in accordance with the Occupational Safety and Health Act and the Regulations on Labor Health Protection.

Item	Implementation
Occupational Safety and Health Work Rules	Defines and promotes OSH practices through training, PPE usage, and audits to reduce exposure risks and prevent occupational diseases.
Human-Factor Hazard Prevention Plan	Based on health checkups, attendance records, and symptom surveys; suspected cases are referred for on-site physician consultations with follow-up and improvement tracking.
Prevention Project for Diseases Triggered by Excessive Workload	Employees with moderate or high risk identified via health checks and overwork questionnaires receive medical counseling and follow-up care.
Unlawful Infringement in the Performance of Duties Prevention Plan	Employees encountering physical or psychological harm at work may report via hotline (02-25135655), email (comment@evergreennet.com), or forms to HR. Reports are handled confidentially with investigation and preventive actions.
Workplace Maternal Health Protection Project	• Assesses workplace risks for eligible female employees, arranges doctor consultations, and provides education, health guidance, and preventive actions. • We provide breastfeeding rooms for female employees who need them.
First-Aid Personnel and Equipment Management	• Appoint first-aid personnel and prepare sufficient first-aid medical supplies in accordance with the Regulations on Labor Health Protection. • All operating sites have installed first-aid equipment, including automated external defibrillators (AEDs). • We set up a medical room and appointed physicians and nurses to provide medical consultations.
Employee Health Examinations	In accordance with the Regulations on Labor Health Protection, the Company arranges pre-employment health examinations for new hires, periodic general health examinations that exceed statutory requirements, and special health examinations for employees exposed to specific occupational hazards (e.g., noise and dust). In 2025, a total of 230 employees were required to undergo health examinations, achieving a completion rate of 100%.
Occupational Disease Prevention	The Company conducts semi-annual work environment monitoring for occupational hazards such as noise, dust, organic solvents, and carbon dioxide, and provides targeted health examinations and graded health management to prevent occupational diseases. No occupational disease cases were reported in 2025.
Health Consultation	Regular on-site health services provided by contracted occupational physicians and nurses. In 2025, 52 physician consultations were conducted. Based on health examination results, 48 employees were identified for health management and follow-up care, with all cases receiving medical follow-up and health guidance.
Health Promotion Activities	• Background music is played at 3:00 p.m. every workday to encourage employees to exercise and relieve stress. • Health promotion seminars are organized annually, featuring occupational health professionals and experts from various fields. In 2025, a total of seven health seminars and one first-aid training and emergency response drill were conducted. • Health promotion information and preventive health education materials are regularly disseminated to enhance employees' health awareness and encourage healthy lifestyles. A total of 17 health promotion campaigns were conducted in 2025. • Employee outings and travel activities are organized periodically to strengthen teamwork and foster employee engagement. In 2025, four employee travel events were held, with each factory organizing its own activity. • Information on performances by the Evergreen Symphony Orchestra is provided periodically to encourage employees to enjoy music and promote work-life balance. In 2025, employees were offered complimentary ticket reservations for nine orchestra concerts.

Employee Health Examinations

Evergreen Steel conducts employee health examinations in accordance with the Regulations on Labor Health Protection. Pre-employment physical examinations are provided for new hires, and periodic health examinations are conducted for employees to support the monitoring and management of their health conditions. The Company's health examination age groups, examination frequency, and examination items all exceed regulatory requirements, as shown in the comparison table below.

The Company		Regulatory Requirements	
Age	**Frequency**	**Age**	**Frequency**
Under 30	Every 5 years	Under 40	Every 5 years
30-44	Every 3 years	40-64	Every 3 years
45-64	Every 2 years		
Over 65	Every year	Over 65	Every year

In addition to standard health examinations, middle-aged and senior employees are provided with bone mineral density testing and non-invasive arterial stiffness assessments. Employees exposed to specific occupational hazards (e.g., dust and noise) also receive special health examinations. Based on examination results, employees are classified into health management categories and provided with corresponding health management measures. Employees requiring Level 2 management or above receive health guidance, occupational health consultations, and follow-up medical care. Workplace adjustments may also be arranged based on physicians' recommendations to safeguard employee health.


Annual Employee Health Examination

The Company has achieved a 100% participation rate in employee health examinations for consecutive years. The results of the 2025 health examination program are shown below.

Category	Examination Items	Employee	Examination Expenses (NT$ thousand)
General Health Examination	The health examination includes general physical examination, hearing test (using a decibel meter), routine urine test, stool test, routine blood test, liver function test, kidney function test, lipid profile test, cardiovascular disease screening, thyroid examination, tumor (cancer) markers, electrocardiogram (ECG), X-ray examination, ultrasound examination, metabolic profile test, and other functional tests.	166	654.55
Special Health Examination	In addition to general health examination items, additional checks are conducted based on specific working environments, such as noise exposure assessments or inspections for exposure to manganese and its compounds (excluding MnO and MnO3).	64	54.28
Total		230	708.83

Note 1: New employees in the current year already received the physical examination before reporting for duty and were therefore not included in the health examination.

Note 2: The Taipei Head Office is not a production unit and the Kaohsiung Factory's operations and environment are not legally defined as having special hazardous operations, and therefore do not need special health exams.

Note 3: Special health examinations are arranged for personnel in special operating environments as both the environments in the Hsinchu Factory and the Xinying Factory are legally defined as special hazardous operations.

In addition, in accordance with the Practical Guidelines for SDG Disclosure on Sustainable Workplace Health and Safety issued by the Occupational Safety and Health Administration (OSHA), Ministry of Labor, the Xinying Factory incorporated physical fitness assessments into its 2025 employee health examination program to help prevent employee obesity and encourage greater participation in physical activity.


Physical Fitness Assessments-Xinying Factory

Occupational Disease Prevention

The main health hazards associated with the production processes at the Company's Hsinchu Factory and Xinying Factory include dust, noise, and electric ophthalmia. Through personnel education and training, protective gear, labor working environment monitoring, and special health examination, the Company monitors the health of its employees. In 2025, the Company had no occupational disease cases (including cases that led to death).

Health Consultation

To safeguard employee health, the Company has established an on-site occupational health unit and implemented a Labor Health Protection Program covering the four statutory health protection programs and health promotion initiatives. The Company conducts employee health examinations that exceed regulatory requirements in both scope and frequency. Additional examination items include various cancer screenings, abdominal ultrasound examinations, and electrocardiogram (ECG) tests to provide comprehensive health protection for employees. Employees with abnormal health examination results are provided with health guidance and consultation services by on-site occupational physicians. The allocation of occupational health personnel and the frequency of on-site health services are presented in the table below.

Region	Frequency of On-site Service by Doctors	Frequency of On-site Service by Nurses
Taipei Head Office	One 2-hour session/week (via video-conferencing)	One 8-hour session/month
Hsinchu Factory	Four 2-hour sessions/year	Four 2-hour sessions/month
Xinying Factory	One 2-hour session/week	Full-time

Note 1: The Kaohsiung Factory has fewer than 50 employees, and therefore is not included in the chart.
Note 2: On-site physician service at each site is provided for 2 hours per session.
Note 3: On-site nurse service at the Taipei Head Office and Hsinchu Factory is provided for 8 hours per month.


