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2024 Annual Report

ECOVE  崑鼎綠能環保股份有限公司
ECOVE Environment Corporation

Printed on February 28, 2025

Notice to readers

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

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I. LETTER TO SHAREHOLDERS

Dear Shareholders,

Thank you for taking the time to attend the Company's 2025 regular shareholder meeting. Although being under the impact of the epidemic, the Company's performance, revenue, and profits in the past year were all higher than 2023 due to the teamwork and diligence of all colleagues. Our net profit after tax and earnings per share also maintained at a certain level. The Company's 2024 business overview and overview of the 2025 Business Plan and future development strategies are stated below.

1. 2024 Business Overview

(1) Operating Results

The consolidated operating revenue in 2024 was NT\$8,530,650,000 (values with unspecified currency hereafter are also NTD), which was a \$902,148,000 increase from the consolidated operating revenue in 2023. The consolidated operating expense was \$172,571,000, non-operating income and expenditure was \$186,900,000 and consolidated net profit after tax was \$1,255,964,000, an increase of \$91,924,000 from the consolidated net profit after tax in 2023. The Company's earnings per share was \$17.43, an increase of \$1.07 from the earnings per share in 2023.

(2) Business Performance

Looking back on 2024, ECOVE remained steadfast in its commitment to both consolidation and growth in the promotion and execution of its business. While maintaining stable operations in its existing businesses, the Company also achieved notable results in expanding across various sectors. In the area of resource management, ECOVE and its subsidiary ECOVE ESC, in collaboration with the group's parent company CTCL, jointly secured the "Chiayi Green Energy Sustainability Recycling Center BOT Project." Additionally, ECOVE ESC was awarded the "Taitung County Energy Resource Center Operations and Management Service Project," marking another significant step in the Company's investment and operation of large-scale waste treatment facilities. In the field of recycling and reuse, approximately 3,900 metric tons of industrial-grade products were regenerated from recovered waste solvents and returned to the market supply chain. ECOVE ESC, again in cooperation with CTCL, also secured the "Hsinchu Desalination Plant Construction and Operation & Maintenance Project," which is set to become the first large-scale seawater desalination plant in Taiwan. Regarding renewable energy, the Company has continued to expand its development volume in rooftop, ground-mounted, and floating solar projects by actively securing sites from both public and private sectors, while also extending its maintenance services to external clients. Meanwhile, the Company is proactively supporting the government's policy of introducing private sector resources to provide "ancillary services for power grids," thereby extending its business into the energy storage sector.

2. Overview of the 2025 Business Plan

The circular economy has become a global trend, and protecting the environment is our mission. ECOVE is committed to becoming a leader in Taiwan's resource recycling industry. Looking to the future, ECOVE will strive in the following directions to ensure the sustainable development of the group and expand our reach internationally.

(1) Resource Management

Domestically, in addition to consolidating existing businesses, the Company will also begin undertaking the operation and maintenance (O&M) work for the Chiayi City Energy Resource Center and the Taitung County Energy Resource Center, while continuing to carry out the environmental impact assessment (EIA) procedures for the Changbin Low-Carbon Recycling and Disposal Center and related tasks. Additionally, in alignment with the government's plans to retrofit incinerators and diversify waste treatment approaches, we will adopt the integrated business

model of the Taoyuan Bioenergy Circular Economy, introducing mature international experiences and technologies to provide comprehensive solutions to the government, actively seeking new opportunities and participating in government tenders.

Moreover, in response to the trend towards net-zero carbon emissions, we will introduce innovative technologies to further our carbon reduction efforts and transform internal operational experience into a competitive edge for securing external contracts. Internationally, we aim to expand into ASEAN, Mainland China, and India, proactively expressing our intentions to local governments and collaborating with domestic and international companies that offer complementary services. We are also actively participating in relevant forums and leveraging the government's New Southbound Policy to replicate the successful PPP (BOT) model and proven O&M (including ROT) capabilities abroad.

(2) Renewable Energy

In line with global development trends, we continue to pursue opportunities in solar photovoltaic investment and development, actively expanding our overseas investment scale while maintaining organic growth domestically. Internationally, considering national risks and existing experience, we will focus resources on steadily expanding our investments in the United States and assess the feasibility of large-scale energy storage projects, carefully evaluating the benefits and risks associated with each investment.

Domestically in the solar photovoltaic sector, we will continue to participate in government tenders and seek opportunities for expansion with existing property owners, developing diverse collaboration programs tailored to the needs of property owners and selectively choosing investment targets. In terms of maintenance of solar photovoltaic facilities, we will leverage our long-accumulated experience to optimize work efficiency, enhancing performance at our own sites and using this advantage to attract more external clients.

Additionally, we are actively developing the market and exploring the possibilities of diverse and innovative new business models in response to opportunities arising from the liberalization of the electricity industry, regulatory relaxation, and the demand for green electricity by companies aiming for net-zero carbon emissions.

(3) Recycling and Reuse

While the waste solvent recycling and reuse business continues to operate steadily, the Company will build upon the success of this project to further evaluate competitive technologies. In addition to developing more recyclable items for the high-tech industry, efforts will also be made to actively expand this successful experience to overseas markets. In terms of water resource reclamation, leveraging experience from the Linkou Water Resources Plant and the Southern Taiwan Science Park Reclaimed Water O&M projects, the Company will further integrate engineering resources from the group to pursue investment and O&M work for upcoming government tenders, including reclaimed water projects, industrial water reuse projects, and government-led seawater desalination projects. As for other recycling and reuse initiatives, the Company will continue to identify domestic and international technical resources and assess feasible business models. Driven by the global trend toward circular economy and net-zero carbon emissions, the Company will seek more opportunities in both industrial and domestic sectors, through self-initiated development or by evaluating suitable merger and acquisition targets.

(4) Electromechanical Maintenance and Retrofit

Building on the foundation of maintaining utility systems in existing high-tech factories, we continue to develop high-value electromechanical maintenance work related to high-tech plants. By leveraging advanced recycling and reuse technologies, we are expanding opportunities for setting up high-tech business waste recycling facilities. Through intelligent management of incineration plants, we effectively carry out equipment upgrades and annual maintenance,

thereby extending the service life of incineration facilities. These initiatives not only improve operational efficiency but also enhance the sustainability and environmental compliance of our operations.

Looking to the future, driven by the mission to enhance technological integration and optimize resource recycling efficiency, ECOVE will continue to strive for excellence and expand its development on the foundation of trust established with clients and owners. We believe that in the wave of the circular economy, ECOVE will become an indispensable helmsman. More importantly, ECOVE is well-prepared and will continue to generate improved profitability for the company and returns for shareholders in the future!

Finally, I wish you all health and prosperity.
Chairman

J. J. Liao

II. Corporate Governance Report

2.1 Directors and Management Team

2.1.1 Directors

Feb. 28, 2025

Title	Nationality	Name	Male/ Female Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding (Rep. of juridical person)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Executives, Directors or Supervisors who are spouses or within two degrees of kinship		
							Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation
Chairman	R.O.C.	J. J. Liao (Rep. of CTCI Corporation)	Male 61-70	May 31, 2023	3	Jun. 26, 2017 (Dec. 08, 1999)	38,457,105	53.52	38,457,105 (85)	53.14 (0.0001)	250	0.0003	0	0	-MBA, EMBA Program in Finance, National Taiwan University -M.S., Civil Engineering, National Central University -B.S., Environmental Engineering and Science, Feng-Chia University -President, ECOVE Environment Corp. -Chairman, ECOVE Environmental Services Corp. -Chairman, ECOVE Wujih Energy Corp. -Chairman, ECOVE Miaoli Energy Corp. -Chairman, ECOVE Waste Management Corp. -Managing Director, ECOVE Environment Consulting Corp. -Director, SINO GAL Waste Services Co., Ltd. -Vice Chairman, BORETECH Resources Recovery Engineering Co., Ltd. (Cayman) -Director, BORETECH Resources Recovery Engineering Co., Ltd.	-Director, ECOVE Environmental Services Corp. -Director, ECOVE Wujih Energy Corp. -Director, ECOVE Miaoli Energy Corp. -Director, ECOVE Waste Management Corp. -Director, ECOVE Solar Energy Corp. -Vice Chairman, BORETECH Resource Recovery Engineering Co., Ltd. (Cayman) -Director, ECOVE Solvent Recycling Corp. -Director, EVER ECOVE Corp -Director, Bao Ding Reclaimed Water Co., Ltd. -Director, ECOVE Chiayi Energy Corp -Director, CTCI Foundation	-	-	-
Director	R.O.C.	H. H. Tiao (Rep. of CTCI)	Male 51-60	May 31, 2023	3	Sep. 22, 2023 (Dec. 08,	38,457,105	53.52	38,457,105 (19,097)	53.14 (0.00264)	0	0	0	0	-National Taiwan University EMBA	-President, ECOVE Environment Corp. -Chairman/President,	-	-	-

		Corporation)				1999)									International Business Group -M.S., Environmental Engineering, National Taiwan University -B.S., Chemical Engineering, National Taiwan University -Vice President, ECOVE Environment Corporation -Associate Manager, ECOVE Environmental Services Corp. -Project Manager, CTCI	ECOVE Environmental Services Corp. -Chairman, ECOVE Wujih Energy Corp. -Chairman, ECOVE Miaoli Energy Corp. -Chairman, ECOVE Waste Management Corp. -Managing Director, ECOVE Environment Consulting Corp. -Director, SINO GAL-Waste Services Co., Ltd. -Director, BORETECH Resource Recovery Engineering Co., Ltd. (Cayman) -Director, BORETECH Resources Recovery Engineering Co., Ltd. -Chairman, Yuan Ding Resources Management Corp. -Chairman, ECOVE Solvent Recycling Corp. -Chairman, ECOVE Solar Energy Corp. -Chairman, ECOVE Solar Power Corp. -Chairman, ECOVE GangShan Energy Corp. -Chairman, ECOVE Resource Recycling Co., Ltd. -Chairman, ECOVE Chiayi Energy Corp.			
Director	R.O.C.	Kuan Shen Wang	Male 61-70	May 31, 2023	3	Jun. 23, 2014	0	0	0	0	0	0	0	0	-Master in Management, S.M. of MIT Sloan School -Executive Director, The Goldman Sachs Group, Inc. -Supervisor, Chime Ball Technology Co., Ltd.	-Chairman, United Capital Management -Independent Director, Quanta Storage Inc. -Independent Director, Chime Ball Technology Co., Ltd. -Director, Forcelead Technology Corp.	-	-	-
Director	R.O.C.	Ping Shen	Male 71-80	May 31, 2023	3	Mar. 26, 1999	0	0	0	0	0	0	0	0	-MBA, Harvard Business School -Executive Director, Morgan Stanley Group	-Independent Director, ELITE Material Co., Ltd. -Independent Director, Far Eastern			

															Executive Vice President, China Development Industrial Bank President, CDIB & Partners Investment Holding Corp. Independent Director, Far Eastern International Bank Independent Director, Far Eastern International Bank	International Bank Oriental Union Chemical Corp.			
Director	R.O.C	Yangming Liu	Male 51-60	May 31, 2023	3	Sep. 30, 2009	0	0	0	0	0	0	0	0	Attorney at-law in Taiwan Attorney at-law in China EMBA National Taiwan University L.L.B. Fujen Catholic University Arbitrator of CAAI Arbitrator of SHIAC	Senior Partner, LIU & Co. Law Offices Chairman, Sunshine Social Welfare Foundation Director, Association of Cross-Strait Legal Exchange	-	-	-
Director	R.O.C.	Eugene Chien	Male 71-80	May 31, 2023	3	Jun. 22, 2015	0	0	0	0	0	0	0	0	Ph. D. Aeronautics and Astronautics, New York University, USA Minister of Foreign Affairs/Minister of Transportation and Communications Minister of the Environmental Protection Administration Representative, Taipei Representative Office in the U.K./Legislator, Legislative Yuan (Parliament) Professor and Dean, College of Engineering, Tamkang University Independent Director, Far Eastern Department Stores Co., Ltd.	Chairman, Taiwan Institute for Sustainable Energy(TAISE) Chairman, CTCI Education Foundation Chairman, Telecommunication & Transportation Foundation Independent Director of EVA Airways Corp.	-	-	-
Independent Director	R.O.C.	Shuh Woei Yu	Male 71-80	May 31, 2023	3	Jun. 26, 2017	0	0	0	0	0	0	0	0	Doctor of Engineering, Tulane University Bachelor of Science, Department of Chemical Engineering,	Honorary Chairman, Safety and Health Technology Center	-	-	-

															National Taiwan University General Director, Center for Environmental Safety and Health Technology Development, Industrial Technology Research Institute General Director, Center for Industrial Safety and Health Technology Development, Industrial Technology Research Institute Professor, Graduate Institute of Environmental Engineering, National Central University Professor, Department of Chemical Engineering, National Central University Chairman, Safety and Health Technology Center				
Independent Director	R.O.C.	James Tsai	Male 61-70	May 31, 2023	3	Jun. 26, 2017	0	0	0	0	0	0	0	0	Master in Accounting, Graduate Institute of Accounting, National Chengchi University Master in Law, College of Law, National Chengchi University Vice CEO, CEO, Deputy Chairman, PricewaterhouseCoopers, Taiwan President, PricewaterhouseCoopers Management Consulting Company Ltd. Vice Chairman, Fuh Hwa Securities Investment Trust Co., Ltd. Managing Director, Accounting Research and Development	Director, Trans Globe Life Insurance Inc. Chairman, Wan Shi Da Enterprise Co., Ltd. Director, Orient Recreation and Development Corp. Director, FCB International Leasing Co., Ltd. Director, Tuntex Incorporation Independent Director of the Board, Chien Kuo Construction Co., Ltd.	-	-	-

															Foundation, and Chairman, Auditing Standards Committee -Director and Managing Director, Taiwan Corporate Governance Association -Consultant, Public Service Pension Fund Supervisory Board -Associate Professor, National Chengchi University, Department of Accounting				
Independent Director	R.O.C.	Shan-Shan Chou	Female 51-60	May 31, 2023	3	May 28, 2020	0	0	0	0	0	0	0	0	-Doctor, Institute of Environmental Engineering, National Chiao Tung University -Chairman, WaterPark Environment Corporation -Director, Industrial Technology Research Institute Adjunct Associate -Associate Professor, College of Engineering, National Chiao Tung University -Chairman, KuanShan WaterPark Environmental Protection Technology Co., Ltd.	-Independent Director, GSD Technologies Co., Ltd. -Executive Director, Environmental Technology & Smart System Research Center, National Yang Ming Chiao Tung University -General Secretary, Water Affairs Organization, Taiwan	-	-	-

Major shareholders of the institutional shareholders

July 20, 2024

Name of institutional shareholders	Major shareholders of the institutional shareholders
CTCI Corporation	CTCI Foundation(7.51%)、CTBC BANK CO., LTD. (Sustainability Employee Stock Ownership Trust)(6.23%)、CTBC BANK CO., LTD. (CTCI Corporation Employee Stock Ownership Trust) (6.10%)、Yuanta Taiwan High Dividend Low Volatility ETF (4.38%)、BANK SINOPAC CO. LTD.(Reliable Employee Stock Ownership Trust)(3.36%)、USI Corporation(1.87%)、Asia Polymer Corporation(1.78%)、Union Cement Traders Inc.(1.65%)、CHANG HWA COMMERCIAL BANK, LTD. (1.23%)、Morgan Stanley & Co. International Plc (1.17%)

Major shareholders of the major shareholders that are juridical persons

July 20, 2024

Name of juridical persons	Major shareholders of the juridical persons
CTCI Foundation (7.51%)	CPC CORPORATION, TAIWAN(4.44%)、TAIWAN SUGAR CORPORATION(4.44%)、TAIWAN POWER COMPANY(4.44%)、TAIWAN FERTILIZER CO., LTD.(4.44%)、BES ENGINEERING CORPORATION(4.44%)、TAIWAN INDUSTRIAL DEVELOPMENT CORPORATION(4.44%)、TATUNG CO.(4.44%)、TAIWAN CEMENT CORPORATION(4.44%)、YULON MOTOR CO., LTD.(4.44%)、CHINA MAN-MADE FIBER CORPORATION(4.44%)、FORMOSA PLASTICS CORPORATION(4.44%)、ASIA CEMENT CORPORATION(4.44%)、SESODA CORPORATION(4.44%)、Pioneer Chemical Corp.(4.44%)
CTBC BANK CO., LTD. (Sustainability Employee Stock Ownership Trust) (6.23%)	N/A
CTBC BANK CO., LTD. (CTCI Corporation Employee Stock Ownership Trust) (6.10%)	N/A
Yuanta Taiwan High Dividend Low Volatility ETF) (4.38%)	N/A
BANK SINOPAC CO. LTD. (Reliable Employee Stock Ownership Trust) (3.36%)	N/A
USI Corporation (1.87%)	Shing Lee Enterprise (Hong Kong) Limited(14.62%)、Fubon Comprehensive Securities Co., Ltd. entrusted with the custody of the investment special account of Whollegainer Company Limited(9.25%)、Asia Polymer Corporation(8.53%)、Fubon Life Insurance Co., Ltd. (4.49%)、Taishing Investment Co., Ltd.(2.04%)、Lin Hua Shin(1.75%)、Yueh Hsing Hua Investment Co., Ltd.(1.73%)、Yu Wen-Hsuan(1.41%)、Yu Wen-Tsung(1.41%)、Yu Wen-Yu(1.41%)