Health Consultation by Doctors

Health Promotion

To provide employees with more health information, the Company periodically adapts to current events and provides employees health information and health promotion and disease prevention measures via email or bulletin boards. In 2025, a total of 17 such announcements were made.

Workplace Physical Activity Passport Program

Heat Injury Prevention Awareness Campaign

Summer Heat Illness Prevention Campaign

Heart and Brain Health Protection Awareness Campaign

Health Seminars and Health Promotion Activities

The Company organizes annual health seminars led by occupational physicians, occupational health nurses, and external experts. In 2025, seven health seminars and one first-aid training and emergency response drill were conducted to strengthen employees' understanding of emergency reporting procedures and enhance their ability to respond to workplace injuries and illnesses, thereby improving emergency preparedness and personnel safety.


Continuous Glucose Monitoring and Body Composition Seminar (Xinying Factory)


Metabolic Syndrome and Chronic Disease Prevention Seminar (Xinying Factory)


Workplace Violence Prevention Seminar (Xinying Factory)


First Aid Training (Hsinchu Factory)


Musculoskeletal Injury Prevention Seminar (Hsinchu Factory)


Office Stretching Exercise Session (Xinying Factory)


First Aid Response Training and Emergency Drill (Xinying Factory)


Xinying Factory Occupational Health Nurse Serving as a First Aid Training Instructor for the Tainan City Occupational Safety and Health Center (2025)

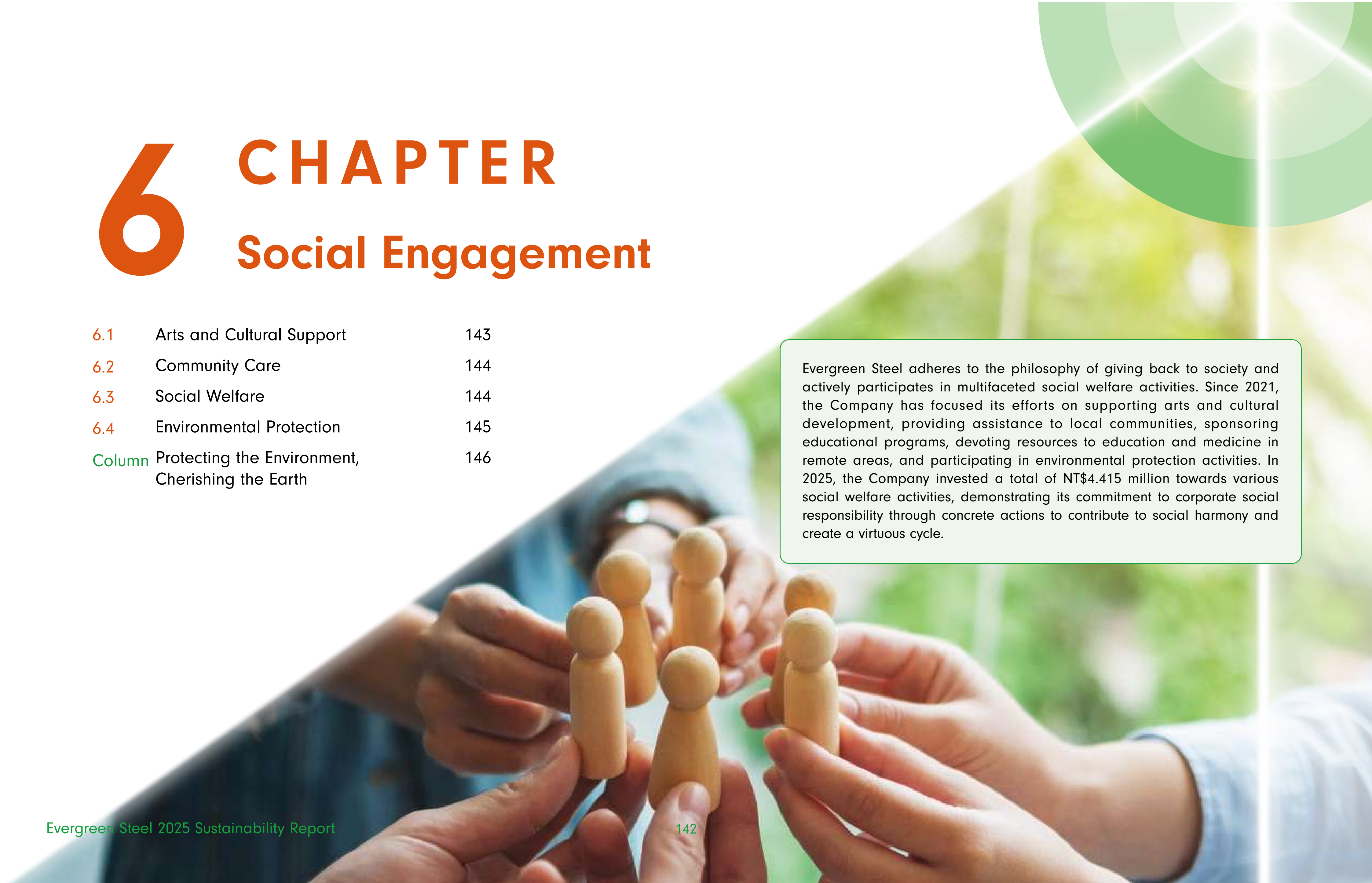
The Company integrates health promotion into its sustainability strategy and has established a comprehensive employee welfare system that supports physical and mental well-being and promotes work-life balance. In addition to implementing an occupational safety and health management system in compliance with applicable regulations, the Company has established employee care and health promotion channels and incorporated health-related indicators into its ESG management framework. Guided by the three core pillars of physical and mental well-being, family support, and social responsibility, the Company is committed to fostering a friendly workplace culture. In recognition of these efforts, the Company obtained the 2025 Health Workplace Promotion Self-Assessment Certification.

2025 Health Workplace Promotion Self-Assessment Certification

6 CHAPTER

Social Engagement

6.1	Arts and Cultural Support	143
6.2	Community Care	144
6.3	Social Welfare	144
6.4	Environmental Protection	145
Column	Protecting the Environment, Cherishing the Earth	146



Evergreen Steel adheres to the philosophy of giving back to society and actively participates in multifaceted social welfare activities. Since 2021, the Company has focused its efforts on supporting arts and cultural development, providing assistance to local communities, sponsoring educational programs, devoting resources to education and medicine in remote areas, and participating in environmental protection activities. In 2025, the Company invested a total of NT$4.415 million towards various social welfare activities, demonstrating its commitment to corporate social responsibility through concrete actions to contribute to social harmony and create a virtuous cycle.

6.1 Arts and Cultural Support

Evergreen Steel has long been committed to supporting the development of arts, culture, and education. In 2025, the Company invested approximately NT$3.27 million to support performing arts groups, cultural organizations, cultural venues, and publishing initiatives through a variety of sponsorship programs. The Company sponsored nine classical music concerts performed by the Evergreen Symphony Orchestra at the National Concert Hall and the National Kaohsiung Center for the Arts (Weiwuying). Complimentary tickets were also provided to employees, social welfare organizations, and disadvantaged groups, promoting cultural inclusion and expanding access to the arts. In collaboration with the Chang Yung-Fa Foundation and Jingxue Studio, the Company supported the launch of a new character education theater production, A True Friend, which toured elementary schools in northern Taiwan. Through performances incorporating circus arts, magic, music, and dance, the program helped students develop positive values and character traits. To support educational opportunities for rural students, the Company sponsored the "I Am a Sailor" field trip program, inviting approximately 120 students from Taoshan Elementary School and Jinping Elementary School in Hsinchu County to visit the Evergreen Maritime Museum. The program enhanced students' understanding of maritime culture and knowledge while helping reduce disparities in educational resources between urban and rural areas. The Company also sponsored the New Hometown Mobilization Initiative special reporting project by the China Times, documenting inspiring stories of community builders dedicated to local development across Taiwan and raising public awareness of regional revitalization and cultural preservation. In addition, Evergreen Steel supported the compilation and publication of the 2025 Economic Yearbook of the Republic of China by United Daily News, contributing to the preservation of Taiwan's economic development records, strengthening the foundation of public knowledge, and supporting transparency in public policy information.

Arts and Cultural Support

Invested approximately NT$ **3.27** million to support arts and culture

Arts and Cultural Support

Sponsored **9** classical concerts by the Evergreen Symphony Orchestra

"True Friends" Theater Tour

"I Am a Sailor" Educational Field Trip Program for Taoshan Elementary School

6.2 Community Care

To give back to local communities and promote shared social prosperity, Evergreen Steel defines local communities as the townships, districts, and municipalities where its operating sites are located. In 2025, the Company continued to participate in community engagement initiatives in the vicinity of the Xinying Factory. These efforts included ongoing sponsorship of meal delivery services organized by the Prince Community Development Association, providing meals to elderly individuals living alone, persons with disabilities, and economically disadvantaged residents. The Company also supported various neighborhood engagement activities and local cultural celebrations. Through these initiatives, Evergreen Steel continues to foster strong community relationships, create positive social impact, and fulfill its commitment to corporate social responsibility and sustainable community development.





6.3 Social Welfare

To fulfill its corporate social responsibility commitments, Evergreen Steel continued to invest in a diverse range of social welfare initiatives in 2025, covering educational support, rural education and healthcare assistance, care for disadvantaged groups, and public health promotion. Through these efforts, the Company strives to create a positive and lasting impact on society.

In the area of education, Evergreen Steel continued to sponsor the long-term after-school learning support program organized by the DENER International Children's Educational Assistance Association. Professional instructors were arranged to provide bilingual reading courses and academic tutoring at seven rural schools across the Taichung, Changhua, and Nantou regions, benefiting 175 students and supporting their learning and development. The Company also sponsored the school development fund of Delanan Elementary School in Wulai District, New Taipei City, helping enhance educational resources and support the development of rural education. In addition, Evergreen Steel supported the 2025 Student Nutrition Supplement Program at Maolin Junior High School, providing late-afternoon snacks and nutritional beverages for all 22 students to help meet their nutritional needs, supplement family care resources, and support their continued learning. To further demonstrate its commitment to caring for disadvantaged groups, the Company continued supporting the "Girls' Resilience Camp" organized by Kaohsiung Nanzih Special School. Through a variety of guided experiential learning activities, the program helped students strengthen self-identity, build resilience, and enhance their independent living skills.

Thank-you Card from Children Supported by Dener Children Foundation

Support for the School Development Fund of Delanan Elementary School

Thank-you Card from Students of Maolin Junior High School

"Girls' Resilience Camp" at Kaohsiung Nanzih Special School

In support of rural healthcare, Evergreen Steel sponsored the National Cheng Kung University Medical Service Club to conduct health education home visits for elderly residents living alone in the Qigu area and organize community care activities. The Company also supported the Taipei Medical University Mountain Region Social Medical Service Team in providing mobile medical services and elementary school recreational camps in Puli Township and Ren'ai Township, Nantou County. By serving indigenous and remote communities, these programs promoted health awareness and delivered free medical consultations, health counseling, and basic health examinations. Through collaboration with local resources, the initiatives also supported community engagement activities and educational camps for children. Evergreen Steel hopes to contribute to improving the health and well-being of rural residents, strengthening community connections, and supporting the sustainable development of rural healthcare services.


National Cheng Kung University Medical Service Team Community Outreach Activity

To promote social participation and public health, the Xinying Factory organizes annual blood donation drives, encouraging employees to actively support community welfare initiatives. In 2025, a total of 22 units of blood were donated, helping replenish blood supplies for medical use. The Company also sponsored the 2025 National Elite Figure Skating Championships organized by the Chinese Taipei Skating Union, supporting the development of athletic talent and the advancement of competitive sports in Taiwan. In addition, Evergreen Steel sponsored the 4th NTU Civil Engineering Cup – Campus Beauty Road Run, an event that integrated sports, environmental awareness, and alumni engagement. Through these initiatives, the Company actively advocates for sustainable development, public health, and social well-being.


Blood Donation Drive at the Xinying Factory

6.4 Environmental Protection

In 2025, Evergreen Steel organized two environmental volunteer activities. On March 22, employees and their family members participated in a beach cleanup at Zhongjiao Bay in Jinshan District, New Taipei City. On November 1, the Company joined forces with its subsidiary Ever Ecove Corp. and its business partner Ecove Environment Services Corp. to conduct another beach cleanup along the southern coast of Yong'an Fishing Port in Xinwu District, Taoyuan City. Both events were led by Chairman Lin, who joined employees and their family members as environmental volunteers, demonstrating the Company's top-down commitment to environmental stewardship and sustainability. A total of 139 participants were recorded across the two events, during which approximately 358 kilograms of litter and waste were collected. Through these cleanup activities, Evergreen Steel aims to foster environmental awareness among participants and encourage the integration of environmentally responsible practices into daily life. By working together to protect natural environments, the Company hopes to contribute to a cleaner, more sustainable future for all.

Coastal Cleanup at Zhongjiao Bay, Jinshan

Coastal Cleanup at Yong'an Fishing Port

Column Protecting the Environment, Cherishing the Earth

To fulfill its commitment to environmental protection and corporate social responsibility, Evergreen Steel actively promotes environmental sustainability through concrete actions, including regularly organizing and participating in river and beach cleanup activities. In addition to encouraging employees and their family members to take part, the Company also collaborates with its subsidiary Ever Ecove Corp. and business partner Ecove Environment Services Corp. on selected events, expanding the reach and impact of its sustainability initiatives.

Since 2022, Evergreen Steel has participated in and organized a total of seven environmental volunteer activities across the Greater Taipei and Taoyuan regions. Cleanup locations have included the Old Shuangxi River Trail in Beitou, the Shimen Eighteen Lords Coast, Zhongjiao Bay Beach in Jinshan, Guangming Riverside Park along the Nankan River in Luzhu, the Laojie River Trail in Zhongli, and the southern coast of Yong'an Fishing Port in Xinwu. These activities attracted a cumulative total of 383 participants and resulted in the collection of approximately 1,993 kilograms of waste and debris, demonstrating the Company's commitment to environmental stewardship through tangible actions.