Asia Polymer Corporation (1.78%)	Union Polymer Int'l Investment Corp.(36.08%) 、 Taiwan Union International Investment Corp.(2.41%) 、 TransGlobe Life Insurance Inc.(2.27%) 、 Chunghwa Post Co., Ltd(1.89%) 、 The First Insurance Co., Ltd. (1.08%) 、 JPMorgan Chase Bank, N.A., Taipei Branch, as Custodian for Advanced Starlight Fund Company's Series Funds Advanced Total International Stock Index Fund Investment Account (0.90%), Hua Yun Warehousing & Industrial Co., Ltd. (0.89%), JPMorgan Chase Bank, N.A., Taipei Branch, as Custodian for Vanguard Group Inc.'s Vanguard Emerging Markets Stock Index Fund Investment Account (0.56%), JPMorgan Chase Bank, N.A., Taipei Branch, as Custodian for Advanced Trust Company's Corporate Complete International Stock Market Index Trust II Investment Account (0.40%), Chiu Chou-Kang (0.31%)
Union Cement Traders Inc. (1.65%)	TCC Investment Co., Ltd. (100%)
CHANG HWA COMMERCIAL BANK, LTD. (1.23%)	Ministry of Finance (12.19%) 、 Chunghwa Post Co., Ltd. (7.50%) 、 Taishin Financial Holdings Co., Ltd. (5.58%) 、 National Development Fund , Executive Yuan (5.42%) 、 First Commercial Bank Co., Ltd. (4.99%) 、 Formosa Plastics Group (2.53%) 、 Cooperative Bank of Taiwan (2.39%) 、 Bank of Taiwan Co., Ltd. (1.81%) 、 Taiwan Land Bank Co., Ltd. (1.80%) 、 Hua Nan Commercial Bank Ltd. (1.79%)
Morgan Stanley & Co. International Plc (1.17%)	N/A

A. Professional Qualifications of Directors and Independence Analysis of Independent Directors:

Professional Qualifications of Directors

Criteria Name/Gender	Professional qualifications and experience	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
J. J. Liao/Male	<p>1. MBA, EMBA Program in Finance, National Taiwan University. M.S., Civil Engineering, National Central University and B.S., Environmental Engineering and Science, Feng-Chia University, Environmental Engineering Technician. Had worked for CTCI for many years and been the general manager of ECOVE and the chairman of subsidiaries, etc. Now serves as ECOVE chairman. (Since May 2017) and the director of subsidiaries. Has acquired professional qualifications and experience in civil engineering, environmental engineering, engineering, finance and corporate governance, etc.</p> <p>2. Not been a person of any conditions defined in Article 30 of the Company Law</p>	0
H. H. Tiao/Male	<p>1. With a Master's degree in Environmental Engineering and a Bachelor's degree in Chemical Engineering from National Taiwan University, as well as an Executive MBA in International Business from National Taiwan University, along with previous roles as Vice General Manager of the company, Deputy Manager of Xin Ding Company, and Project Manager of Zhong Ding Engineering Company, I bring a diverse background to my current positions as General Manager of the company and Chairman of its subsidiary. My educational background and professional experience not only encompass expertise in civil engineering and environmental engineering, particularly in waste incineration plant operations, but also include strong management skills in enterprise operation and risk management.</p> <p>2. Not been a person of any conditions defined in Article 30 of the Company Law</p>	0
Kuan Shen Wang /Male	<p>1. Master in Management, S.M. of MIT Sloan School, Director of Goldman Sachs Group, Inc. Supervisor, Chime Ball Technology Co., Ltd. Has also served as the chairman of UGUS Consulting Ltd. and the independent director of Quanta Storage Inc. for many years. Has professional qualifications and experience in investment, management consultancy and business operations.</p> <p>2. Not been a person of any conditions defined in Article 30 of the Company Law</p>	2
Ping Shen/Male	<p>1. MBA, Harvard Business School, Executive Director, Morgan Stanley Group, Executive Vice President, China Development Industrial Bank, President, CDIB & Partners Investment Holding Corp. Director of CTCL, Independent Director, Far Eastern International Bank. Independent Director, Far Eastern New Century Corporation etc. Now serves as Independent Director, ELITE Material Co., Ltd. and Director, Oriental Union Chemical Corp. Based on his education and experience, in addition to professional qualifications in finance, also has extensive experience in the field of corporate governance</p> <p>2. Not been a person of any conditions defined in Article 30 of the Company Law</p>	2
Yangming Liu/Male	<p>1. EMBA National Taiwan University, L.L.B. Fujen Catholic University, Attorney at-law both in Taiwan and China. Arbitrator of CAAI and SHIAC. Now serves as attorney-at-law, LIU & Co. Law Offices, Chairman, Sunshine Social Welfare Foundation and Director of the Association for Legal Exchanges across the Taiwan Strait. Provides legal professional advice for ECOVE's board of directors to avoid legal risks</p> <p>2. Not been a person of any conditions defined in Article 30 of the Company Law</p>	0

Eugene Chien/Male	<p>1. Ph. D. Aeronautics and Astronautics, New York University, USA, Minister of Foreign Affairs/Minister of Transportation and Communications, Minister of the Environmental Protection Administration, Representative, Taipei Representative Office in the U.K./Legislator, Legislative Yuan (Parliament), Professor and Dean, College of Engineering, Tamkang University. Now serves as Taiwan Ambassador-at-large, Chairman, Taiwan Institute for Sustainable Energy(TAISE), Chairman, CTCI Education Foundation, Independent Director of EVA Airways Corp., Independent Director of Far Eastern Department Stores Ltd. With long-term and cross-disciplinary experience in the public sector and private enterprises, he has a broad international vision and forward-looking innovation & planning capabilities. In recent years, he has been committed to promoting Taiwan's sustainable work being geared to international standards, focusing on issues such as climate change, sustainable energy and low-carbon society, which is in line with ECOVE's philosophy.</p> <p>2. Not been a person of any conditions defined in Article 30 of the Company Law</p>	1
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Professional Qualifications and Independence Analysis of Independent Directors

Criteria Name/Gender	Professional qualifications and experience	Status of independence	Number of Other Public Companies in Which the Individual is Concurrently Serving as an Independent Director
Shuh Woei Yu/Male	<p>1. Doctor of Engineering, Tulane University, General Director, Center for Environmental Safety and Health Technology Development, Industrial Technology Research Institute, General Director, Center for Industrial Safety and Health Technology Development, Industrial Technology Research Institute, Professor, Graduate Institute of Environmental Engineering, National Central University, Professor, Department of Chemical Engineering, National Central University. Has been involved in the field of industrial safety research for more than 30 years, and was awarded the "National Industrial Safety Award - Individual Special Contribution Award" by the Labor Committee of the Executive Yuan in 2007 for his outstanding performance. Since 2007, has served as the Chairman of the Foundation of Occupational Safety and Health Technical Center. So far, the chairman's professional experience in the field of industrial safety has greatly benefited ECOVE's existing business or new investment business.</p> <p>2. Not been a person of any conditions defined in Article 30 of the Company Law</p>	<p>1. Whether the individual, their spouse, or relatives within the second degree of kinship serve as directors, supervisors, or employees of the company or its affiliated enterprises: No</p> <p>2. Number and percentage of company shares held by the individual, their spouse, or relatives within the second degree of kinship (or under another person's name): 0</p> <p>3. Whether the individual serves as a director, supervisor, or employee of a company with a specific relationship to the company: No</p> <p>4. Amount of remuneration received for providing business, legal, financial, or accounting services to the company or its affiliated enterprises in the past two years: 0</p>	0

James Tsai/Male	<p>1. Master in Accounting, Graduate Institute of Accounting, National Chengchi University, certified accountant with over 40 years of experience in accounting area. Former CEO of PwC Taiwan, Managing Director, Accounting Research and Development Foundation, and Chairman, Auditing Standards Committee, Director and Managing Director, Taiwan Corporate Governance Association, etc. Since 1981, he has been an adjunct associate professor in the Accounting Department of Chengchi University. Possessing extensive knowledge and experience in accounting, auditing, and corporate governance, providing considerable assistance in ensuring compliance with financial reporting and corporate governance regulations for the company.</p> <p>2. Not been a person of any conditions defined in Article 30 of the Company Law</p>	Ditto	3
Shan-Shan Chou/Female	<p>1. Doctor, Institute of Environmental Engineering, National Chiao Tung University, Director, Industrial Technology Research Institute Adjunct Associate, Chairman, WaterPark Environment Corporation, Chairman, KuanShan WaterPark Environmental Protection Technology Co., Ltd., CEO, Environmental Technology & Smart System Research ETSS (Since 2010), Secretary General, Water Affairs Organization, Taiwan (Since 2010). Engaged in water treatment practice and research for more than 20 years, with professional qualifications and experience in the field of water resources and environmental engineering. Provides experience and advice on the water resources business that ECOVE intends to develop</p> <p>2. Not been a person of any conditions defined in Article 30 of the Company Law</p>	Ditto	1

B. Board diversity and status of independence of the board

1. Board diversity:

Article 20 of the Company's "Corporate Governance Practice Principles" explicitly stated that the composition of the Board of Directors should take into consideration the policy of diversity. Directors who serve concurrently as the Company's managers should not exceed one third of all Directors and appropriate diversification guidelines have been established based on company operations, business model, and development requirements. These guidelines stipulate that Directors should be assessed by standards including but not limited to the following two aspects: (1) basic qualifications and value and (2) professional knowledge and skills.

In order to achieve the ideal goal of corporate governance, the board should have the following capabilities:

(1)Operational judgment. (2) Accounting and financial analysis capabilities. (3) Management capabilities. (4) Crisis management capability. (5) Industry knowledge. (6) International market outlook. (7) Leadership. (8) Decision-making capacity.

The specific management objectives of our company's board of directors for diversity are that no more than one-third of the directors who are also company executives, at least one female director, and more than half of the independent directors shall not serve more than three consecutive terms.

In terms of implementing board diversity, the Company's board consists of 9 directors (including 3 independent directors). Only 2 of these directors also serve as company executives, which does not exceed one-third of the total board seats. All three independent directors (constituting one-third of the board) have not served more than three terms, and one of them is a female independent director.

The company is an environmental protection company specializing in green energy. To accommodate business needs, the board members have diversified professional backgrounds, including financial investment, accountants, practicing lawyers, sustainable energy, engineering, environmental protection and water resources. For relevant information on the educational

experience, gender, professional qualifications, work experience and diversity of each director, please refer to 3.2.1 director Information and "Disclosure of Information on Directors' Professional Qualifications and Independent Directors' Independence".

Explanation and Measures Regarding Gender Diversity on the Board of Directors:

Among the 9 directors of the Company's 9th Board, there is 1 female director, which does not meet the one-third threshold. The primary reason is the relatively limited number of female candidates in the market with experience relevant to the Company's industry background.

The Company will actively seek talent recommendations through multiple channels when nominating candidates for the next term of the Board of Directors. These efforts aim to enhance gender diversity in the composition of the Board and align with international corporate governance best practices.

Core Item Name of Director	Nationality	Note 1	Note 2	Note 3	Note 4	Note 5	Note 6	Note 7	Note 8	Note 9	Note 10	Note 11	Note 12	Note 13
J. J. Liao	R.O.C	Male	v		61 to 70	Engineering and Environmental Protection	v	v	v	v	v	v	v	
H. H. Tiao	R.O.C	Male	v		51 to 60	Engineering and Environmental Protection	v	v	v	v	v	v	v	
Eugene Chien	R.O.C	Male			71 to 80	Environmental Sustainability	v	v	v	v	v	v	v	
Kuan-Sheng Wang	R.O.C	Male			61 to 70	Investment	v	v	v	v	v	v	v	
Ping Shen	R.O.C	Male			71 to 80	Finance	v	v	v	v	v	v	v	
Yang-Ming Liu	R.O.C	Male			51 to 60	Lawyer	v	v	v	v		v	v	v
Shuh Woei Yu Independent Director	R.O.C	Male		Within 8 years	71 to 80	Industrial Safety	v	v	v	v	v	v	v	
James Tsai Independent Director	R.O.C	Male		Within 8 years	61 to 70	Accountant	v	v	v	v	v	v	v	
Shan-Shan Chou Independent Director	R.O.C	Female		Within 5 years	51 To 60	Water resources	v	v	v	v	v	v	v	

Note 1: Male/Female

Note 2: Also serves as an employee of the company

Note 3: Serving as an independent director of the company

Note 4: Age

Note 5: Industry knowledge

Note 6: Operational judgment

Note 7: Accounting and financial analysis capabilities

Note 8: Management capabilities

Note 9: Crisis management capability

Note 10: International market outlook

Note 11: Leadership

Note 12: Decision-making capacity

Note 13: Legal capacity

2. Status of independence of the board:

ECOVE has 3 independent directors (33.3% of the total members). They all meet the qualification requirements stipulated in the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” issued by Financial Supervisory Commission R.O.C (Taiwan) before and after taking the position.

There are 9 directors in ECOVE's board of directors. 3 independent directors, 4 natural-person directors and only 2 legal person directors are included. The board of directors is highly independent. None of the 9 directors of the company has any of the conditions specified in Items 3 and 4 of Article 26-3 of Securities and Exchange Act. There is no relationship between spouses or relatives within the second degree of kinship among the 9 directors.

2.1.2 Management Team

March 29, 2024

Title	Nationality	Name	Male/ Female	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience(Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship		
					Shares	%	Shares	%	Shares	%			Title	Name	Relation
President	R.O.C	Hsio-Hua Tiao	Male	Sep. 22, 2023	19,097	0.026	0	0	0	0	-M.S., International Business, National Taiwan University -M.S., Graduate Institute of Environmental Engineering of National Taiwan University -B.S., Chemical Engineering, National Taiwan University -Project Manager, CTCI	-Chairman/President, ECOVE Environmental Services Corp. -Chairman, ECOVE Wujih Energy Corp. -Chairman, ECOVE Miaoli Energy Corp. -Chairman, ECOVE Waste Management Corp. -Director, ECOVE Environment Consulting Corp. -Director, SINOGAL-Waste Services Co., Ltd. -Director, BORETECH Resource Recovery Engineering Co., Ltd. (Cayman) - Director, BORETECH Resources Recovery Engineering Co., Ltd. -Chairman, Yuan Ding Resources Management Corp. -Chairman, ECOVE Solvent Recycling Corp. -Chairman, ECOVE Solar Energy Corp. -Chairman, ECOVE Solar Power Corp. -Chairman, ECOVE GangShan Energy Corp. -Chairman/President, ECOVE Resource Recycling Co., Ltd. -Chairman, ECOVE Chiayi Energy Corp. -Director, ECOVE South Corp. Ltd.	—	—	—
Chief Financial Officer and Governance Officer	R.O.C.	Catherine Huang	Female	Aug. 15, 2017	52,948	0.0732	0	0	0	0	-Bachelor of International Trade, Tunghai University -Master of Library and Information Study, McGill University -Financial & Accounting Manager, Sinogal Waste Services Co., Ltd. -Assistant Manager of Finance Dept., CTCI Co., Ltd.	—	—	—	—

Accounting Officer	R.O.C.	Tanching Yao	Female	Nov. 3, 2015	6,113	0.0084	0	0	0	0	-LYIT Department of International Trade -Section manager of Accounting Dept., CTCI Corp. -Accounting Officer of BoReTech Co., Ltd. -Accounting Officer of ECOVE Miaoli Energy Corp. -Accounting Officer of ECOVE Solar Energy Corp. -Accounting Officer of Yuan Ding Resources Management Corp. -Accounting Officer of ECOVE Solvent Recycling Corp.	—	—	—	—
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2.2 Remuneration of Directors, President, and Vice President
2.2.1 Remuneration of Directors (Independent Directors Included)

December 31, 2024; Unit: NT\$ thousands

Title	Name	Remuneration								Ratio of total remuneration (A+B+C+D) to net income(%)		Relevant remuneration received by directors who are also employees								Ratio of total compensation (A+B+C+D+E+F+G) to net income(%)		Compensation paid to directors from an invested company other than the company's subsidiary	
		Base Compensation (A)		Pension Fund(B)		Compensation of directors (C)		Allowances(D)				Salary, Bonuses, and Allowances (E)		Pension Fund (F)		Compensation of employees (G)							
		ECOVE	All Consolidated Entities	ECOVE	All Consolidated Entities	ECOVE	All Consolidated Entities	ECOVE	All Consolidated Entities	ECOVE	All Consolidated Entities	ECOVE	All Consolidated Entities	ECOVE	All Consolidated Entities	ECOVE		All Consolidated Entities		ECOVE	All Consolidated Entities		
																Cash	Stock	Cash	Stock				
Chairman	J. J. Liao [Note 1]	6,000	6,000	0	0	5,200	5,200	612	1,278	11,812 0.94	12,478 0.99	15,490	15,490	562	562	983	0	983	0	28,847 2.30	29,513 2.35	None	
Director	Institutional Director																						CTCI Corporation
	Director																						H.H Tiao [Note 1]
	Director																						Eugene Chien
	Director																						Yangming Liu
	Director																						Wen-Whe Pan
	Director																						Kuan Shen Wang
	Director																						Ping Shen
Independent director	Shuh Woei Yu	4,400	4,400	0	0	0	0	306	306	4,706 0.37	4,706 0.37	0	0	0	0	0	0	0	4,706 0.37	4,706 0.37	None		
Independent director	James Tsai																						
Independent director	Shan-Shan Chou																						

1. Please state the policy, system, standard and structure of the remuneration payment for independent directors, and state the relevance to the amount of remuneration based on the responsibilities, risks, investment time and other factors: The remuneration committee of independent directors is agreed upon according to ECOVE's "Guidelines for Performance Evaluation and Remuneration System for Directors and Managers", and the remuneration of the committee is paid according to the convener or member seat of the functional committee.
2. In addition to the disclosure in the above table, the remuneration received by the company's directors for providing services to all companies in the financial report (such as serving as a non-employee consultant) in the most recent year: 0

[Note 1] Mr. J. J. Liao and H.H Tiao are representatives of juridical persons of CTCI Corp.

Remuneration class

Bracket	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	ECOVE	All Consolidated Entities	ECOVE	All Consolidated Entities
Under NT\$ 1,000,000			-	-
NT\$1,000,000 ~ NT\$2,000,000	Y. P. Shih, H.H Tiao J. J. Liao, Eugene Chien, Yangming Liu, Kuan Shen Wang, Ping Shen, Shuh Woei Yu, James Tsai Shan-shan Chou	Y. P. Shih, H.H Tiao J. J. Liao, Eugene Chien, Yangming Liu, Kuan Shen Wang, Ping Shen, Shuh Woei Yu, James Tsai Shan-shan Chou	Eugene Chien, Yangming Liu, Kuan Shen Wang, Ping Shen, Shuh Woei Yu, James Tsai Shan-shan Chou	Eugene Chien, Yangming Liu, Kuan Shen Wang, Ping Shen, Shuh Woei Yu, James Tsai Shan-shan Chou
NT\$2,000,000 ~ NT\$3,500,000	-	-	-	-
NT\$3,500,000 ~ NT\$5,000,000	-	-		
NT\$5,000,000 ~ NT\$10,000,000	CTCI Corporation	CTCI Corporation	CTCI Corporation J. J. Liao H.H Tiao	CTCI Corporation J. J. Liao H.H Tiao
NT\$10,000,000 ~ NT\$15,000,000	-	-		
NT\$30,000,000 ~ NT\$50,000,000		-	-	-
NT\$50,000,000 ~ NT\$100,000,000	-	-	-	-
Over NT\$100,000,000	-	-	-	-
Total	-	-	-	-

2.2.2 Compensation of President and Executive Vice President

December 31st, 2024; Unit: NT\$ thousands; thousand shares

Title	Name	Salary(A)		Pension Fund (B) [Note 1]		Bonuses and Allowances (C)		Compensation of employees (D)				Ratio of total compensation (A+B+C+D) to net income (%)		Compensation paid to the president and executive vice president from an invested company other than the company's subsidiary
		ECOVE	All Consolidated Entities	ECOVE	All Consolidated Entities	ECOVE	All Consolidated Entities	ECOVE		All Consolidated Entities		ECOVE	All Consolidated Entities	
								Cash	Stock	Cash	Stock			
Chairman of Strategic Planning Committee	J.J Liao	7,423	7,423	562	562	8,067	8,067	983	-	983	-	17,035 1.36	17,035 1.36	None
President	Yun-Peng Shih (Note 2)													
President	Hsio-Hua Tiao (Note 3)													

Note 1: The pension cost depends on the actuarial report and the Board of Directors.

Remuneration class

Bracket	Name of President and Executive Vice President	
	ECOVE	All Consolidated Entities
Under NT\$ 1,000,000	-	-
NT\$1,000,000 ~ NT\$2,000,000	-	-
NT\$2,000,000 ~ NT\$3,500,000	-	-
NT\$3,500,000 ~ NT\$5,000,000	Hsio-Hua Tiao 、 J.J Liao	Hsio-Hua Tiao 、 J.J Liao
NT\$5,000,000 ~ NT\$10,000,000	-	-
NT\$10,000,000 ~ NT\$15,000,000	-	-
NT\$15,000,000 ~ NT\$30,000,000	-	-
NT\$30,000,000 ~ NT\$50,000,000	-	-
NT\$50,000,000 ~ NT\$100,000,000	-	-
Over NT\$100,000,000	-	-
Total	-	-

Compensation of employees to Management Team

Unit: NT\$ thousands

	Title	Name	Compensation of employees - in Stock (Fair Market Value)	Compensation of employees - in Cash	Total	Ratio of Total Amount to Net Income (%)
Executive Officers	Chairman	J.J Liao	0	1,052	1,052	0.08
	President	Hsio-Hua Tiao				
	Finance Manager	Chung-Lei Huang				
	Accounting Manager	Tan-Ching Yao				

Note 1: The distributed amount is based on the total amount approved by Board of Directors on Feb. 26, 2025 and calculated accordingly to each executive officers' on-job days in the previous year.

2.2.3 Compare and Describe Total Remuneration as A Percentage of Net Income Paid by ECOVE, and by Each Other Company Included in the Consolidated Financial Statements, During the Past Two Fiscal Years to Its Directors, President, and Vice Presidents, and Describe the Remuneration Policies, Standards, and Packages, the Procedure for Determining Remuneration, and Its Linkage to Operating Performance and Future Risk Exposure.

A. Analysis of Remuneration as A Percentage of Net Income Paid by ECOVE, and by Each Other Company Included in the Consolidated Financial Statements, During the Past Two Fiscal Years to Its Directors, President, and Vice Presidents.

Unit: NT\$ thousands

YEAR	ECOVE		All Consolidated Entities	
	Total Remuneration	Ratio to net income (%)	Total Remuneration	Ratio to net income (%)
2023	35,063	3.01	35,615	3.06
2024	33,553	2.67	34,219	2.72

The total compensation of directors, general managers, and deputy general managers of our company and all companies within the financial report, as a percentage of net profit after taxes, decreased by 0.34% in fiscal year 2024 compared to fiscal year 2023.

B. ECOVE Remuneration Policies, Standards, and Packages, the Procedure for Determining Remuneration, and Its Linkage to Operating Performance and Future Risk Exposure.

1. Compensations to the Company's directors include remunerations, bonuses and allowances.

Remunerations to directors: Article 23 of the Company's Articles of Incorporation provides that the Board of Directors shall be authorized to decide the compensations to directors and the chairperson based on the contributions of each director to the Company and with reference to the remuneration standards within the industry.

Bonuses to directors: Article 29 of the Company's Articles of Incorporation provides that when the Company makes a profit in the current year, the profit shall be allocated with priority for settlement of the cumulative losses and a portion no more than 2 percent shall be allocated for directors' remunerations through a resolution of the Board.

Allowances to directors: This allowance is mainly allocated with reference to the allowances standards within the industry and the standards of listed companies to pay for the commuting expenses and compensations for attendance. All directors and members of the supervisory board listed in the financial report are paid with the same standards.

2. Structure of compensations to the manager is formed by two parts: fixed salary and variable pay. The fixed salary is a monthly recurring pay, and variable

pay includes employee bonuses, annual bonus and employee stock options, which are determined based on the personal annual performance evaluation. The annual performance evaluation includes qualitative indicators (e.g., work-related core competencies, potential for future development, etc.) and quantitative indicators (e.g., personal achievement of the goals, rate of achievement, expected targets, etc.).

Employee bonuses are determined based on the Company's Article 29 of Incorporation- If the company makes a profit in the year, it should first retain the amount of the accumulated losses. The board of directors resulted to allocate 0.1% or above profit to be employees' compensation and 2% limited for the director's. The employees' compensation can be cash or stock. The object of distribution must include employees of subordinate companies that meet certain conditions. Employee compensation and director compensation distribution should be reported to the shareholders' meeting; The annual bonus is determined based on the operating performance of the year with agreement of the Company's Remuneration Committee through a resolution of the Board. Employees' stock options include general and bonus stock options. The general stock options, given to outstanding individuals with direct contributions to the Company, are calculated by rank, seniority and annual performance evaluation, decided by the Chairperson and approved by the Remuneration Committee and the Board of Directors.

3. The relationship between the procedure for determining remuneration, operating performance and future risks:

The procedure for determining the compensations was carried out in accordance with the Standards for Performance Evaluation of Directors and Managers and Compensations System approved by the Board of Directors. Reasonable compensations are determined based on the Company's operating performance, personal performance and each individual's contributions to the Company with reference to the industrial standards. The Remuneration Committee and Board of Directors check the reasonableness of remuneration regularly and review the compensation system whenever necessary to meet the requirements of the actual operations and relevant laws and regulations. The directors and President shall not be led to engage in activities that exceed the Company's risk appetite in pursuit of remuneration to prevent the Company from losses after paying the remuneration.

2.3 Implementation of Corporate Governance

2.3.1 Board of Directors

A. Total of 6 meetings of the board of directors were held in the previous period, Directors' attendance was as follows: (Disclosure period: January 1, 2024 ~ Feb. 28, 2025)

Title	Name	Attendance in Person	By Proxy	Attendance rate (%)	Remarks
Chairman	J. J. Liao (Rep. of CTCI Corporation)	6	0	100	
Director/ President	H. H. Tiao (Rep. of CTCI)	6	0	100	
Director	Eugene Chien	5	1	83.3	
Director	Ping Shen	6	0	100	
Director	Yangming Liu	6	0	100	
Director	Kuan Shen Wang	6	0	100	
Independent Director	Shuh Woei Yu	6	0	100	
Independent Director	James Tsai	6	0	100	
Independent Director	Shan-Shan Chou	6	0	100	

B. The status of independent directors attending the board of directors in the most recent year (Disclosure period: January 1, 2024 ~ Feb 28, 2025)

◎ : Attend in person ; ☆ Delegate to attend ; ● : Not present

Name of Independent Director	The 7th Meeting of the 9 th term BOD 2024.03.04	The 8th Meeting of the 9 th term BOD 2024.05.2	The 9th Meeting of the 9 th term BOD 2024.07.31	The 10th Meeting of the 9 th term BOD 2024.11.04	The 11th Meeting of the 9 th term BOD 2024.12.12	The 12th Meeting of the 9 th term BOD 2024.02.26
Shuh Woei Yu	◎	◎	◎	◎	◎	◎
James Tsai	◎	◎	◎	◎	◎	◎
Shan-Shan Chou	◎	◎	◎	◎	◎	◎

C. Other mentionable items:

1. If there are the following matters, the dates of meetings, sessions, contents of motions, all independents' opinion and the Company's response to independent directors' opinion should be specified:

(1)Article 14-3 of Securities and Exchange Act. : ECOVE Environment Corp. already set up the Audit Committee, please refer to the section 3.4.2 " The state of operations of the Audit Committee: for the matters referred to in Article 14-5 of Securities and Exchange Act".

(2)In addition to the opening of the matter, the resolutions of the directors' meetings objected to by Independent Directors or subject to qualified opinion and recorded or declared in writing : None.

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

(1) Directors' Names: Chairman, J. J. Liao and Director, H. H. Tiao

Contents of motion: The 10th meeting of the 9th term Board of Directors (2024.11.04): Admit of the endorsement of external guarantees.

Causes for avoidance and voting should be specified: Chairman J. J. Liao and Director, H. H. Tiao, as directors of ECOVE Chiayi Energy Corp. have an interest in the case, so they avoided the

- discussion and did not participate in the voting.
- (2) Directors' Names: Chairman, J. J. Liao and Director H. H. Tiao
 Contents of motion: The 12th meeting of the 9th term Board of Directors (2025.02.26): Admit of the endorsement of external guarantees.
 Causes for avoidance and voting should be specified: Chairman J. J. Liao and Director, H. H. Tiao, as directors of ECOVE Chiayi Energy Corp. have an interest in the case, so they avoided the discussion and did not participate in the voting.
3. Board of Directors Evaluation Implementation

Internal evaluation of board of directors

Evaluation cycle	During evaluation	Assessment scope	Evaluation method	Evaluation content
An internal board of directors performance evaluation is conducted annually.	January 1, 2024 to December 31, 2024	1. The overall board of directors. 2. The overall board of directors. 3. The overall board of directors.	Includes internal self-evaluation of board of directors and functional committees, self-evaluation of directors or other appropriate methods to conduct performance evaluation. ECOVE's annual board performance evaluation (including results and responses) has been detailed in the corporate governance operations of this annual report and the company's website, please refer to it. (http://www.ecove.com)	Performance evaluation of the board of directors: divided into 6 aspects ("degree of participation in company operations", "quality of board decisions", "composition and structure of the board of directors," "election of directors and continuous improvement", "internal control" and "participation in sustainable business (ESG)"), 29 indicators. Board member assessment self-assessment: divided into 6 aspects ("mastery of company goals and tasks", "cognition of directors' responsibilities", "degree of participation in company operations", "internal relationship management and communication", "director professional and continuous training "And" Internal Control "), 19 indicators. Salary and Remuneration Committee performance evaluation self-assessment: divided into 4 aspects ("degree of participation in company operations", "cognition of committee responsibilities", "improving the quality of committee decision-making" and "committee composition and member selection"), 15 indicators. Self-assessment of audit committee performance assessment: divided into 5 aspects ("participation in company operations", "cognition of committee responsibilities", "improving the quality of committee decision-making", "committee composition and selection of members" and "internal control"), 19 indicators.
An evaluation is conducted at least once every three years by an external professional independent	January 1, 2024 to December 31, 2024	The overall board of directors.	In January 2025, the Company commissioned the "Taiwan Corporate Governance Association" to conduct the	The external evaluation of the Board of Directors covered five major dimensions, including "composition and division of responsibilities of the Board," "guidance and supervision by the Board," "delegation of authority and risk management by the Board,"

organization or a team of external experts and scholars.			external performance evaluation of the Board of Directors for the year 2024. The external evaluation report has been disclosed on the Company's website.	"communication and collaboration within the Board," and "self-discipline and continuous improvement of the Board."
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4. Measures taken to strengthen the functionality of the Board:

- (1) The company has formed an audit committee by all three independent directors on June 23, 2014. Please refer to the section 3.4.2 "The State of Operations of the Audit Committee".
- (2) The Chairman of the Board does not concurrently serve as the General Manager, ensuring a clear division of responsibilities and enhancing the checks and balances mechanism.
- (3) The Company has purchased directors' and supervisors' liability insurance to reduce and diversify the risks of significant damage to the Company and its shareholders. The policy content is reviewed regularly to ensure that the insured amount and coverage meet the Company's needs, and periodic reports are submitted to the Board of Directors in accordance with regulations.
- (4) In addition to encouraging directors and corporate governance officers to pursue self-directed learning, the Company arranged two in-house training sessions for directors and supervisors of group-listed companies on May 3 and August 2, 2024. Furthermore, on November 6, 2024, a professional lecturer was invited to the Company to deliver a course titled "Establishing an AI Risk Management Framework to Enhance Trust in Integrated AI Applications" to the group's directors, supervisors, and managerial officers. This course helped participants better and more clearly understand the growing scope of AI applications and the increasing significance of related risk issues, highlighting the importance for corporate boards to acquire relevant knowledge in order to manage AI usage and minimize potential risks.