Looking ahead, Evergreen Steel will continue to promote environmental initiatives, leverage both internal and external resources, and deepen its sustainability efforts. Through collective action and long-term commitment, the Company aims to contribute to environmental sustainability and create shared value for society.

A CHAPTER
Appendix

Appendix 1 GRI Content Index 148

Appendix 2 SASB Index-Iron & Steel Producers 157

Appendix 3 Sustainability Disclosure Indicators -Steel Industry 160

Appendix 4 Climate-Related Information of TWSE/TPEx Listed Company 161

Appendix 5 Independent Assurance Statement 166

Appendix 1 GRI Content Index

Statement of use	Evergreen Steel's Sustainability Report is compiled in accordance with the GRI Standards. The information disclosure period of this report is from 1 January 2025 to 31 December 2025.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard (s)	None

Indicator	Disclosure	Chapter	Page	Notes
GRI 2: General Disclosures 2021				
2-1	Organizational details	2.1 Company Overview	41-42	
2-2	Entities included in the organization's sustainability reporting	About this Report	3	
2-3	Reporting period, frequency and contact point	About this Report	3-4	
2-4	Restatements of information	About this Report	3	
2-5	External assurance	About this Report	4	
2-6	Activities, value chain and other business relationships	2.1 Company Overview 3.1 Products and Sales	41-42 61	
2-7	Employees	5.1 Employee Policies and Overview	115	
2-8	Workers who are not employees	5.1 Employee Policies and Overview	116	
2-9	Governance structure and composition	1.1 Sustainability Strategy 2.2 Corporate Governance Structure	7 43-47	
2-10	Nomination and selection of the highest governance body	2.2 Corporate Governance Structure	43	
2-11	Chair of the highest governance body	2.2 Corporate Governance Structure	44-45	
2-12	Role of the highest governance body in overseeing the management of impacts	1.1 Sustainability Strategy	7	
2-13	Delegation of responsibility for managing impacts	1.1 Sustainability Strategy	7	
2-14	Role of the highest governance body in sustainability reporting	About this Report 1.1 Sustainability Strategy	3 7	

Indicator	Disclosure	Chapter	Page	Notes
2-15	Conflicts of interest	2.2 Corporate Governance Structure	45	
2-16	Communication of critical concerns	1.1 Sustainability Strategy 2.2 Corporate Governance Structure	7 45	
2-17	Collective knowledge of the highest governance body	2.2 Corporate Governance Structure	44	
2-18	Evaluation of the performance of the highest governance body	2.2 Corporate Governance Structure	47	
2-19	Remuneration policies	2.2 Corporate Governance Structure	46	
2-20	Process to determine remuneration	2.2 Corporate Governance Structure	48	
2-21	Annual total compensation ratio	5.1 Employee Policies and Overview	119	
2-22	Statement on sustainable development strategy	Letter from the Management	5	
2-23	Policy commitments	5.1 Employee Policies and Overview	114	
2-24	Embedding policy commitments	5.1 Employee Policies and Overview	114	
2-25	Processes to remediate negative impacts	2.3 Ethical Management 2.4 Risk Management 5.1 Employee Policies and Overview	52-53 54-59 114	
2-26	Mechanisms for seeking advice and raising concerns	2.3 Ethical Management	52	
2-27	Compliance with laws and regulations	2.3 Ethical Management	49-51	
2-28	Membership associations	2.1 Company Overview	42	
2-29	Approach to stakeholder engagement	1.2 Stakeholder Interaction	16-19	
2-30	Collective bargaining agreements	5.1 Employee Policies and Overview	118	
GRI 3: Material Topics 2021				
3-1	Process to determine material topics	1.3 Management of Material Topics	20	
3-2	List of material topics	1.3 Management of Material Topics	21-22	
3-3	Management of material topics	1.3 Management of Material Topics	23-39	

Indicator	Disclosure	Chapter	Page	Notes
GRI 101: Biodiversity 2024				
101-1	Policies to halt and reverse biodiversity loss	-	-	Omitted, as the Company has no significant impacts on biodiversity and no operations in protected or high biodiversity value areas.
101-2	Management of biodiversity impacts	-	-	
101-3	Access and benefit-sharing	-	-	
101-4	Identification of biodiversity impacts	-	-	
101-5	Locations with biodiversity impacts	-	-	
101-6	Direct drivers of biodiversity loss	-	-	
101-7	Changes to the state of biodiversity	-	-	
101-8	Ecosystem services	-	-	
GRI 201: Economic Performance 2016				
201-1	Direct economic value generated and distributed	3.1 Products and Sales	62	
201-2	Financial implications and other risks and opportunities due to climate change	4.1 Climate Action	81-97	
201-3	Defined benefit plan obligations and other retirement plans	5.3 Employee Care	126	
201-4	Financial assistance received from government	3.1 Products and Sales	63	
GRI 202: Market Presence 2016				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	5.1 Employee Policies and Overview	120	
202-2	Proportion of senior management hired from the local community	5.1 Employee Policies and Overview	115	
GRI 203: Indirect Economic Impacts 2016				
203-1	Infrastructure investments and services supported	Ch. 6 Social Engagement	142-146	
203-2	Significant indirect economic impacts	Ch. 6 Social Engagement	142-146	
GRI 204: Procurement Practices 2016				
204-1	Proportion of spending on local suppliers	-	-	

Indicator	Disclosure	Chapter	Page	Notes
GRI 205: Anti-corruption 2016				
205-1	Operations assessed for risks related to corruption	-	-	The Company has yet to conduct operation site corruption risk assessment.
205-2	Communication and training about anti-corruption policies and procedures	2.3 Ethical Management	49	
205-3	Confirmed incidents of corruption and actions taken	2.3 Ethical Management	48-49	
GRI 206: Anti-competitive Behavior 2016				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.3 Ethical Management	48-49	
GRI 207: Tax 2019				
207-1	Approach to tax	3.1 Products and Sales	63	
207-2	Tax governance, control, and risk management	3.1 Products and Sales	63	
207-3	Stakeholder engagement and management of concerns related to tax	3.1 Products and Sales	63	
207-4	Country-by-country reporting	-	-	Not applicable
GRI 301: Materials 2016				
301-1	Materials used by weight or volume	3.4 Sustainable Supply Chain Management	78	
301-2	Recycled input materials used	3.4 Sustainable Supply Chain Management	78	
301-3	Reclaimed products and their packaging materials	-	-	No such incident
GRI 302: Energy 2016				
302-1	Energy consumption within the organization	4.2 Energy Management	103	
302-2	Energy consumption outside of the organization	4.2 Energy Management	103	
302-3	Energy intensity	4.2 Energy Management	103	
302-4	Reduction of energy consumption	4.2 Energy Management	104-106	

Indicator	Disclosure	Chapter	Page	Notes
302-5	Reductions in energy requirements of products and services	-	-	Not applicable, as the Company's steel structural products do not generate quantifiable energy savings during use.
GRI 303: Water and Effluents 2018				
303-1	Interactions with water as a shared resource	4.2 Energy Management	107	
303-2	Management of water discharge-related impacts	4.3 Pollution Prevention	112	
303-3	Water withdrawal	4.2 Energy Management	107	
303-4	Water discharge	4.2 Energy Management	107	
303-5	Water consumption	4.2 Energy Management	107	
GRI 305: Emissions 2016				
305-1	Direct (Scope 1) GHG emissions	4.1 Climate Action	98-99	
305-2	Energy indirect (Scope 2) GHG emissions	4.1 Climate Action	98-99	
305-3	Other indirect (Scope 3) GHG emissions	4.1 Climate Action	98-100	
305-4	GHG emissions intensity	4.1 Climate Action	98	
305-5	Reduction of GHG emissions	4.1 Climate Action	100-101	
305-6	Emissions of ozone-depleting substances (ODS)	-	-	No such incident
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	-	-	No such incident
GRI 306: Waste 2020				
306-1	Waste generation and significant waste-related impacts	4.3 Pollution Prevention	108-110	
306-2	Management of significant waste-related impacts	4.3 Pollution Prevention	108-110	
306-3	Waste generated	4.3 Pollution Prevention	108-110	
306-4	Waste diverted from disposal	4.3 Pollution Prevention	108-110	
306-5	Waste directed to disposal	4.3 Pollution Prevention	108-110	

Indicator	Disclosure	Chapter	Page	Notes
GRI 306: Effluents and Waste 2016				
306-3	Significant spills	-	-	No such incident
GRI 308: Supplier Environmental Assessment 2016				
308-1	New suppliers that were screened using environmental criteria	3.4 Sustainable Supply Chain Management	74-78	
308-2	Negative environmental impacts in the supply chain and actions taken	3.4 Sustainable Supply Chain Management	74-78	
GRI 401: Employment 2016				
401-1	New employee hires and employee turnover	5.1 Employee Policies and Overview	117	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.3 Employee Care	124-125	
401-3	Parental leave	5.3 Employee Care	126	
GRI 402: Labor/Management Relations 2016				
402-1	Minimum notice periods regarding operational changes	5.1 Employee Policies and Overview	120	
GRI 403: Occupational Health and Safety 2018				
403-1	Occupational health and safety management system	5.3 Employee Care	127	
403-2	Hazard identification, risk assessment, and incident investigation	5.3 Employee Care	129-133	
403-3	Occupational health services	5.3 Employee Care	137-141	
403-4	Worker participation, consultation, and communication on occupational health and safety	5.3 Employee Care	127-128	
403-5	Worker training on occupational health and safety	5.3 Employee Care	133	
403-6	Promotion of worker health	5.3 Employee Care	137-141	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.3 Employee Care	129-131	
403-8	Workers covered by an occupational health and safety management system	5.3 Employee Care	127	

Indicator	Disclosure	Chapter	Page	Notes
403-9	Work-related injuries	5.3 Employee Care	133-136	
403-10	Work-related ill health	5.3 Employee Care	139	
GRI 404: Training and Education 2016				
404-1	Average hours of training per year per employee	5.2 Employee Development and Training	123	
404-2	Programs for upgrading employee skills and transition assistance programs	5.2 Employee Development and Training	121-123	
404-3	Percentage of employees receiving regular performance and career development reviews	-	-	
GRI 405: Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	2.2 Corporate Governance Structure 5.1 Employee Policies and Overview	44 116	
405-2	Ratio of basic salary and remuneration of women to men	5.1 Employee Policies and Overview	119	
GRI 406: Non-discrimination 2016				
406-1	Incidents of discrimination and corrective actions taken	5.1 Employee Policies and Overview	114	
GRI 407: Freedom of Association and Collective Bargaining 2016				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	5.1 Employee Policies and Overview	118	
GRI 408: Child Labor 2016				
408-1	Operations and suppliers at significant risk for incidents of child labor	3.4 Sustainable Supply Chain Management 5.1 Employee Policies and Overview	74-77 114	
GRI 409: Forced or Compulsory Labor 2016				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	3.4 Sustainable Supply Chain Management 5.1 Employee Policies and Overview	74-77 114	

Indicator	Disclosure	Chapter	Page	Notes
GRI 410: Security Practices 2016				
410-1	Security personnel trained in human rights policies or procedures	-	-	All security personnel in the Company are non-employees, and the relevant training is conducted by their respective companies in accordance with relevant regulations
GRI 411: Rights of Indigenous Peoples 2016				
411-1	Incidents of violations involving rights of indigenous peoples	-	-	No such incident
GRI 413: Local Communities 2016				
413-1	Operations with local community engagement, impact assessments, and development programs	Ch. 6 Social Engagement	142-146	
413-2	Operations with significant actual and potential negative impacts on local communities	-	-	No such incident
GRI 414: Supplier Social Assessment 2016				
414-1	New suppliers that were screened using social criteria	3.4 Sustainable Supply Chain Management	74-78	
414-2	Negative social impacts in the supply chain and actions taken	3.4 Sustainable Supply Chain Management	74-78	
GRI 415: Public Policy 2016				
415-1	Political contributions	-	-	No such incident
GRI 416: Customer Health and Safety 2016				
416-1	Assessment of the health and safety impacts of product and service categories	3.2 Quality Control	64-67	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	-	-	No such incident

Indicator	Disclosure	Chapter	Page	Notes
GRI 417: Marketing and Labeling 2016				
417-1	Requirements for product and service information and labeling	-	-	Not applicable
417-2	Incidents of non-compliance concerning product and service information and labeling	-	-	No such incident
417-3	Incidents of non-compliance concerning marketing communications	-	-	No such incident
GRI 418: Customer Privacy 2016				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.3 Information Security and Customer Management	69-73	

Appendix 2 SASB Index-Iron & Steel Producers

<table>
<tr><th>Topic</th><th>Code</th><th>Metric</th><th>2025 Disclosure Information</th><th>Chapter</th><th>Page</th></tr>
<tr><td rowspan="2">Greenhouse Gas Emissions</td><td>EM-IS-110a.1</td><td>Gross global Scope 1 emissions (tCO_2e), percentage covered under emissions-limiting regulations</td><td>Scope 1 emissions 4,092.8365 tCO_2e
Not subject to emissions-limiting regulations.</td><td>4.1 Climate Action</td><td>98</td></tr>
<tr><td>EM-IS-110a.2</td><td>Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets</td><td>Based on its 2024 GHG emissions baseline, the Company has set short-, mid-, and long-term reduction targets.
<table><tr><th>Time</th><th>Reduction</th><th>Accumulated Reduction</th></tr>
<tr><td>2025-2027</td><td>3%</td><td>3%</td></tr>
<tr><td>2028-2033</td><td>5%</td><td>8%</td></tr>
<tr><td>2034-2050</td><td>92%</td><td>100%</td></tr></table>
In 2025, the Company's Scope 1 GHG emissions decreased by 588.2318 tCO_2e compared with the 2024 base year, while the GHG emissions intensity per ton of steel structures also declined slightly. The Company will continue to implement GHG emissions reduction measures to progressively achieve its emissions reduction targets. For further information, please refer to Chapter 4.1, Climate Action.
<table><tr><th>Year</th><th>2024</th><th>2025</th></tr>
<tr><td>Steel Structure Manufacturing GHG Emissions (Scope 1 + 2) (tCO_2e)</td><td>12,816.2447</td><td>12,892.6121</td></tr>
<tr><td>Production Volume (tons)</td><td>108,027</td><td>110,087</td></tr>
<tr><td>GHG Emissions Intensity per Unit of Product (ton CO_2e/ton)</td><td>0.1186</td><td>0.1171</td></tr></table></td><td>4.1 Climate Action</td><td>98-101</td></tr>
</table>