2.3.2 The State of operations of the Audit Committee or the State of participation in board meetings by the supervisors

(1) The Audit Committee Operations

A total of 6 meetings of the Audit Committee were held in the previous period. Independent Directors' attendance was as follows: (Disclosure period: January 1, 2024 ~ Feb. 28, 2025)

Title	Name	Attendance in Person	By Proxy	Attendance rate (%)	Remarks
Independent Director	Shuh Woei Yu	6	0	100	None
Independent Director	James Tsai	6	0	100	None
Independent Director	Shan-Shan Chou	6	0	100	None

The most recent deliberations of the Audit Committee include:

- (1) Deliberate/Review financial reports.
- (2) Adoption or amendment of an internal control system.
- (3) Assessment of the effectiveness of the internal control system.
- (4) Adoption or amendment, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
- (5) Deliberate matters bearing on the personal interest of a director.
- (6) Deliberate material asset or derivatives transaction.
- (7) Deliberate material monetary loan, endorsement, or provision of guarantee.
- (8) Deliberate the offering, issuance, or private placement of any equity-type securities.
- (9) Review the appointment, dismissal or remuneration of certified accountants.

u Deliberations of the annual financial report

The Board of Directors has prepared the Company's 2024 Business Report, Financial Statements (both consolidated and individual), and proposal for allocation of profits, with the financial statements having been audited and certified by Mr. Fu-Ming Liao and Mr. Yi-Fan Lin, the CPA of the PricewaterhouseCoopers. The Business Report, Financial Statements, and profit allocation proposal have been reviewed and determined to be compliant without any discrepancies by the Audit Committee.

u Assessment of the effectiveness of the internal control system

The Audit Committee assessed the effectiveness of the company's internal control system policies and procedures (including finance, operation, risk management, information security, compliance, etc.) and reviewed periodic reports from the company's Internal Audit Department, independent accountants and management. The Audit Committee believes that the company's internal control system is effective and that the company has adopted the necessary control mechanisms to monitor and correct violations.

u CPAs assessment

The Audit Committee is entrusted with the responsibility of supervising the independence of the certified public accounting firm to ensure the fairness of financial statements. Generally, except for tax-related services or projects approved by the Audit Committee, the certified public accounting firm may not provide other non-audit services to the Company.

To ensure the independence of the certified public accounting firm, the Audit Committee refers to Article 47 of the Certified Public Accountants Act and Bulletin No. 10 of the Code of Professional Ethics for Certified Public Accountants, issued by the Financial Supervisory Commission in August, 2022, to formulate an independence assessment form based on the contents of the five dimensions and thirteen indicators

of the Audit Quality Indicators (AQI) released by the Financial Supervisory Commission. On Feb. 26, 2025, the Fourth Session of the 11th Audit Committee and the 9th Session of the 11th Board of Directors reviewed and approved that the independence assessment standards for both Mr. Liao Fu-ming and Mr. Lin Yi-fan, certified public accountants of PricewaterhouseCoopers, were met, making them suitable to serve as the Company's financial and tax signing accountants.

Other mentionable items:

1. If there are the following matters, the dates of Audit Committee' meetings, sessions, contents of motions, contents of independent directors' objections, reservations or major proposals, the Audit Committee' resolutions and the Company's response to the Audit Committee's opinion should be specified:

- (1) The matter referred to in Article 14-5 of Securities and Exchange Act.
- (2) The resolution that was not approved by the Audit Committee but be undertaken upon the consent of two-thirds or more of all directors.

Audit Committee's Meetings	Contents of proposals and follow-up processing	The matter referred to in Article 14-5 of Securities and Exchange Act	The resolution that was not approved by the Audit Committee but be undertaken upon the consent of two-thirds or more of all directors
The 7 th meeting of the 9 th term 2024.03.04	1. Approval of the endorsement of external guarantees.	V	N/A
	2. Approval of the changes in credit amount.	V	N/A
	3. Approval of the distribution plan of the 2023 directors' and employees' remuneration.	V	N/A
	4. Approval of the Fiscal 2023 business report, financial reports and consolidated statements.	V	N/A
	5. Approval of the distribution plan of Fiscal 2023 earnings.	V	N/A
	6. Approval of "Statement of Internal Control System" for the Year 2023".	V	N/A
	7. Approval of the adjustment and application of the company's loans to others.	V	N/A
	8. Approved amendments to certain provisions of the company's "Risk Management Guidelines".	V	N/A
	9. Approved amendments to certain provisions of the company's "Audit Committee Charter".	V	N/A
	10. Approval of the amendment on partial articles of the Company's "Internal Control System".	V	N/A
	11. Approved amendments to certain provisions of the company's "Endorsement and Guarantee Handling Procedures".	V	N/A
	12. Approved amendments to certain provisions of the "Endorsement and Guarantee Handling Procedures" of the company's subsidiary, ECOVE ESC.	V	N/A
	13. Approval of the update of the company's paid-in capital registration.	V	N/A
	14. Approved the simplified merger between the company and its wholly-owned subsidiary, ECOVE SEC, as well as ECOVE SEC 's wholly-owned subsidiary, ECOVE South Corp. Ltd..	V	N/A

	Audit Committee Resolution (March 4, 2024): All attending members unanimously agreed to approve.		
	Company's Response to Audit Committee Opinions: Except for the amendment to the "Risk Management Guidelines" which included the revision of the Risk Management Executive Committee organizational chart and was approved, all other proposals were unanimously approved by all attending directors.		
The 8 th meeting of the 9 th term 2024.05.02	1. Approval of the endorsement of external guarantees.	V	N/A
	2. Approval of 2024 1 st quarter report of consolidated statements.	V	N/A
	3. Approval of the update of the company's paid-in capital registration.	V	N/A
	4. Approval of the adjustment and application of the company's loans to others.	V	N/A
	Audit Committee Resolution (May 2, 2024): All attending members unanimously agreed to approve.		
	The Company's managing with the opinion of the Audit Committee: Were approved by the resolution of all present directors.		
The 9 th meeting of the 9 th term 2024.07.31	1. Approval of the endorsement of external guarantees.	V	N/A
	2. Admit of the Changes in credit amount.	V	N/A
	3. Approval of 2024 2nd quarter report of consolidated statements.	V	N/A
	4. Approval of the update of the company's paid-in capital registration.	V	N/A
	Audit Committee Resolution (July 31, 2024): All attending members unanimously agreed to approve.		
	The Company's managing with the opinion of the Audit Committee: Were approved by the resolution of all present directors.		
The 10 th meeting of the 9 th term 2024.11.04	1. Approval of the endorsement of external guarantees.	V	N/A
	2. Admit of the Changes in credit amount.	V	N/A
	3. Approval of 2024 3rd quarter report of consolidated statements.	V	N/A
	4. Approval of the update of the company's paid-in capital registration.	V	N/A
	5. Approval of the adjustment and application of the company's loans to others.	V	N/A
	6. Approval of the amendment/adding on partial articles of the Company's "Internal Control System".	V	N/A
	Audit Committee Resolution (Nov. 4, 2024): All attending members unanimously agreed to approve.		
	The Company's managing with the opinion of the Audit Committee: 1. The above 1 was approved by the resolutions of present directors except for benefit-avoiding directors. (Benefit-avoiding director: Chairman J.J.Liao, Director H.H.Tiao) 2. Others were approved by the resolution of all present directors.		
The 11 th meeting of the 9 th term 2024.12.12	1. Approval of the budget of 2025.	V	N/A
	2. Approval of the Audit Plan of 2025.	V	N/A
	3. Approval of the amendment/adding on partial articles of the Company's "Internal Control System".	V	N/A
	Audit Committee Resolution (Dec. 12, 2024): All attending members unanimously agreed to approve.		
	The Company's managing with the opinion of the Audit Committee: Were approved by the resolution of all present directors.		

The 12 th meeting of the 9 th term 2025.02.26	1. Admit of the endorsement of external guarantees.	V	N/A
	2. Admit of the Changes in credit amount.	V	N/A
	3. Approval of the distribution plan of the 2024 directors' and employees' remuneration.	V	N/A
	4. Approval of the Fiscal 2024 business report, financial reports and consolidated reports.	V	N/A
	5. Approval of the distribution plan of Fiscal 2024 earnings.	V	N/A
	6. Approval of "Statement of Internal Control System for the Year 2024".	V	N/A
	7. Approval to the application of the company's loans to others.	V	N/A
	8. Approval of the amendment on partial articles of the Company's "Internal Control System".	V	N/A
	9. Approval of the update of the company's paid-in capital registration.	V	N/A
	Audit Committee Resolution (Feb. 26, 2025): All attending members unanimously agreed to approve.		
	The Company's managing with the opinion of the Audit Committee: 1. The above 1 was approved by the resolutions of present directors except for benefit-avoiding directors. (Benefit-avoiding director: Chairman J.J.Liao, Director H.H.Tiao) 2. Others were approved by the resolution of all present directors.		

2. If there is Independent Directors' avoidance of motions in benefit avoiding, the Independent Directors' names, contents of motions, causes for avoidance and voting should be specified:
None

3. Communication between independent directors, internal audit supervisors and accountants (significant matters, methods and results etc. on the company's financial and business conditions should be included).
(1) After the approval of audit and follow-up report by Chairman, the audit supervisor will send it to the independent directors by e-mail every month for review. At least quarterly face-to-face communication on internal control and audit-related matters and reply to inquiries from independent directors. No opinion after communication.
(2) The audit supervisor attends the audit committee and the board of directors with audit business reports. All independent directors have good knowledge of the company's internal audit status. The independent directors of the company have good communication with the audit supervisor.

4. The State of participation in board meetings by the supervisors: None (Replacing supervisors with audit committee)

2.3.3 Corporate Governance and Operation, Differences from the Corporate Governance Best Practice Principles for the TWSE/TPEX Listed Companies and Reasons

Evaluation Item	Operation Status			Deviations from "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary Statement	
1. Does the Company establish and disclose the Corporate Governance Practice Principals in accordance with the Corporate Governance Best Practice Principles for the TWSE/GTSM Listed Companies?	V		The Company has established "Corporate Governance Practice Principles" in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and disclosed them on the Market Observation Post System (MOPS) and company website (http://www.ecove.com). Last revision at the 15 th meeting of the 8 th term Board of Directors of the Jul. 29, 2022.	None
2. Ownership structure and shareholder's equity (1) Does the Company set up the internal standard operation procedure to handle issues such as shareholder's advices, questions, disputes and accusations for implementation accordingly? (2) Does the Company have control over the major shareholders, who control the Company and have the name list of the major shareholders who have the ultimate control over the Company?	V		(1) The Company has the procedures for processing shareholder suggestions, questions, disputes, and litigation and processes related matters accordingly. (2) The Company requires its internal personnel (such as directors, managers, and shareholders holding more than 10% of the shares of the Company's capital, etc.) to report changes in their shares every month and disclose these changes on MOPS in accordance with Article 25 of the Securities and Exchange Act.	None None

Evaluation Item	Operation Status			Deviations from "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary Statement	
(3) Does the Company set up and implement the risk control and firewall mechanism with the subsidiaries and affiliates?			(3) The Company has established "Subsidiary Supervision and Management Procedures" in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies" established by the Financial Supervisory Commission and the "Procedures Governing Transactions with Group Enterprises, Specific Companies, and Related Parties" as the basis for auditing. Additionally, the Company organizes periodic meetings with related enterprises and takes part in Board of Directors meetings and shareholder meetings of subsidiaries in order to promptly learn about decisions and changes of related enterprises for the purpose of establishing corporate risk management and firewall mechanisms.	None
(4) Does the Company stipulate internal regulation, prohibiting the insiders of the company to make use of the unpublished information for the trading of securities?			(4) The company has established the "Insider Trading Prevention Guidelines" and the "Code of Ethical Conduct," both of which stipulate that trading securities using non-public information is prohibited.	None
3. Composition and Responsibilities of the Board of Directors				
(1) Is there establishment of the diversification with specific management targets and implementation?	V		(1) Please refer to "B. Diversity and Independence of the Board of Directors/(1) Diversity of the Board of Directors" in 2.1.1 Information on Directors of this annual report, or the relevant information disclosed on the Company's website.	None
(2) In addition to the establishment of the Remuneration Committee and Audit Committee, does the Company have other functional	V		(2) The Company has established the Remuneration Committee and Audit Committee, but no other functional committees.	None

Evaluation Item	Operation Status			Deviations from "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary Statement	
<p>committees?</p> <p>(3) Has the company formulated the board performance evaluation method and its evaluation method, and conduct performance evaluation annually and regularly, and report the results of the performance evaluation to the board of directors, and apply it to individual directors' remuneration and nomination renewal reference?</p>	V		<p>(3) The company established the "Board Performance Evaluation Method" on December 13, 2016, and revised the aforementioned method in 2019 to expand the scope of evaluation from the overall board of directors to individual directors and functional committees (salary and compensation committee and audit committee)</p> <p>According to the above regulations, "the internal performance evaluation of the previous year is carried out in the first quarter of the next year" and "at least once every three years by external professional independent institution or experts and scholars team".</p> <p>The company completed the 2024 internal board of directors performance evaluation in January 2025, executed by the General Management Office. The evaluation period for the 2024 internal board performance assessment was from January 1, 2024, to December 31, 2024. The scope of the evaluation included the overall board of directors, individual board members, and functional committees. The evaluation methods comprised internal self-assessments by the board and functional committees, as well as self-assessments by individual board members. Detailed evaluation aspects, grades, and results were reported to the company's ninth session, twelfth board meeting on February 26, 2025, and will be used as references for individual board members' compensation and reappointment nominations. According to the results of the 2024 board performance evaluation, the company's board of directors is operating well.</p>	None

Evaluation Item	Operation Status			Deviations from "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary Statement	
(4) Is there regular assessment of the independence of the certified public accountant?	V		<p>The 2024 board performance evaluation report has been disclosed on the company's website.</p> <p>Additionally, the company commissioned the "Chinese Corporate Governance Association" to conduct the 2024 external board performance evaluation in February 2025. The evaluation period was from January 1, 2024, to December 31, 2024. The external board performance evaluation report has also been disclosed on the company's website.</p> <p>(4) To fulfill Corporate Governance, the Company has established "Evaluation of engaged Certified Public Accountant Regulation" in the 8th meeting of the 5th board of director on December 18, 2012. According to this regulation, the Company exams and evaluates CPA's independence and capability annually, and submit a report to the Audit Committee and Board of Directors. The report was approved by the Audit Committee in the 11th meeting of the 4th and by the Board of Directors in the 12th meeting of the 9th on Feb. 26, 2025. According to the Professional Ethical Standards Bulletin No. 10 "Independence in Audit and Review" of the Taiwan Institute of Certified Public Accountants, and the Audit Quality Indicators (AQI) released by the Financial Supervisory Commission in Aug. 2022, there are 5 dimensions and 13 indicators to assess the independence of auditors. The evaluation items please refer to the [Note 1]. After assessed, CPAs Fu-Ming Liao and Yi-Fan Lin from PricewaterhouseCoopers were qualified. Both CPAs do not have any direct interest relationship with either the Board of Directors or the Company, and believed to have more than sufficient capabilities on auditing, taxation and time cost efficiency.</p>	None

Evaluation Item	Operation Status			Deviations from "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary Statement	
4. Has the TWSE-listed or TPEX-listed company established qualified and appropriate personnel and appoint the Company Secretary responsible for corporate governance affairs (including but not limited to providing information required for Directors and Supervisors to carry out their tasks, assist directors and supervisors to follow laws and regulations, organize meetings of the Board of Directors and shareholder meetings, implement company registration and changes, compile meeting minutes for the Board of Directors meetings and shareholder meetings, etc.)?	V		<p>The company has designated the financial director Ms. Huang Zhonglei also serves as the "Company secretary" and is responsible for corporate governance related matters on the 12th meeting of the 7th term BOD on March 8, 2019. The new company secretary has more than three years of experience as a financial manager in a public offering company. The company's management division also designates a full-time colleague to assist in corporate governance practice. This full-time colleague has more than three years of experience in the board of directors of a public offering company. The "company secretary" authority shall include at least the following contents :</p> <p>(1) Handling matters relating to board meetings and shareholders meetings according to laws.</p> <p>(2) Producing minutes of board meetings and shareholders meetings.</p> <p>(3) Assisting in onboarding and continuous development of directors and supervisors.</p> <p>(4) Furnishing information required for business execution by directors and supervisors.</p> <p>(5) Assisting directors and supervisors with legal compliance.</p> <p>(6) Other matters set out in the articles or corporation or contracts.</p> <p>The company's " Corporate Governance Officer" completed the 12-hour training in 2024. Please refer to section 2.3.7 (B) , "Training of the Corporate Governance Officer."</p> <p>The key focuses of their duties for the year 2024 are as follows:</p> <p>(1) All 9 directors will have at least 6 hours of training.</p> <p>(2) Hold annual general shareholders meeting at the end of May in 2024.</p> <p>(3) The self-evaluation of the performance of the Board of Directors was carried out, and the evaluation results showed that all</p>	None