Topic	Code	Metric	2025 Disclosure Information	Chapter	Page
Air Emissions	EM-IS-120a.1	Air emissions of the following pollutants (metric tons (t)): • CO • NOx (excluding N_2O) • SOx • Particulate Matter (PM_{10}) • Manganese(II) Oxide (MnO) • Lead (Pb) • Volatile Organic Compounds (VOCs) • Polycyclic Aromatic Hydrocarbons (PAHs)	VOCs emissions totaled 6.6830 t. No emissions of other listed pollutants were generated.	-	-
Energy Management	EM-IS-130a.1	• Total energy consumed (Gigajoules (GJ)) • Percentage grid electricity • Percentage renewable	• 82,232.83 GJ • 83.83% • 0%	4.2 Energy Management	103
	EM-IS-130a.2	• Total fuel consumed (Gigajoules (GJ)) • Percentage coal • Percentage natural gas • Percentage renewable	• 13,297.16 GJ • 0% • 0% • 0%	4.2 Energy Management	103
Water Management	EM-IS-140a.1	• Total water withdrawn (Thousand cubic metres (1,000m^3)) • Total water consumed (Thousand cubic metres (1,000m^3)) Percentage of each in regions with High or Extremely High Baseline Water Stress	• 60.637 (1,000m^3), 0% • 33.351 (1,000m^3), 0%	4.2 Energy Management	107
Waste Management	EM-IS-150a.1	• Amount of waste generated (metric ton (t)) • Percentage hazardous • Percentage recycled	• 9,006.66 t • 0% • 92.43%	4.3 Pollution Prevention	109-110

Topic	Code	Metric	2025 Disclosure Information	Chapter	Page
Workforce Health & Safety	EM-IS-320a.1	• Total Recordable Incident Rate (TRIR) • Fatality Rate (FR) • Near Miss Frequency Rate (NMFR) for (a) full-time employees and (b) contract employees	• 2.12 • 0.00 • 0.00 Note: The Company has no contract-based employees.	5.3 Employee Care	134
Supply Chain Management	EM-IS-430a.1	Discussion of the process for managing iron ore or coking coal sourcing risks arising from environmental and social issues	The Company does not procure iron ore or coking coal as raw materials and therefore does not have related sourcing risks.	-	-
Activity Metrics	EM-IS-000.A	Raw steel production, percentage from: • Basic oxygen furnace processes • Electric arc furnace processes	Not applicable	-	-
	EM-IS-000.B	Total iron ore production[1]	Not applicable	-	-
	EM-IS-000.C	Total coking coal production[2]	Not applicable	-	-

Note 1: Note to EM-IS-000.B: The scope of production includes iron ore consumed internally and that which is made available for sale.
Note 2: Note to EM-IS-000.C: The scope of production includes coking coal consumed internally and that which is made available for sale.

Appendix 3 Sustainability Disclosure Indicators-Steel Industry

No.	Indicator	Indicator Type	2025 Disclosure Information	Unit	Chapter	Page
1	Total energy consumption, percentage of purchased electricity, utilization rate (renewable energy/total energy), and total self-generated and self-use energy [Note]	Quantitative	• Total energy consumption: 82,232.83 GJ • Percentage of purchased electricity: 83.83% • Renewable energy utilization rate: 0% • Total self-generated and self-used energy: 0 GJ	Gigajoules (GJ), Percentage (%)	4.2 Energy Management	103
2	Total fuel consumption, percentage of coal, percentage of natural gas, and percentage of renewable fuels	Quantitative	• Total fuel consumption: 13,297.16 GJ • Percentage of coal: 0% • Percentage of natural gas: 0% • Percentage of renewable fuels: 0%	Gigajoules (GJ), Percentage (%)	4.2 Energy Management	103
3	Total water withdrawn and total water consumption	Quantitative	• Total water withdrawn: 60.637 (1,000m^3) • Total water consumption: 33.351 (1,000m^3)	Thousand cubic meters (1,000m^3)	4.2 Energy Management	107
4	Total waste generated, percentage of hazardous waste and percentage recycled	Quantitative	• Total waste generated: 9,006.66 t • Percentage of hazardous waste: 0% • Percentage recycled: 92.43%	Metric ton (t), Percentage (%)	4.3 Pollution Prevention	109-110
5	Number of employees in and rate of occupational accidents	Quantitative	• Number of occupational accidents: 2 • Occupational accident rate: 2.12	Quantity, Ratio	5.3 Employee Care	134
6	Production by product category	Quantitative	• Product category: Steel structure products • Production volume: 128,607 tons	Varies by product category	-	-

Note: The total self-generated and self-use energy is as defined by the “Renewable Energy Development Act”, “Implementation Regulations Governing Renewable Energy Certificates”, or related sub-laws.

Appendix 4 Climate-Related Information of TWSE/TPEx Listed Company

1. Risks and opportunities posed by climate change to the Company and the relevant measures taken by and relevant countermeasures taken by the Company

Item	Chapter	Page
1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.	4.1 Climate Action	81-97
2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	4.1 Climate Action	81-97
3. Describe the financial impact of extreme weather events and transformative actions.	4.1 Climate Action	81-97
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	4.1 Climate Action	81-97
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.	4.1 Climate Action	81-97
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.	4.1 Climate Action	81-97
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.	-	-
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.	4.1 Climate Action	81-97
9. Greenhouse gas inventory and assurance status (separately fill out in point 1-1 below).	1-1 The Company's GHG Inventory and Assurance in the Last Two Years	162-164
	1-2 Greenhouse Gas Reduction Targets, Strategies and Concrete Action Plans	165

1-1 The Company's GHG Inventory and Assurance in the Last Two Years

Basic information of the Company	Minimum required disclosure under the Sustainable Development Roadmap for TWSE/TPEx Listed Companies
■ Capital of NT$10 billion or more, iron and steel industry, or cement industry ☐ Capital of NT$5 billion or more but less than NT$10 billion ☐ Capital of less than NT$5 billion	■ Inventory for parent company only ■ Inventory for all consolidated entities ■ Assurance for parent company only ☐ Assurance for all consolidated entities

1-1-1 Greenhouse Gas Inventory Information

Scope 1	Total Emission (tCO_2e)	Intensity (tCO_2e/NT$1,000)	Assurance body	Description of assurance status
Evergreen Steel	4,092.8365	0.00035	Metal Industries Research & Development Centre (MIRDC)	Refer to Table 1-1-2
Hsin Yung Enterprise	181,941.0538	0.11218	-	-
Super Max Engineering	82,463.9425	0.10568	Blue Magpie Certifications, Inc.	Refer to Table 1-1-2
Ever Ecove	132,501.6099	0.09626	-	-

Scope 2	Total Emission (tCO_2e)	Intensity (tCO_2e/NT$1,000)	Assurance body	Description of assurance status
Evergreen Steel	9,076.5292	0.00079	Metal Industries Research & Development Centre (MIRDC)	Refer to Table 1-1-2
Hsin Yung Enterprise	290.6568	0.00018	-	-
Super Max Engineering	4,669.8480	0.00598	Blue Magpie Certifications, Inc.	Refer to Table 1-1-2
Ever Ecove	193.6240	0.00014	-	-

List the Company's GHG emissions (unit: tCO_2e), intensity (unit: tCO_2e/NT$ million) and the data's scope of coverage.