Evaluation Item	Operation Status			Deviations from "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary Statement	
			<p>directors believed that the Board of Directors of the company was in good working order.</p> <p>(4) Responsible for corporate governance evaluation, and obtained the top 5% companies from "Corporation Governance Evaluation".</p> <p>(5) Responsible for checking the important information that should be issued after the board of directors and shareholders' meeting to ensure the legality and correctness of the important information.</p> <p>(6) Provide the company information required by the directors, and maintain communication between the directors and the heads of departments.</p> <p>(7) Provide board members with information on stipulation & revision of laws, regulations, etc. in the field of company operations and corporate governance.</p>	
5. Does the Company establish communication channel for stakeholders (Including but not limited to shareholders, employees, customers and suppliers), set up a dedicated section in its corporate website for stakeholders, and properly respond to CSR-related issues concerned by stakeholders?	V		<p>Through communication and dialogue with stakeholders, the company understands their expectations and concerns, which serve as the basis for promoting relevant issues and solutions. Using the AA 1000 SES:2015 standard for quantification, the company evaluates the impact of stakeholders on the operations of ECOVE based on five principles: dependency, responsibility, influence, diverse perspectives, and tension. Ultimately, members from various sustainability departments identified six key stakeholders: employees, government, customers, shareholders, suppliers, and the community.</p> <p>The company's website has a dedicated section for sustainable development and stakeholders, explaining various sustainability initiatives to stakeholders. All inquiries from stakeholders (including but not limited to important corporate social responsibility issues) are carefully responded to. For detailed concerns and response methods, please refer to the company's sustainability report.</p>	None

Evaluation Item	Operation Status			Deviations from "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary Statement	
6. Does the Company entrust the professional stock affair agency for the shareholder affairs?	V		The Company has appointed the Stock Transfer Agency Department of KGI Securities to process affairs related to shareholder meetings.	None
7. Information Disclosure (1) Does the Company set up a website to disclose information regarding the Company's finance, business and corporate governance status?	V		(1) The company has established a website to disclose information regarding the company's financial, business, and corporate governance status. The Company's website: www.ecove.com	None
(2) Is there any other information disclosure channels (e.g., maintaining an English-language website, appointing responsible people to handle information collection and disclosure, appointing spokespersons, webcasting investors conference)?			(2) The Company has established a Chinese and English website and assigned dedicated personnel for the collection and disclosure of company information. The Company also established a spokespersons mailbox on the company website to implement the spokesperson system, and published Chinese and English presentation materials and recordings of investor conferences, shareholder meeting information in Chinese and English, annual reports, etc.	None
(3) Does the company announce and declare the annual financial report within two months after the end of the fiscal year, and announce and declare the first, second, and third quarter financial reports and the monthly operating situation within the prescribed time limit?			(3) The company, in accordance with regulations, announces the first, second, and third quarter financial reports, as well as the annual financial report and monthly operational status within the specified deadlines.	
8. Is there other important information,	V		(1) The Company does not discriminate between gender, race,	None

Evaluation Item	Operation Status			Deviations from "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" and reasons
	Yes	No	Summary Statement	
which helps to understand the governance and operation of the company, which includes but not limited to the rights and interest of the staff, cares for the employees, investor relations, relation with the suppliers, rights of the stakeholders, trainings received by the directors and supervisors, the implementation of the risk management policy and risk assessment criteria, the liability insurance policies taken out for the directors and supervisors...etc?			<p>nationality, etc. in the recruitment and appointment of employees. Each employee shall enjoy labor insurance, national health insurance, appropriation of statutory pension fund, and the subsidiaries set up a common employee welfare committee.</p> <p>(2) The Company has provided the directors with information on related advanced study courses and appointed external professional institutions to open courses.</p> <p>(3) In accordance with the "Risk Management Standards", the company regulates the risk management process of each department and defines risk measurement standards, and implements risk management accordingly. All risk management units regularly carry out risk identification and assessment and propose improvement measures, then report to the risk management executive committee. The risk management executive committee shall submit a risk management report to the board of directors every year. In case of major risks that endanger the company's operations or compliance with laws and regulations, they shall take immediate and appropriate actions</p> <p>(4) The Company has purchased liability insurance policies for the directors and managers for the purpose of compensation in the event that a director or important employee causes damage to the Company or any third parties during the performance of duties.</p> <p>(5) The Company complies with laws and regulations in all contracts signed with customers to safeguard the rights and obligations of both parties.</p>	
9. Please describe the improvement status and provide the items and measures that should be prioritized	V		The company's 2025 Annual General Meeting of Shareholders will be conducted as a physical meeting with video conferencing support (video-assisted shareholders' meeting).	None

Evaluation Item	Operation Status			Deviations from “Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies” and reasons
	Yes	No	Summary Statement	
for improvement with regard to the corporate governance evaluation results issued by the Corporate Governance Center of Taiwan Stock Exchange in the most recent year.				

[Note 1] CPAs' Audit Quality Indicators (AQI) and Independence Evaluation Form

Based on the 10th issue of the Code of Ethics for Certified Public Accountants in Taiwan on "Independence in Auditing and Reviewing" and the Audit Quality Indicators (AQI) released by the Financial Supervisory Commission of Taiwan in August 2012, the independence of the accountants can be evaluated through the following 5 main aspects and 13 indicators:

Audit Quality Indicators (AQI)		Compliance with Indicators		Note
Item	Description	Yes	No	
1	AQI Indicator I 、Professionalism	P		
2	AQI Indicator II 、Quality Control	P		
3	AQI Indicator III 、Independence	P		
4	AQI Indicator IV 、Monitoring	P		
5	AQI Indicator V 、Innovation Capability	P		

Independence		Independence Criteria		Remark
Item	Description	Yes	No	
1	The CPA is required to recuse him/herself if his/her service or he/she has a direct or material indirect relationship with or interest in the matter concerned that may affect his/her fairness and independence and may not take part in the process.	V		
2	The purpose of the audit or review of the financial statements is to provide a medium to high probability but not absolute verification for the potential users of the statements. In addition to maintaining independence in form, the CPA's actual independence is even more significant. Therefore, members of the audit service team, other CPAs, the firm, and the affiliate enterprises of the firm are required to remain independent from the Company.	V		
3	The CPAs appointed by the Company maintain the following conditions:			
	(1) Integrity: The CPAs shall provide professional services in an honest and solemn manner.	V		
	(2) Fair and objective: The CPAs maintain a fair and objective attitude when providing professional services and prevent conflicts of interest from affecting their independence.	V		
	(3) Independence: The CPAs remain independent in form and in substance when auditing or reviewing financial statements and express their opinions in a fair manner.	V		
4	The independence, honesty, fairness, and objectivity of the CPAs are closely related. The CPAs do not lack or lose the independence that may affect the integrity, fairness, and objectivity that they had when they were appointed.	V		
5	The independence of the CPAs has not been influenced by self-interest,	V		

	self-evaluation, defense in court, familiarity, or coercion.			
6	The influence of self-interest on the independence of the CPAs refers to the financial benefits obtained from the Company or other relations that may cause conflicts of interest with the Company. The following conditions have not occurred:			
	(1) Direct or indirect material financial interests with the Company.	V		
	(2) Financing or endorsements with the Company or its Directors or Supervisors.	V		
	(3) Intensive business relations with the Company.	V		
	(4) The possibility of losing the Company as a client.	V		
	(5) Potential employment relations with the Company.	V		
	(6) All official expenses in relations with the audit of the Company.	V		
7	The influence of self-evaluation on the independence of the CPAs refers to reports or judgments submitted by the CPAs for non-auditing services which constitute an important basis in the audit or review process of financial information; or if a member of the audit service team had once served as the Company's Director, Supervisor, or a position in the Company with significant influence over the audited case. The following conditions have not occurred:			
	(1) A member of the audit service team currently serves or had served as the Company's Director, Supervisor, or other position that could seriously impact the audit in the most recent two years.	V		
	(2) Non-auditing services provided to the Company directly impact critical items in the audit.	V		
8	The influence of defense in court on the independence of the CPAs refers to the defense provided by a member of the audit service team to the Company's stature or opinion that causes its objectivity to be questioned. The following conditions have not occurred:			
	(1) Promotion or intermediary for the stocks or other securities issued by the Company.	V		
	(2) A member of the audit service team served as the Company's defense counsel or represents the Company in mediating conflicts with third parties.	V		
9	The influence of familiarity on the independence of the CPAs refers to the close relations with the Company's Directors, Supervisors, or managers that would cause the CPAs or members of the audit service team to pay overt attention to or sympathize with the Company's interests. The following conditions have not occurred:			
	(1) A member of the audit service team is a family member or relative of the Company's Director, Supervisor, or other individuals in positions that could seriously impact the audit.	V		
	(2) A member of the audit service team is a family member or relative of the Company's Director, Supervisor, or other individuals in positions that could seriously impact the audit.	V		
	(3) A member of the audit service team has accepted valuable gifts or presents from the Company or its Director or Supervisor.	V		

10	The influence of coercion on the independence of the CPAs refers to the threat from the Company suffered or felt by a member of the audit service team that causes the member to be unable to maintain objectivity and clarify professional doubts. The following conditions have not occurred:			
	(1) The Company requested the CPAs to accept inappropriate choices requested by the management or provide inappropriate disclosure in financial statements.	V		
	(2) The Company exerted pressure on the CPAs to inappropriately reduce mandatory auditing tasks to lower expenses.	V		
11	The firm and the members of the audit team shall be responsible for maintaining their independence, at the same time, considering whether the executed works will impact their independence. If so, measures shall be taken to remove such impact or eliminate it to an acceptable level.	V		
12	When the impact on independence is confirmed to be material, whether the Company, the firm and the audit team have adopted proper measures to eliminate such impact or reduce it to an acceptable level. The result shall be recorded.			N/A
13	If the Company, the firm and the audit team do not adopt proper measures to eliminate such impact or reduce it to an acceptable level, consideration shall be taken in regards to replacing the accountants to maintain the independence.			N/A

2.3.4 The Remuneration committee's composition, responsibilities and operation:

1. Remuneration Committee members' information and responsibilities

Feb.28,

2025

Identity (Note1)	Criteria	Professional qualifications and experience	status of independence	Number of Other Public Companies in Which the Individual is Concurrently Serving as a member of Remuneration Committee
	Name			
Convener and Independent Director	Shuh Woei Yu	Please refer to 2.1.1 Information of Directors and the section “A. Disclosure of Professional Qualifications of Directors and Independence of Independent Directors”		0
Independent Director	James Tsai	Ditto.	Ditto.	1
Independent Director	Shan-shan Chou	Ditto.	Ditto.	1

Scope of Duties of Remuneration Committee

The Committee shall exercise the care of a good administrator to faithfully perform the following duties and present its recommendations to the board of directors for discussion:

- (1) Periodically reviewing this Charter and making recommendations for amendments.
- (2) Establishing and periodically reviewing the performance assessment standards, and the policies, systems, standards, and structure for the compensation of the directors and managerial officers of this Corporation.
- (3) Periodically assessing the degree to which performance goals for the directors and managerial officers of this Corporation have been achieved, setting the types and amounts of their individual compensation
- (4) Other matters to be considered by the board of directors.

2. The state of operations of the Remuneration Committee

a. This committee is comprised of 3 members.

b. The term of current committee members is from May. 31, 2023 to May. 30, 2026:

A total of 3 meetings of the Remuneration Committee were held in the previous period: (Jan. 01, 2024 ~ Feb. 28, 2025)

Title	Name	Attendance in Person	By Proxy	Attendance rate (%)	Remarks
Convener/Member	Shuh Woei Yu	3	0	100	None
Member	James Tsai	3	0	100	None
Member	Shan-shan Chou	3	0	100	None

Other mentionable items:

1. If the board of directors declined to adopt, or modified, a recommendation of the remuneration committee, the dates of meetings, sessions, contents of motions, resolutions of the Board Meeting and the Company's response to remuneration committee' opinion should be specified (If the remuneration passed by the board of directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.

2. If there are objections or reservations to any discussion matters or extraordinary motions expressed by any member of the Committee, recorded or provided in written forms, the dates of meetings, sessions, contents of motions, all members' opinion and the Company's response to members' opinion should be specified: None.

3. The operation of the company's remuneration committee in the most recent year:

Remuneration Committee Meetings	Contents of motion	Resolution	The company's handling of the opinions of the Remuneration Committee.
The 2 nd meeting of the 5 th term 2024.03.04	1. The distribution plan of the 2023 directors' and employees' remuneration.	All members of the committee agreed	Submitted to the BOD, approved by all attend directors.
The 3 rd meeting of the 5 th term 2024.12.12	1. Revised the employees' average salary increase rate of 2025.	All members of the committee agreed	Submitted to the BOD, approved by all attend directors.
	2. Designed managerial compensation (salary and bonus) for the Company	All members of the committee agreed	Submitted to the BOD, approved by all attend directors, except for the director who avoided the conflict of interest.
The 4 th meeting of the 5 th term 2025.02.26	1. Distribution of director and employee compensation for fiscal year 2024 in the Company.	All members of the committee agreed	Submitted to the BOD, approved by all attend directors.

2.3.5 Progress in the implementation of sustainable development initiatives.

A. Progress in the implementation of sustainable development initiatives, differences from the Sustainable Development Practice Guidelines for Listed Companies, and the reasons for these differences.

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Summary Statement	
1. Has the Company established a governance structure for promoting sustainable development, set up a dedicated (or concurrent) unit for promoting sustainable development, assigned the responsibility to senior management as authorized by the board of directors, and monitored by the board of directors? (Listed companies should report on the implementation status, not on compliance or interpretation.)	V		<p>The Sustainable Development Committee serves as the highest decision-making body for ECOVE's sustainable development initiatives, overseeing corporate social responsibility, environmental protection, and corporate governance matters. The committee is chaired by the chairman, with the general manager serving as the chief commissioner, and includes chairpersons, general managers, and department heads of its subsidiaries as members. Meetings are held biannually, with the first half of the year focused on progress review and the second half dedicated to assessing the results of sustainability efforts and planning for the next year, ensuring effective tracking and management.</p> <p>The committee has established 3 sustainability task forces: the Social Engagement Group, the Environmental Protection Group, and the Corporate Governance Group, comprising general managers and department heads from various subsidiaries to effectively drive sustainable development initiatives.</p> <p>The Sustainability Committee reports annually to the Board of Directors on the implementation results of sustainable development and plans for the following year. The Board supervises the setting of management policies, strategies, and objectives, as well as the review, tracking, and effectiveness of subsequent implementation. The most recent report to the Board was made in the fourth quarter of 2024, presenting the sustainability plan for 2025 and the implementation results</p>	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Summary Statement	
			<p>of 2024.</p> <p>Operational and execution status of the Sustainable Development Committee: Plan themes for 2024: Talent retention and recruitment, occupational safety and health, social engagement, renewable energy development, greenhouse gas management, recycling and reuse development, air pollution control, water resource management, and corporate governance-related topics.</p> <p>Plan themes for 2025: Talent retention and recruitment, occupational safety and health, social engagement, renewable energy development, greenhouse gas management, recycling and reuse development, air pollution control, water resource management, and corporate governance-related topics.</p>	
2. Has The company conducted a risk assessment on environmental, social, and corporate governance issues related to its operations based on the principle of materiality, and established relevant risk management policies or strategies? (Listed companies should report on the implementation status, not on compliance or interpretation.)	V		<p>The Company adheres to the GRI Standards, SASB standards, and AA1000SES standards. Through the participation and discussion of the Sustainability Committee, we conduct a materiality analysis to identify environmental, social, and corporate governance issues related to our operations. We have issued "Risk Management Guidelines" and established a Risk Management Implementation Committee, whose members include department heads from ECOVE, Chairman, President, and department heads one level below the general manager from each subsidiary. This committee controls various operational risks and adopts effective actions to manage risks or seize potential opportunities. The committee meets regularly each year, prioritizes risk issues after discussions by the Risk Management Committee, and formulates relevant strategies.</p> <p>Please refer to the "Materiality Analysis" and "Risk Management" sections in the sustainability</p>	None

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Summary Statement	
<p>3. Environment Issue</p> <p>(1) Does the company establish proper environmental management systems based on the characteristics of their industries?</p> <p>(2) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?</p>	V		<p>report for more details.</p> <p>(1) As a member of the society, ECOVE is committed to energy-saving and carbon reduction. From the view of the entire resource recycling industry, the Company is constantly pursuing the development and application of new technologies to reduce energy consumption and prevent pollution. In daily operations, the Company advocates the importance of reducing waste, electricity, water and energy. After ECOVE obtained the world's first "BS 8001 Circular Economy Standard" certificate in 2017, it took "resource recycling service integration innovation and efficiency improvement" as the inspection target in 2021, and achieved the certification of circular economy standards in all business fields. It shows that ECOVE enhances economic, environmental and social benefits to improve recycling rate and efficiency of every resource through effective resource management. Please refer to the last column of this form for international verification.</p> <p>(2) In terms of pollution control, the company has established quality and environmental management systems (ISO 9001 and ISO 14001). According to the 2024 statistics, the total power generation was approximately 1,133,102 megawatt-hours, which resulted in a reduction of about 560,000 metric tons of CO₂e. The total amount of waste processed by the incineration plants under operational management in 2024 was approximately 1,950,763 metric tons. Based on the latest three-year statistics announced by the Environmental Protection</p>	None

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	Yes	No	Summary Statement	
(3) Does the company evaluate the potential risks and opportunities of climate change on its now and future operations and respond to the related issues with any initiatives?			<p>Administration, each person in Taiwan generates about 1.36 kilograms of waste per day, with incineration accounting for 34.76%. This means that ECOVE ESC effectively serves the annual waste generation of approximately 7.97 million people.</p> <p>(3) Among the top-five risks indicated in the Global Risks Report 2022 issued by the World Economic Forum ("WEF"), three of them are related to climate change. The impact of climate change on businesses has been growing. Therefore, we have set up Risk Management Standard in 2017. By continuously identifying relevant risk issues, such as information safety, occupational safety and health circle, projects (including climate change issue), organization and quality management, we have established a comprehensive governance procedure to manage risks or seize opportunities. In addition, inspection has been carried out according to the industry features to monitor parties that may be impacted by climate change. Risk management and mitigation plans have been conducted accordingly.</p> <p>Response measures: In response to the impact of global climate change, ECOVE assess climate change risk and opportunity for its business areas-waste treatment, renewable energy and recycling & reuse. ECOVE regularly identify risk sources and scope of impact and formulate various contingency operating standards to reduce impacts on operation caused by risks. We imported a management framework which is recommended by TCFD (Task Force on Climate-related Financial Disclosures) in 2020 to fully assess all climate change risks related to operations and improve organizational resilience under high uncertainty in the future. ECOVE also encourages green procurement policies. The amount of green procurement in 2024 was about 95.49 million. Please refer to the CSR report of the Company for further details.</p>	

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(4) Does the company record the greenhouse gas emissions, water consumption and total waste generation over the past two years and developed policies to reduce greenhouse gas emissions, conserve water, or manage other types of waste?			<div>(4) Since 2022, ECOVE and its consolidated subsidiaries have been conducting greenhouse gas inventories, with annual verification performed by a qualified third-party assurance provider. The total greenhouse gas emissions, water consumption, and waste generation over the past two years are summarized in the table below:</div> <div>I Greenhouse Gas Emissions</div> <table><tr><th rowspan="2">Region</th><th rowspan="2">Category</th><th colspan="2">Annual Emissions (tCO₂e)</th></tr><tr><th>2023</th><th>2024</th></tr><tr><td rowspan="3">Headquarter</td><td>Scope 1 Emissions</td><td>-</td><td>0.09</td></tr><tr><td>Scope 2 Emissions</td><td>123.60</td><td>97.98</td></tr><tr><td>Total Scope 1 + 2 Emissions</td><td>123.60</td><td>98.07</td></tr><tr><td rowspan="3">Production Sites</td><td>Scope 1 Emissions</td><td>3.96</td><td>1.38</td></tr><tr><td>Scope 2 Emissions</td><td>252.78</td><td>55.46</td></tr><tr><td>Total Scope 1 + 2 Emissions</td><td>256.74</td><td>56.84</td></tr></table>	Region	Category	Annual Emissions (tCO ₂ e)		2023	2024	Headquarter	Scope 1 Emissions	-	0.09	Scope 2 Emissions	123.60	97.98	Total Scope 1 + 2 Emissions	123.60	98.07	Production Sites	Scope 1 Emissions	3.96	1.38	Scope 2 Emissions	252.78	55.46	Total Scope 1 + 2 Emissions	256.74	56.84	
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			<div>Plant Water Usage</div> <table><tr><td></td><td>2023</td><td>2024</td></tr><tr><td>Water Consumption (metric tons)</td><td>1,595,511</td><td>1,761,221</td></tr><tr><td>Water per Ton of Waste (metric tons/ton of waste)</td><td>0.83</td><td>0.81</td></tr></table> <div>Note: The plants using tap water include Keelung, Southern Taoyuan, Biomass, Miaoli, Houli, Wujih, Xizhou, Tainan, Gangshan, Taoyuan Airport, and STSP EfW Plants. Calculations are based on water bills issued by Taiwan Water Corporation.</div> <div>Reclaimed Water Facility Usage (ECOVE SRC)</div> <table><tr><td></td><td>2023</td><td>2024</td></tr><tr><td>Water Consumption (metric tons/year)</td><td>8,840</td><td>10,965</td></tr><tr><td>Water Intensity (tons/IPA product)</td><td>2.17</td><td>2.82</td></tr></table> <div>I Waste Section Headquarter</div>		2023	2024	Water Consumption (metric tons)	1,595,511	1,761,221	Water per Ton of Waste (metric tons/ton of waste)	0.83	0.81		2023	2024	Water Consumption (metric tons/year)	8,840	10,965	Water Intensity (tons/IPA product)	2.17	2.82	
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			For other policies related to greenhouse gas reduction, water conservation, or additional waste management initiatives, please refer to Section B. Climate-related Information.	

<p>4. Social issue</p> <p>(1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</p> <p>(2) Does the Company establish and deliver reasonable employee welfare programs (including salary, compensated absences, and other benefits) and adjust employee compensation in relation to business performance?</p> <p>(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?</p>	V	<p>(1) In compliance on human rights, labor standards, environment, anti-corruption and other normative spirits with UN Global Compact, Universal Declaration of Human Rights and UN Framework and Guiding Principles on Business and Human Right, and in order to ensure that daily operations are in line with corporate ethics, ECOVE sets basic standards of conduct to be observed for directors, managers, general employees and procurement personnel separately which include "Corporate Governance Code", "Integrity Management Code", "Directors and managers' business ethical code of Conduct" and "Employee Ethical Code of Conduct". Since 2020, "Employee Ethical Commitment" has been listed as a compulsory on-the-job training. Both new and in-service colleagues must study a total of 2 credits of online courses and in-class tests throughout the year. A total of 1,846 people in 2024 have completed the online course and passed the quiz. In the future, we will continue to focus on human rights issues and promote related education and training to increase awareness of human rights protection and reduce the possibility of related risks. Please refer to our sustainability report on "Human Rights Protection and Welfare" and section 4.3.1 "Work Environment and Employee Safety Explanation" and section 4.5 "Labor Relations" in this year's report for more information.</p> <p>(2) Under a competitive compensations and benefits structure, standards of salary adjustments and bonus payments do not differ based on the type of employment, gender, or age. Ecove conducts both internal and external review structure to link compensation, bonuses and performance through a comprehensive performance appraisal system. The Company conducts annual performance evaluation for all employees. Individual work performance, responsibility commitment, and future development potential are considered. Objective and valid evaluations are used as the basis for salary adjustments and bonuses through various indicators such as corporate culture and CSR participation to achieve the effect of incentives. For the company's various employee welfare measures, further education, training, and retirement systems and their implementation details, please refer to 4.5 Labor Relations.</p> <p>(3) The company has obtained ISO 45001 and CNS 45001 certifications. Each year, the company establishes and implements relevant safety and health education and training plans. Through annual safety, health, and environmental activities, the company enhances the safety and health culture, aiming to eliminate occupational hazards. Continuously implementing occupational safety and health management remains a crucial task. Although there were six occupational incidents during the year (with six people injured, accounting for approximately</p>	None
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		<p>0.0064% of the total workforce), the company promptly adopted source management for these incidents. Measures included repairing safety nets (disabling incidents), installing barriers, and purchasing new fire protection gear (non-disabling incidents) to mitigate facility and equipment risks.</p>	
<p>(4) Does the company provide its employees with career development and training sessions?</p>		<p>(4) ECOVE actively invests resources in talent cultivation, hoping to attract like-minded professionals, and make comprehensive education plan and training for new talents. At the same time, it provides professional training for different occupations. In addition to formulating Individual Development Plan (IDP) for each colleague, we continue to invest resources in the development of management capabilities, the mentor system, and the online learning courses of CTCI Academy. So that colleagues can learn and grow continuously, and can more agree with ECOVE's corporate culture and heritage.</p> <p>In order to tailor the most suitable course content for each colleague, ECOVE and CTCI initiated job descriptions in 2020 to thoroughly analyze the abilities of each job. In addition, the Individual Development Plan (IDP) has been gradually expanded from the original key and elite talents to all employees of the company. From suitability assessment, career planning, elective credits, to future job rotation plans, ECOVE completely plan for the resources and diversified development possibilities of colleagues at each stage of the career.</p> <p>Since its inception, 60 Key Positions, 7 High-Potential talents and 10 Young-Potential talents have been selected. The elite talent training mechanism is planned to properly configure the division of labor layout of each business territory. A rotation plan can be individually tailored for each talent to carry out a successor training plan to cope with possible future risks.</p>	
<p>(5) Does the company advertise and label its goods and services according to relevant regulations and international standards and also establish any consumer protection mechanisms and grievance procedures?</p>		<p>(5) The Company ensures product and service quality in accordance with related government and industry regulations. The Company adheres to related regulations and international standards for product and service marketing and labeling. The Company does not engage in any activities involving deceptive or misleading behaviors, frauds, or other actions which may diminish the trust of consumers or damage consumer interest. The Company regularly conducts customer satisfaction surveys, which are delivered by Sales Department to customers, for on-going projects every year. We analyze the problems and provide suggestions for improvement based on the result of survey. In order to make sure the quality of our services meets the expectations of customers, the analysis and suggestions are delivered to the relevant department for implementation after the approval of managers.</p>	
<p>(6) Does the Company formulate</p>		<p>(6) The company requires suppliers and contractors to fully comply with all relevant local laws and</p>	

<p>supplier management policies that require suppliers to comply with relevant regulations on environmental protection, occupational safety and health, and labor rights and request their reporting on the implementation of such issues?</p>			<p>regulations. Therefore, the company has established a Supplier Code of Conduct, expecting the supply chain to understand and adhere to relevant social responsibilities. Key points consistently communicated and required include the prohibition of child labor, protection of human rights, non-discrimination, fair treatment, legal working hours and wages, and friendly environmental management. As for the requirement for labor rights, environmental protection, safety and health risk control on our supply chain, we adopt various measures to facilitate the suppliers and contractors to improve and to enhance service quality and management standards. This helps to reduce the management risks and operating costs, suppliers, and contractors, and thereby forging solid, reliable partnerships that promote sustainable growth. The contract between the company and its major suppliers already includes that if the supplier involves a violation of its corporate social responsibility policy and has a significant impact on the environment and society, the company may terminate or release the terms of the contract at any time.</p> <p>To fulfill corporate sustainability responsibilities, we also require our contractors to commit to sustainable business practices and net-zero emissions. Beyond pursuing maximum shareholder value, this commitment includes taking into account the rights and interests of all stakeholders, adhering to socially recognized ethical standards, and promoting net-zero emissions to mitigate global warming caused by climate change. We aim to build a fair and just society and a sustainable living environment together with all stakeholders.</p>	
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	Yes	No	Summary Statement	
5. Does the Company follow internationally recognized guidelines to prepare and disclose non-financial information of the company, such as the Corporate Social Responsibility report? Is such report assured or verified by a neutral third party? Is this report assured or verified by a neutral third party?	V		The Company follows the internationally recognized GRI Standards, AA1000 SES and SASB Standards to disclose relevant information, and CSR report is prepared on a yearly basis. In addition, the Company appointed SGS, a third-party verification unit, to conduct verification of high-level assurance and obtained the certification.	None
6. If the Company has established corporate social responsibility principles based on "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies," please describe any discrepancy between the principles and their implementation: The Company has established Corporate Social Responsibility Implementation Principles in accordance with Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies for all employees, managers, and members of the board to follow. Its operation has no difference between "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies."				
7. Other important information for better understanding of the Company's sustainable development practices: (1) Embrace challenge and triumph through innovation: The Company and its subsidiaries have actively pursued international markets in recent years. In terms of talent cultivation, it has enhanced its expertise and international exposure and encouraged employees to advance their studies in internal or external training to increase their capabilities. In 2024, the total number of employee training hours was approximately 49,755 hours with a total investment of 2.31million. The Company's emphasis on education and training is visible. In addition, since 2020 the Company integrates the existing GTS system (online internal training system), knowledge database and external resources to set up a new platform for internal training –CTCI University. ECOVE expands the field of knowledge to 6 colleges as university system—College of QHSE, Engineering, Integration, Management, Leadership and				

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<p>General Education to help colleagues plan required and elective courses. The content is combined with the original knowledge base system and external resources (such as MOOC, TED, YouTube... etc.) mainly through the digital platform. ECOVE records knowledge and experience into online courses and keeps them in the cloud forever. All original training courses of each unit will also be included. To expand the vision and encourage learning, except for online learning, physical courses will be arranged and experts will be invited to deliver speeches or lectures. With complete, professional and comprehensive career training, we hope to assist and encourage employees to become global talents with diversified opportunities through continuous learning and establishment of international perspectives. Continuing previous collaboration projects and aligning with the company's growth needs, ECOVE maintained partnerships with relevant domestic academic departments in 2024. Through campus recruitment activities, corporate presentations, and internship programs, the company promoted resource sharing between industry and academia.</p> <p>In 2024, ECOVE participated in 13 campus recruitment activities at various universities, including National Taiwan University, National Taipei University of Technology, National Taiwan University of Science and Technology, Ming Chi University of Technology, National Chin-Yi University of Technology, Feng Chia University, Tunghai University, National Formosa University, National Yunlin University of Science and Technology, National Cheng Kung University, National Kaohsiung University of Science and Technology (Jian Gong Campus and First Campus), and National Pingtung University of Science and Technology. Additionally, ECOVE held two corporate presentations at National Yunlin University of Science and Technology and National Formosa University.</p> <p>Furthermore, ECOVE signed internship cooperation agreements with Chia Nan University of Pharmacy & Science, Kun Shan University, China Medical University, Chung Shan Medical University, Tunghai University, and National Ilan University. These agreements aim to cultivate young talent, foster high-quality human resources, and establish collaborative relationships between industry and academic institutions.</p> <p>In 2024, a total of 14 interns participated in the program, and one intern successfully stayed on after graduation, injecting new momentum into talent cultivation.</p> <p>(2) Implement Safety and Health: ECOVE adheres to the spirit of safety and health, and has formulated 7 major safety and security policies: "Safety First", "Improve Employee's Health and Well-being", "Environmental Protection and Sustainable Development", and "Implement Risk Management Mechanism ", "Fulfilling Regulations and Contract Requirements", "Promoting Full Participation and Training", "Continuous Improvement of the Safety and Health Environment System".</p>				