Item \ Year	2024			2025		
	Parent company	Subsidiary	Total	Parent company	Subsidiary	Total
Scope 1: Total Emission (tCO_2e)	4,681.0683	219,844.9583	224,526.0266	4,092.8365	396,906.6062	400,999.4427
Scope1: Intensity (tCO_2e/NT$ million)	0.46766	75.5980	17.3814	0.35442	105.03703	26.17273
Scope 2: Total Emission (tCO_2e)	8,478.0791	5,955.2194	14,433.2985	9,076.5292	5,154.1288	14,230.6580
Scope 2: Intensity (tCO_2e/NT$ million)	0.84700	2.0478	1.1173	0.78599	1.36398	0.92882
Scope 3: Total Emission (tCO_2e)	268,973.0761	-	268,973.0761	285,646.1017	27,592.4501	313,238.5518
Scope 3: Intensity (tCO_2e/NT$ million)	26.87173	-	26.87173	24.73586	7.30204	20.44469

Note 1: Direct emissions (Scope 1, emissions from sources directly/indirectly owned by the organization), indirect energy emissions (Scope 2-indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling) and other indirect emissions (Scope 3 – emissions as the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly affects in its value chain. emissions from the organization's activities.)
Note 2: The scope of coverage of the direct emissions and indirect energy emissions must comply with the timeline specified in Article 4-1, Paragraph 2 of the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" (Hereinafter referred to as this Rules). Information of other indirect emissions may be disclosed on a voluntary basis.
Note 3: GHG Inventory Standard: ISO 14064-1 published by International Organization for Standardization (ISO).
Note 4: All GHG emission intensity is calculated based on each product/service unit or total revenue, with the calculation detailed when using the revenue (Unit: NT$ million).

1-1-2 Greenhouse Gas Assurance Information

List the assurance information, including the scope, assurer, assurance standards and assurance opinions for the last two years up to the printing date of this annual report.

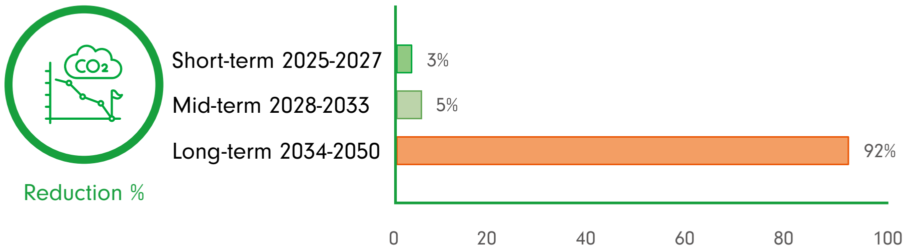
Year / Item	2024		2025	
	Parent company	Subsidiary	Parent company	Subsidiary (Super Max Engineering)
Assurance Scope	Scope 1 + 2 + 3	-	Scope 1 + 2 + 3	Scope 1 + 2 + 3
Assurer	Metal Industries Research & Development Centre (MIRDC)	-	Metal Industries Research & Development Centre (MIRDC)	Blue Magpie Certifications, Inc.
Assurance Standard	ISO 14064-3:2019	-	ISO 14064-3:2019	ISO 14064-3:2019
Assurance Opinion	The above verification opinions are based on the fair verification process of MIRDC and the 2024 Greenhouse Gas Statement of Evergreen Steel Corporation MIRDC implements the verification procedure according to the verification criteria, and the evidence results show that the greenhouse gas statement made by Evergreen Steel Corporation meets the substantive threshold and is a reasonable assurance level.	-	The above verification opinions are based on the fair verification process of MIRDC and the 2025 Greenhouse Gas Statement of Evergreen Steel Corporation MIRDC implements the verification procedure according to the verification criteria, and the evidence results show that the greenhouse gas statement made by Evergreen Steel Corporation meets the substantive threshold and is a reasonable assurance level.	Has been verified the Greenhouse Emission in accordance with ISO 14064-3:2019 by Blue Magpie Certifications, Inc. independently and objectively, and the data reported are comparable, complete, consistent, accurate, transparent. Level of Assurance: Reasonable assurance (Category 1,2) Limited assurance (Category 3~6) Limiting Factor: None

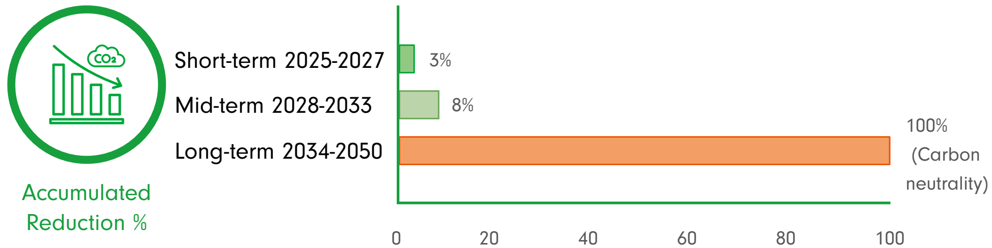
Note 1: This information shall be disclosed in compliance with the schedule prescribed in Article 4-1, Paragraph 3 of the Rules.
Note 2: The assurer must comply with the sustainability report assurer guidelines set by Taiwan Stock Exchange Corporation and Taipei Exchange.

1-2 Greenhouse Gas Reduction Targets, Strategies and Concrete Action Plans

Basic information of the Company	Minimum required disclosure under the Sustainable Development Roadmap for TWSE/TPEx Listed Companies
■ Capital of NT$10 billion or more, iron and steel industry, or cement industry ☐ Capital of NT$5 billion or more but less than NT$10 billion ☐ Capital of less than NT$5 billion	■ Disclosed the reduction target, strategy and concrete action from the year prior in 2025 ☐ Disclosed the reduction target, strategy and concrete action from the year prior in 2026 ☐ Disclosed the reduction target, strategy and concrete action from the year prior in 2027

Greenhouse Gas Reduction Target





Greenhouse Gas Reduction Strategy

1. Gradually replace fixed-speed process equipment with inverter-driven energy-saving equipment (e.g., AC welding machines and CO_2 welding machines).
2. Convert the Xinying Factory Phase I–III rooftop solar PV systems (2,708.89 kW) from full FIT sales to self-consumption with surplus electricity exported to the grid.