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<p>(3) Responding to international initiatives: ECOVE actively links with external advocacy, with executives and colleagues serving as advocacy ambassadors to lead the entire team in practicing green living in daily life and work. Each location responds to international advocacy to promote energy saving and carbon reduction, enhance colleagues' awareness of climate change, ecological environment and other issues, and through participation in activities, integrate environmental issues into daily life, and call for everyone to have the ability and responsibility to change the world under global climate change. ECOVE led its employees in responding to International Volunteer Day by participating in beach clean-up activities across northern, central, and southern Taiwan. Additionally, employees engaged in volunteer activities such as caring for the underprivileged and donating supplies. Through hands-on participation, employees became part of the international advocacy efforts.</p> <p>(4) One Plant One Step, Sustainable Environmental Education Tour: Environmental Education for Sustainability: Since 2018, ECOVE has cooperated with CTCI Education Foundation to launch first phase program called "One Factory One Step, Sustainable Environmental Education Tour," targeting elementary schools around Taiwan to promote environmental education. ECOVE colleagues actively entered schools as lecturers to teach sustainable living to students. Due to the warm reception of the program by many schools, ECOVE continued to collaborate with CTCI Education Foundation in 2021 to launch second phase program under the same theme. The "One Factory One Step, Sustainable Environmental Education Tour" program, in its 2024's year marks the forth year of the second phase of the plan, aiming to deeply embed the seeds of environmental education in future stewards for ongoing sustainability.</p> <p>(5) Environmental Education Facilities, Empowering a Green Future: ECOVE has long integrated local resources and focused on local environmental and ecological issues, combining these with its core business of resource recycling. Tailored to the unique process characteristics, cultural, and geographical features of each incineration plant, the company has designed a variety of environmental education courses for different age groups. These courses transform complex and challenging environmental knowledge into engaging experiential learning opportunities, promoting awareness and skills related to environmental protection. Currently, ECOVE has obtained certification for five environmental education sites, each with its distinctive teaching systems and a mission to perpetuate environmental conservation. In 2024, ECOVE provided 204 environmental education sessions, engaging a total of 7,303 participants.</p> <p>(6) The company's primary business activities include the development, investment, and operation of solar power plants both domestically and internationally, as well as the wholesale and transfer of renewable energy. In 2024, the company invested an additional NT\$179 million in new projects. ECOVE is dedicated to the development of green energy and has extensive experience in the investment, development, construction, and operation of solar power plants in both Taiwan and overseas markets. Currently, the company owns and operates over 100 solar power plants in Taiwan and New Jersey, USA, along with a</p>				

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	Yes	No	Summary Statement	
<p>5MW grid-connected energy storage facility, holding 100% ownership and operational rights.</p> <p>In 2024, the Company generated approximately 140 million kWh of green electricity, which is equivalent to the annual electricity consumption of around 40,000 households and a carbon reduction of approximately 70,000 metric tons—comparable to the annual carbon absorption of about 179 Da'an Forest Parks in Taipei City. Since 2016, the Company has actively responded to the government's renewable energy policies and, starting in 2021, has proactively engaged in the wheeling and sale of green electricity. As of 2024, the Company has cumulatively sold 25,610 renewable energy certificates.</p> <p>(7)Energy Resource Centers: In 2024, approximately 2.68 million metric tons of waste were processed, generating around 1.5 billion kWh of electricity through waste-to-energy conversion, which is equivalent to the annual electricity consumption of approximately 410,000 households and a carbon reduction of about 740,000 metric tons, comparable to the annual carbon absorption of approximately 1,917 Da'an Forest Parks in Taipei City.</p> <p>(8)Wastewater Treatment Plants: In 2024, approximately 27 million metric tons of wastewater were treated, equivalent to the annual wastewater generated by around 330,000 people.</p> <p>(9)Waste Solvents: In 2024, approximately 15,000 metric tons of waste solvents were recycled, resulting in the production of about 3,900 metric tons of industrial-grade solvents through reuse, which reduced the use of virgin raw materials and achieved a carbon reduction of approximately 4,154 metric tons, equivalent to the annual carbon absorption of around 11 Da'an Forest Parks in Taipei City.</p>				
<p>I. Inspection standards for passage of CSR reports:</p> <p>The "ECOVE 2023 Sustainability Report" was completed in 2024 to disclose the Company's implementation of corporate social responsibility policies. An external entity, the BSI Group, was appointed to independently certify the CSR Report in accordance with AA 1000 standards.</p> <p>ECOVE and its subsidiaries have acquired the following certifications for quality, safety, health, and environmental management in 2022 and by the published date of the Annual Report:</p> <ul style="list-style-type: none">• ECOVE Environment Corp. has acquired BS 8001:2017 certification for circular economy (2020.12.21 ~ 2022.12.20)• All O&M EfW plants operated by ECOVE Environment Services Corp. have acquired ISO 9001:2015 quality management system certificate (Keelung Plant: 2022/11/21~2025/11/21; Taoyuan Plant: 2023/03/22~2026/03/21; Miaoli Plant: 2024/10/02~2027/10/02; Houli Plant: 2023/06/17~2026/06/17; Wujih Plant: 2024/11/14~2027/03/16; Xizhou Plant: 2022/04/01~2025/04/01; Tainan Plant: 2024/04/24~2027/04/24; STSP Plant: 2023/09/29~2026/09/29; Gangshan Plant: 2022/09/01~2025/09/01.)				

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Summary Statement	
<ul style="list-style-type: none">• All O&M EfW plants operated by ECOVE Environment Services Corp. have acquired ISO 14001:2015 environmental management system certificate (Keelung EfW Plant 2022/11/21~2025/11/21, Southern Taoyuan EfW Plant 2023/03/22~2026/03/21, Miaoli EfW Plant 2024/10/02~ 2027/10/02, Houli EfW Plant 2023/06/19~2026/06/19, Wujih EfW Plant 2024/11/29 ~ 2027/03/16, Xizhou EfW Plant 2022/5/8 ~ 2025/5/8, Tainan EfW Plant 2024/04/24 ~ 2027/04/24, STSP EfW Plant 2023/09/22~2026/09/22, Gangshan Plant: 2022/08/24~2025/08/24.)• ECOVE ESC has obtained the ISO 45001:2018 Occupational Health and Safety Management System Certificate (2025/01/10 ~ 2028/01/10).• ECOVE ESC has obtained the CNS 45001:2018 and TOSHMS Specific Audit Key Points: Taiwan Occupational Safety and Health Management System Certification (2025/01/10 ~ 2028/01/09).• Keelung & Miaoli EfW Plant, operated by ECOVE Environment Services Corp., has acquired the Environmental Protection Administration (EPA) product carbon footprint certificate (Keelung 2020.09.30 ~ 2025.09.29, Miaoli 2020.01.11~2026.06.22.)• Miaoli EfW Plant, operated by ECOVE Environment Services Corp., has acquired the ITRI product carbon footprint reduction critical review statement certificate (2021.06.23~2026.06.22)• ECOVE's operational management Xizhou and Gangshan Plants have passed the ISO 14067:2018 Carbon Footprint Verification.(2024.01.28~2025.11.18)• Keelung, Miaoli, Houli EfW Plant, Tainan Science Park Resource Recycling Center and Tainan EfW Plant operated by ECOVE Environment Services Corp., has acquired the Environmental Protection Agency Environmental Education Facilities Site Certificate (Keelung EfW Plant 2024/12/29~2029/12/28 、 Miaoli EfW Plant 2024/12/29 ~ 2029/12/28 、 Houli EfW Plant 2022/12/1 ~ 2027/11/30 、 STSP EfW Plant 2020/12/21~2025/12/20 、 Tainan EfW Plant 2022/11/13~2027/11/12)• Southern Taoyuan, Miaoli, Houli, Xizhou and Tainan EfW Plant and Tainan STSP EfW Plant operated by ECOVE Environment Services Corp., has acquired the Badge of Accredited Healthy Workplace Certificate (Keelung EfW Plant 2023/01/01~2025/12/31, Taoyuan EfW Plant 2023/1/1 ~ 2025/12/31 、 Taoyuan Airport EfW plant 2025/1/1 ~ 2027/12/31, Miaoli EfW Plant 2023/01/01~2025/12/31, Houli EfW Plant 2023/01/01~2025/12/31, Wujih EfW Plant 2023/01/01~2025/12/31, Xizhou EfW Plant 2023/01/01~2025/12/31, Tainan EfW Plant 2024/01/01~2026~12/31, STSP EfW Plant 2025/01/01~2027/12/31, Gangshan Plant: 2023/01/01~2025/12/31.)• ECOVE Waste Management Corp. has acquired ISO 9001:2015 quality management system certificate (2022/10/12 ~ 2025/10/12)• ECOVE Waste Management Corp. has acquired ISO 14001:2015 environmental management system certificate (2022/08/29 ~ 2025/08/29)				

Evaluation Item	Implementation Status			Deviations from "the Corporate Social Responsibility Best Practice Principles for TWSE/TPEX Listed Companies" and Reasons
	Yes	No	Summary Statement	
<ul style="list-style-type: none">• ECOVE Waste Management Corp. has acquired ISO 45001:2018 occupational health and safety management system certificate (2022/08/29 ~ 2025/08/29)• ECOVE Waste Management Corp. has acquired the CNS 45001:2018 and TOSHMS Specific Audit Key Points: Taiwan Occupational Safety and Health Management System Certificate (2022/08/29 ~ 2025/08/28)• ECOVE Solvent Recycling Corp. has acquired ISO 9001:2015 quality management system certificate (2023/07/27~ 2026/07/27)• ECOVE Solvent Recycling Corp. has acquired ISO 14001:2015 environmental management system certificate (2023/07/27~2026/07/27)• ECOVE Solvent Recycling Corp. has acquired ISO 45001:2015 occupational health and safety management system certificate (2023/07/27~2026/07/27)• ECOVE Solvent Recycling Corp. has acquired CNS 45001:2018 and TOSHMS specific audit focus items: Taiwan Occupational Safety and Health Management System Certificate (2023/07/27~2026/07/26)				

B. Company Climate-Related Information:

(1) Implementation of Climate-Related Information

Item	Implementation Status
1. Describing the supervision and governance of climate-related risks and opportunities by the board of directors and management.	The highest internal committee responsible for climate-related risk management at ECOVE is the Risk Management Executive Committee, which is composed of the Board of Directors, the Chairperson, the audit unit, the General Manager, the Executive Secretary, and department heads of subsidiaries. The General Manager serves as the Chair of the committee. The Risk Management Committee convenes on a quarterly basis to identify priority risk issues through discussion and proposes control measures, which are reported to the Chairperson and the Board of Directors.

Item	Implementation Status
<p>2. Describe how the identified climate risks and opportunities impact the business operations, strategy, and financial aspects of the company in the short, medium, and long term.</p>	<p>ECOVE identifies material climate-related risk issues through a risk matrix, as described below:</p> <p>Transition / Physical Risks:</p> <ol style="list-style-type: none"> 1. Increased equipment costs due to low-carbon transition (short-term): In response to carbon reduction targets, equipment specifications are upgraded to higher-efficiency, low-carbon models beyond contractual standards, resulting in budget overruns. 2. Damage to solar photovoltaic equipment caused by strong winds: Severe typhoons may damage solar PV modules, leading to power generation disruptions. 3. Changes in customer behavior (short-, medium-, and long-term): <ol style="list-style-type: none"> (1) As public agencies become more sustainability-conscious, the recycling rate will gradually increase, reducing the proportion of waste treated by incineration. (2) As waste management trends toward reduction and circular reuse, demand for outsourced waste solvent treatment decreases, leading to reduced business volume in this sector. <p>Transition Opportunities:</p> <ol style="list-style-type: none"> 1. Improved power generation efficiency at incineration plants (short-term): New facilities are achieving higher energy conversion efficiency, thereby lowering internal power consumption (e.g., the new ECOVE Chiayi Energy Corp. facility exceeds 27% power generation efficiency). 2. Reduction in water consumption through dry flue gas desulfurization systems (short-term): The implementation of dry acid gas removal systems in incineration plants helps reduce water usage, resulting in lower purchased water costs. 3. Increased demand for reclaimed water and desalination plants in response to government climate adaptation policies (short-term): With economic growth, freshwater supply is expected to become insufficient. The widespread establishment of reclaimed water and desalination plants is an inevitable trend. By leveraging CTCI' s construction expertise and ECOVE' s operational strengths, the Group actively seeks opportunities to develop such water facilities. 4. Growth in renewable energy sales driven by net-zero transition policies (short-term): In response to increasing domestic and international demand for solar PV installations, the

Item	Implementation Status
	<p>Company anticipates growth in both solar construction and revenue.</p> <p>5. Development of related reuse services (medium- to long-term): In response to demand from the high-tech industry and future market needs derived from policy developments, the Company collaborates with technology partners to assess and explore high-value recycling technologies.</p>
3. Describe the financial impact of extreme weather events and transition actions.	<p>Extreme Weather Events: In the future, strong typhoons making landfall in Taiwan may cause damage to solar photovoltaic modules, resulting in power generation failure.</p> <p>Transition Action: Risk transfer through enhanced insurance coverage.</p> <p>Financial Impact: Less than 0.5% of pre-tax profit in 2024; impact is considered minimal.</p>
4. Describe how the identification, assessment, and management processes of climate risks are integrated into the overall risk management system.	<p>To properly assess climate-related risks and opportunities, ECOVE has incorporated climate and nature-related risk categories into its "Risk Management Guidelines" to systematically manage potential risks faced by each operating entity. Priority risk issues and control measures are identified through discussions held by the Risk Management Executive Committee. A climate change risk management representative (a member of the Sustainability Committee) consolidates climate-related risk identification results specific to ECOVE and reports material or immediate risk issues to the Risk Management Executive Committee. The committee's consolidated risk assessment results serve as a reference for the audit unit in formulating the annual audit plan. The Audit Office reports the audit results to the Board of Directors to facilitate the Board's oversight of climate-related issues.</p> <p>According to the "Risk Management Guidelines," ECOVE systematically identifies climate risks that may arise during operations. Climate risks are categorized into two main types: transition risks and physical risks. These are further classified into sub-categories such as regulatory, technological, market, and reputational risks, as well as acute and chronic physical risks. Climate-related opportunities are divided into five major categories: resource efficiency, energy source, products and services, markets, and resilience.</p> <p>Risks and opportunities are assessed based on two key factors—likelihood of occurrence and magnitude of impact—and are mapped in a risk and opportunity matrix. Through discussions within the Risk Management Executive Committee, ECOVE identifies the</p>

Item	Implementation Status
	material risks and opportunities it may face and adopts effective actions to manage risks or seize potential opportunities, thereby strengthening the operational resilience and competitiveness of the Company and its subsidiaries.
<p>5. If using scenario analysis to assess resilience to climate change risks, the scenarios used, parameters, assumptions, analysis factors, and main financial impacts should be described.</p>	<p>If scenario analysis is used to assess the resilience of the organization in the face of climate change risks, the scenarios, parameters, assumptions, analytical factors, and major financial impacts applied should be explained.</p> <p>ECOVE primarily considers the changes in the annual maximum number of consecutive dry days in its operating regions between the baseline period (1995–2014) and the projected 2030 scenario under SSP5-8.5 (very high emissions scenario), as a basis for assessing the potential future risk of water shortages. It also evaluates the impact of extreme weather events such as flooding by analyzing changes in the annual maximum daily rainfall, and assesses the impact of prolonged high temperatures on ECOVE' s operations by analyzing the change in the number of warm days.</p> <p>As for transition risks, ECOVE primarily adopts the Net Zero Emissions (NZE) scenario based on a 1.5°C temperature increase pathway to evaluate the current and future impacts of low-carbon products and services, changes in customer consumption behavior, the financial system, regulatory developments, and low-carbon transition trends on its business activities.</p> <p>Analytical parameters include the organization' s greenhouse gas emissions, projected carbon tax, waste treatment volumes, renewable energy installation costs, feed-in tariffs for renewable energy, maximum consecutive dry days, and procurement volumes of raw materials, among others, which correspond to different aspects of the analysis.</p> <p>The major financial impacts relate to increased operating costs or decreased operating revenues resulting from physical and transition risks.</p>
<p>6. If there is a transition plan for managing climate-related risks, describe the content of this plan, as well as the indicators and targets used for identifying and managing physical risks and transition risks.</p>	<p>The Company uses water resource management as an indicator of physical risks and greenhouse gas reduction targets as an indicator of transition risks. A risk is considered material and significant if the estimated financial impact exceeds 5% of the Company' s pre-tax profit in 2024. Based on evaluation, no material physical or transition risks have been identified. The details of transition plans are as follows:</p> <p>1. Energy Resource Management:</p>