2025 Greenhouse Gas Reduction Results

In 2025, GHG emissions increased slightly compared with the 2024 base year due to higher steel structure production. Combined Scope 1 and Scope 2 GHG emissions increased by 10.2183 tCO_2e compared with 2024. However, GHG emissions intensity per ton of steel structure production decreased slightly. Going forward, the Company plans to convert its solar PV systems from full FIT sales to self-consumption with surplus electricity sold to the grid, thereby gradually achieving its GHG reduction targets.

Note 1: This information shall be disclosed in compliance with the schedule prescribed in Article 4-1, Paragraph 4 of the Rules.
Note 2: The base year should be the year when the verification was completed based on the boundaries in the consolidated financial statement. For example, according to Article 4-1, Paragraph 2 of these Rules, companies with capital of more than NT$10 billion should complete the verification of the 2024 consolidated financial statement in 2025, which makes 2024 as the base year. If a company has completed the verification of the consolidated financial statement early, it can use the earlier year as the base year. The data for a base year can be from that particular year or the average of multiple years.
Note 3: For the disclosure format, please refer to the best practice reference examples on the Corporate Governance Center website of the Taiwan Stock Exchange.

Appendix 5 Independent Assurance Statement

Independent Assurance Statement

2025 EVERGREEN STEEL CORPORATION SUSTAINABILITY REPORT

The AFNOR GROUP was established in 1926. We are the National Standardization Body of France, a permanent council member in ISO and one of the leading certification bodies in the world. This assurance work was carried out by AFNOR ASIA LTD., a subsidiary of AFNOR GROUP. All the members of the verification team have professional backgrounds and have accepted AA1000 AS, AFAQ 26000, ISO 9001, ISO 14001, ISO 14064, ISO 45001, ISO 50001, and other sustainability-related international standard trainings. All assigned verifiers have been approved as the lead auditors or verifiers. AFNOR ASIA LTD. (hereinafter referred to as AFNOR ASIA) and EVERGREEN STEEL CORPORATION (hereinafter referred to as EGST) are independent entities. Except for the contents described in this independent assurance statement, AFNOR ASIA LTD. is not involved in the preparation process of the sustainability report of EGST.

RESPONSIBILITIES

EGST is responsible for reporting its economic, environmental, and social operating activities and performance in Taiwan operating locations in its sustainability report (hereinafter referred to as "the Report") in accordance with the declared sustainability reporting standards.

AFNOR ASIA is responsible for providing an independent assurance statement to EGST and its stakeholders in accordance with the described scope and method. This statement is for EGST use only and is not responsible for any other purpose.

SCOPE AND CRITERIA

The assurance scope of the agreement between EGST and AFNOR ASIA includes:

1. The scope of assurance operation is consistent with the scope disclosed in the "2025 EVERGREEN STEEL CORPORATION SUSTAINABILITY REPORT".
2. AFNOR ASIA performs assurance operation according to the Type 1 assurance of the AA1000 assurance standard (v3), reviewing and evaluating EGST's compliance with the AA1000 AccountAbility Principles (2018).
3. The assurance operation includes reviewing and evaluating EGST's relevant processes, systems and controls and available performance information, as well as compliance with the following reporting criteria:
   - GRI Standards
   - Sustainability Accounting Standards Board Standards

METHODOLOGY

- The Report is reported in accordance with the GRI Standards, and the content of the Report is reviewed for compliance with the GRI Standards for general disclosure and specific topic disclosure.
- The verification team interviewed relevant personnel to confirm the communication and response mechanism for stakeholders and the decision-making process for material topics, but did not directly contact external stakeholders.
- All documents, data and information related to the preparation of the Report were verified by the verification team through interviews with relevant personnel.
- The process of reviewing organizational outputs, collecting and managing qualitative and quantitative data disclosed in reports based on a sampling plan.
- By interviewing the responsible personnel of each group, examining and reviewing the relevant documents, materials and information, the verification team evaluated the reasonableness of the sources of supporting materials and evidence for the contents of the Report.

CONCLUSION

◆ **AA1000 Accountability Principles**

Inclusivity

EGST has identified its stakeholders and maintained communication channels for stakeholders to participate in different issues. It has established diverse channels and frequencies to understand the important information that stakeholders are concerned about, and to collect opinions from all parties as input for decision-making processes on material topics. It has assessed that the organization's operations have met the principle of inclusivity.

Materiality

EGST has disclosed in its Report its decision-making process for material topics, which involves joint evaluation by external experts, company executives and employees, and final approval by the chairman; management policies and related objectives have been planned for each material topic, and are disclosed through implementation and regular performance management; the assessment of organizational operations has met the principle of materiality.

Responsiveness

EGST has established a "Sustainability Committee" to plan and implement sustainability-related work and has set clear short-, medium-, and long-term goals to meet the expectations of stakeholders. It has consistently used existing diverse communication channels to regularly and irregularly release various information, providing stakeholders with valuable sustainability information.

Impact

EGST has been monitoring and measuring the risks and opportunities related to the overall environmental impact of its operations, identifying relevant risks and opportunities to formulate action plans, and is committed to demonstrating its responsibility in sustainable performance management, communication, and improvement. In the future, the organization can continue to invest resources to support the identification, assessment, and management of various impacts.

◆ **Global Reporting Initiative Sustainability Reporting Standards**

Based on the results of the review, it is confirmed that the general disclosures, specific topic disclosures, and material topics management disclosures in the Report have complied with the requirements of the GRI Standards. In the future, the organization cah continue to plan, collect and compile performance information from each operating location in accordance with domestic and international reporting standards through its internal management system, so as to continuously provide sustainable information to stakeholders.

◆ **Sustainability Accounting Standards Board Standards**

Based on the results of the review, the Report has disclosed relevant information based on the Sustainability disclosure topics & metrics and activity metrics of the SASB standards. In the future, the organization can continue to collect, monitor, and disclose information through its internal management system in accordance with the requirements of the indicators, so as to provide information users with the ability to judge operational performance.

ASSURANCE OPINION

AFNOR ASIA has developed a complete sustainability reporting assurance standard based on the verification guidelines of the AA1000 Assurance Standard (v3) and the GRI Standards. Based on the sufficient evidence provided by EGST and the facts seen during on-site verification, we adhere to the principle of fairness and issue a statement on the global sustainability reporting standards followed by the organization. In our opinion, the information and data presented in the Report by EGST provides a fair and balanced representation. We believe the focuses on economic, social, and environmental indicators in EGST in 2025 are well represented.

ASSURANCE LEVEL

In accordance with the AA1000 Assurance Standard (v3), we verified this assurance statement corresponding to a moderate level. The scope and methods are as described in this statement.

For and on behalf of AFNOR：

Dr. August Tsai
The Director for Certification and Assessment
Jun.05.2026
Verification team: Chi Huang Chen (Lead Verifier), Yu-Sheng Lin (Verifier).

AA1000
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