Item	Implementation Status
	<p>Using 2022 as the baseline year, the Company plans to achieve net zero carbon emissions at its headquarters by 2030.</p> <p>Short-term target: a 20% reduction in Scope 1 and Scope 2 emissions by 2024.</p> <p>Mid-term target: a 40% reduction by 2026, with corresponding increases in renewable energy usage.</p> <p>2024: Green electricity accounts for 20% of headquarters usage</p> <p>2026: Green electricity usage increases to 40%</p> <p>2030: Green electricity usage reaches 100% at headquarters</p> <p>2050: Green electricity usage reaches 100% across both headquarters and production sites.</p> <p>2. Water Resource Management:</p> <p>The ECOVE headquarters building sources 100% of its water from the municipal supply, with no additional withdrawals from other water bodies. All wastewater is discharged into the municipal sewer system. In addition to using a large number of automatic sensor faucets to reduce water consumption, water-saving is also achieved by controlling water flow and discharge time. Numerous water-saving posters have been placed to continuously remind employees to conserve water. Rainwater harvesting systems have been installed on the rooftop and construction sites for irrigation and construction use.</p> <p>In 2024, total water consumption was 1,786.3 cubic meters, with a water intensity of 15.807 cubic meters per person. The slight increase in consumption was mainly due to higher utilization of the 8th floor training center, which slightly raised per capita usage. Water conservation campaigns will be further reinforced.</p> <p>3. Waste Management:</p> <p>General waste from the headquarters building is incinerated. In 2024, a total of 3.38 metric tons of waste was generated. Paper, metals, plastics, and food waste were managed through recycling efforts to reduce general waste. In 2024, additional recycling practices were introduced for paper containers, including lunch boxes and beverage cups.</p>
7. If using internal carbon pricing as a planning tool, the basis for setting the price should be explained.	<p>The company currently uses a shadow price mechanism for internal carbon fee operations, incorporating the costs and benefits of carbon reduction into investment analysis to assist in decision-making for carbon reduction measures. The price basis is set according to the general carbon fee rate announced by the Ministry of Environment, which is NT\$300 per</p>

Item	Implementation Status
<p>8. If climate-related targets are set, the activities covered, greenhouse gas emission scopes, planned timeline, and annual progress towards these goals should be described. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve these targets, the source and amount of the carbon reduction credits or the number of RECs should be explained.</p>	<p>ton of carbon.</p> <p>ECOVE conducts comprehensive greenhouse gas (GHG) emission inventories. For subsidiaries over which it has operational control in various sectors, the Company performs organization-wide GHG inventories and obtains third-party verification. In addition, autonomous inventories are carried out for incineration plants operated under contract. Using 2022 as the base year, ECOVE has set reduction targets: for its headquarters building, a 20% reduction by 2024, 40% by 2026, and net zero by 2030. For subsidiaries in the fields of waste management, recycling and reuse, and renewable energy—where the Company holds long-term operational control—targets are set at a 15% reduction by 2026 and net zero by 2050.</p> <p>Reduction planning timeline for headquarters and each sector:</p> <ol style="list-style-type: none"> 1. Headquarters: The main emission source is Scope 2 purchased electricity. Starting in 2024, carbon emissions are being reduced through the purchase of green electricity. A total of 63,000 kWh was purchased, accounting for over 20% of the total electricity consumption. 2. Waste Management Sector: In 2022, ECOVE ESC conducted a comprehensive organizational-level GHG inventory for all incineration plants under its operational management to identify emission sources. Following this, it continued with energy-saving measures and energy efficiency improvements. In 2024, the total carbon emissions per metric ton of waste incinerated reached 440 kg CO₂e, compared to the 2022 baseline of 456 kg CO₂e per ton—a 3.5% reduction. The goal is to continue reducing emissions by 1% annually until 2030. ECOVE WMC set a target to reduce emissions by 30% by 2030 and achieve net zero by 2050. In the short term, emissions are reduced by actively upgrading its fleet to the latest eco-friendly vehicles; in the mid-to-long term, emissions will be cut by transitioning to new energy vehicles. Based on the 2022 baseline of 455 kg CO₂e per ton of waste, emissions in 2024 decreased to 403 kg CO₂e per ton—an approximate 11% reduction. 3. Renewable Energy Sector: Based on the 2022 baseline, the total GHG emissions intensity for solar photovoltaic operations was 0.67 kg CO₂e per NT\$1,000 in revenue (Scope 1: 0.01

Item	Implementation Status
	<p>kg CO₂e/NT\$1,000; Scope 2: 0.66 kg CO₂e/NT\$1,000). In 2024, emissions intensity was reduced to approximately 0.17 kg CO₂e/NT\$1,000. The primary reason is that onsite power usage was recognized as self-generated solar power, thereby reducing emissions associated with purchased electricity.</p> <p>4. Based on the 2022 baseline, the total GHG emissions intensity of IPA reused products was 12.07 kg CO₂e per NT\$1,000. In 2024, the emissions intensity dropped to 9.71 kg CO₂e per NT\$1,000, reflecting a 19.53% carbon reduction compared to the baseline. The decrease was mainly due to equipment upgrades or the installation of frequency inverters in 2024, which improved energy efficiency and resulted in a total carbon reduction of 46.74 metric tons.</p>
9. Greenhouse gas inventory and assurance situation, along with reduction targets, strategies, and specific action plans (to be detailed in sections (a) and (b)).	As shown in the table below

(a) Recent Two Fiscal Years' Greenhouse Gas Inventory and Verification Status

(i) Greenhouse Gas Inventory Information

Describe the greenhouse gas emissions for the most recent two fiscal years, including the amount of emissions (in metric tons of CO ₂ e), intensity (metric tons of CO ₂ e per million dollars), and the scope of the data covered.	<p>The data coverage includes ECOVE and its consolidated subsidiaries in the financial statements, including ECOVE, ECOVE WEC, ECOVE MEC, and their respective subsidiaries.</p> <p>In 2023, Scope 1 greenhouse gas emissions amounted to 213,845.16 metric tons, Scope 2 emissions were 1,627.38 metric tons, and total greenhouse gas emissions were 215,472.54 metric tons.</p> <p>In 2024, Scope 1 greenhouse gas emissions amounted to 163,409.23 metric tons, Scope 2 emissions were 1,134.08 metric tons, and total greenhouse gas emissions were 164,543.31 metric tons.</p>
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(ii) Greenhouse Gas Assurance Information

Describe the assurance status for the most recent two fiscal years up to the date of the annual report publication, including the scope of assurance, the assurance provider, the assurance standards, and the assurance opinion.	<p>I The scope of the 2023 greenhouse gas verification includes ECOVE and its consolidated financial statement subsidiaries. ECOVE, ECOVE WEC, and ECOVE MEC follow the ISO 14064-1:2018 standard, while the other subsidiaries adhere to the GHG Protocol standards. The verification has been successfully conducted by SGS Taiwan Ltd.</p>
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	I For the fiscal year 2024, the scope of greenhouse gas verification included ECOVE and its consolidated financial statement subsidiaries, with ECOVE, ECOVE WEC, and ECOVE MEC adhering to ISO 14064-1:2018 standards, while other subsidiaries followed the GHG Protocol standards, and verification was conducted by SGS Taiwan.
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(b) Greenhouse Gas Reduction Targets, Strategies, and Specific Action Plans

Describe the baseline year for greenhouse gas reduction and its data, the reduction targets, strategies, and specific action plans, as well as the status of achieving these reduction targets.	<p>Specify the greenhouse gas (GHG) reduction base year and its data, reduction targets, strategies, specific action plans, and the progress toward achieving the targets.</p> <p>Using 2022 as the base year, ECOVE has set reduction targets for combined Scope 1 and Scope 2 emissions. For the headquarters building, the Company aims to reduce emissions by 20% by 2024, 40% by 2026, and achieve net zero by 2030. For subsidiaries with operational control in the sectors of waste treatment, recycling and reuse, and renewable energy, the targets are a 15% reduction by 2026 and net zero by 2050.:</p> <ol style="list-style-type: none"> 1. Headquarters: The headquarters building is certified as a diamond-level intelligent green building and adopts an absolute emission reduction target. The base year (Scope 1 + Scope 2) emissions totaled 123.60 metric tons of CO₂e. All company vehicles have been converted to hybrid vehicles, with plans to gradually transition to electric vehicles to reduce carbon emissions and pollution. In 2024, 63,000 kWh of green electricity was purchased, accounting for over 20% of total electricity usage. The target is to increase this to 40% by 2026 and to fully adopt green electricity at the headquarters by 2030. 2. Waste Management Sector: The base year (2022) carbon emissions from waste collection operations were 454.9 metric tons CO₂e per 500,000 kilometers traveled. Through the replacement of vehicles with the latest eco-compliant models and the introduction of hybrid-powered compactor trucks (each capable of reducing fuel consumption by more than 20%), emissions in 2024 were reduced to 403.4 metric tons CO₂e per 500,000 kilometers—a reduction of approximately 11.3% compared to the base year. 3. Recycling and Reuse Sector: The base year (2022) emission intensity was 12.07 kg CO₂e per NT\$1,000 in revenue. In 2024, the emission intensity decreased
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	<p>to 9.71 kg CO₂e per NT\$1,000, representing a reduction of approximately 19.53% from the base year. The Company will continue to achieve emission reduction goals through the upgrading of energy-saving devices and energy conversion.</p> <p>4. Renewable Energy Sector : In the base year (2022), the total GHG emissions intensity from solar power operations was 0.67 kg CO₂e per NT\$1,000 in revenue (Scope 1: 0.01 kg CO₂e/NT\$1,000; Scope 2: 0.66 kg CO₂e/NT\$1,000). In 2024, the emission intensity was reduced to approximately 0.17 kg CO₂e per NT\$1,000. The primary reason for the reduction is that electricity used onsite was recognized as self-consumed solar power, thereby lowering the recorded amount of purchased electricity.</p>
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2.3.6 The Ethical Corporate Management

Evaluation Item	Implementation Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/ TPEX - Listed Companies" and reasons
	Yes	No	Summary Statement	
<p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Has the company formulated the "Ethical Corporate Management Best Practice Principles" approved by the board of directors, and stated in the regulations and external documents the policies and practices of "Ethical Corporate Management Best Practice Principles", and the board and senior management's commitment to actively implement the management policy?</p> <p>(2) Whether the company has established an assessment mechanism for the risk of dishonesty, regularly analyzes and evaluates business</p>	V		<p>(1) The Company adopted the "Ethical Corporate Management Best Practice Principles" on the 14th meeting of the 5th term BOD on December 17, 2013. The latest revision was approved by the 17th meeting of the 7th term BOD on December 9, 2019.</p> <p>The company's "Ethical Corporate Management Best Practice Principles" has updated the assessment mechanism and prevention plan for the risk of dishonesty behavior, the employment contract requires employees to abide by the company's integrity management policy, the company's website expresses the integrity management policy, and the directors and senior management issued a policy that follows the integrity management policy Declare, and properly keep the relevant documents, the audit unit based on the assessment results of the risk of dishonesty, and formulate the relevant audit plan, and examine the compliance play accordingly. After the investigation of the whistleblower case is completed, appropriate follow-up actions, anonymous reporting and other provisions should be implemented, and the policies and practices of honest operation should be clearly stated, as well as the commitment of the board of directors and senior management to actively implement the operation policy.</p> <p>(2) The company has established an effective accounting system and internal control system for business activities with a high risk of dishonest conduct to prevent it, and reviews it at any time to ensure that the design and</p>	None

Evaluation Item	Implementation Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/ TPEX - Listed Companies" and reasons
	Yes	No	Summary Statement	
activities with a high risk of dishonesty in the business scope, and at least include the preventive measures for the behaviors specified in Article 7, Paragraph 2 of the "Code of Ethical Conduct for Listed Companies"?			<p>implementation of the system continue to be effective. The internal auditors of the company regularly examine the compliance plan. The preventive measures for the behaviors outlined in Article 7, Paragraph 2 of the "Code of Ethical Conduct for Listed Companies" implemented by our company are summarized as follows:</p> <ol style="list-style-type: none"> 1. Ensure open reporting and communication channels. Set up a third-party reporting platform and an employee opinion platform. 2. Deepen the connection between integrity, ethics, and positive employee behavior, encouraging employees to develop a work attitude based on honesty. Integrate the corporate culture of integrity into the annual employee self-assessment performance, accounting for 5%. 3. Continue to promote the "Code of Ethical Conduct," "Employee Whistleblower Channels," and "Gift Acceptance Policy" through grassroots employee communication forums and corporate culture series events. 4. Arrange for a lawyer to conduct legal compliance education and rights and obligations advocacy among colleagues, clearly conveying the supreme work principle that "laws must not be violated." 5. In reference to international standards on human rights, labor standards, the environment, and anti-corruption, establish a "Supplier Code of Conduct." This code should be communicated to vendors at the time they join the supply chain. 6. During the supplier's participation in quoting and bid opening, it must be strictly stated that offering any improper benefits, such as paying commissions to related personnel, as a condition for facilitating the signing of contracts is prohibited. 	

Evaluation Item	Implementation Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/ TPEX - Listed Companies" and reasons
	Yes	No	Summary Statement	
(3) Does the company clearly specify the operating procedures, behavior guidelines, disciplinary penalties and grievance system in the plan to prevent dishonesty, and implement it, and regularly review and revise the pre-disclosure plan?			(3) The company's "Ethical Corporate Management Best Practice Principles" has set up a plan to prevent dishonesty, and regularly review the laws and practical operations to cooperate with the revision; in addition, cooperate with the revision of the "Ethical Conduct Guidelines", "Accusation Management Regulations" and "Employees "Rewards and punishment measures", etc., as the basis for implementing the "prevention of dishonesty" violations and punishment and appeals.	
2. Fulfill operations integrity policy (1) Has the company assessed the ethical record of the counterparty and specified the terms of integrity in its contract with the counterparty? (2) Whether the company has set up a special unit under the board of directors to promote enterprise ethical management, and regularly (at least once a year) report to the board of directors on its ethical management policy and prevention of dishonesty behavior plans and supervision and implementation? (3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	V		(1) In addition to prudently assessing the integrity records of the transaction partners, the company also signed a consent form when signing the contract with the supplier (or contractor), which includes agreeing to "abide by the relevant laws of the country and transaction-related countries" (2) The Company's Human Resources Department and Procurement Center are responsible for promoting matters related to corporate ethical management. Reports on the implementation status are submitted to the Board of Directors at least once a year. The most recent report was presented to the Board on November 4, 2024. (3) The company has formulated a policy to prevent conflicts of interest, provided appropriate presentation channels, and implemented them. Relevant regulations are stipulated in the "5.2 Preventing conflicts of	None

Evaluation Item	Implementation Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/ TPEX - Listed Companies" and reasons
	Yes	No	Summary Statement	
<p>(4) Has the Company established effective systems for both accounting and internal control to facilitate ethical corporate management? Has the internal audit unit formulated relevant audit plans based on the results of the assessment of the risk of unethical behavior and audited the compliance of ethical corporate management accordingly? Or the Company entrusts CPAs to perform the audit?</p> <p>(5) Does the company regularly hold internal and external educational trainings on operational integrity?</p>			<p>interest", "5.5 Steps to determine the ethicalness of behavior" and "5.6 Reporting and disciplinary procedures for violation " in the "Code of Ethics and Conduct" of the Company. In addition, the company's "Code of Ethics and Conduct" have been published in the annual report.</p> <p>(4) The Company has established effective and complete accounting system and internal control mechanism to perform exception management. The internal audit unit draws up an annual audit plan based on the results of the risk assessment, executes yearly audit plans, and reports the audit results related to ethical corporate management to the ethical management dedicated unit on a quarterly basis, so as to facilitate the effectiveness of ethical.</p> <p>(5) The Company educates new employees on the ideals of "ethical governance" and organizes legal courses from time to time to enhance the promotion of ethical corporate management. In 2024, the Company and its important subsidiaries held internal and external training related to ethical corporate management, including promotion programs for communication among employees, workshops that promote corporate culture, online courses regarding code of ethics and business conduct, etc. In addition to continuing to provide related training to newly recruited employees in 2024, the Company also made "Employee Ethical Commitment" a compulsory on-the-job training. Both new and in-service colleagues must study a total of 2 credits of online courses and in-</p>	

Evaluation Item	Implementation Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/ TPEX - Listed Companies" and reasons
	Yes	No	Summary Statement	
			class quizzes throughout the year. In 2024, 1,846 employees were participated in the course and passed.	
<p>3. Operation of the integrity channel</p> <p>(1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?</p> <p>(2) Whether the company has set the standard operating procedures for the investigation of the complaint, the follow-up measures to be taken after the investigation is completed, and the relevant confidentiality mechanism</p> <p>(3) Does the company provide proper whistleblower protection?</p>	V		<p>(1) The Company has established "Accusation Management Regulations" to be implemented along with the "Employee Reward and Punishment Regulations". The "Accusation Management Regulations" have established clear reporting channels and assigned dedicated personnel to investigate the reported misconducts. There are two types of prosecution channels that can be reported to the company. One is the "Third Party Reporting Platform" and the other is the "Employee Opinion Platform" built on the company's website.</p> <p>(2) The Company has established investigation procedures for reported cases and related confidentiality mechanisms in the "Accusation Management Regulations" (published in the annual report). E.g. the provision of a third-party report platform to provide employees and external parties a channel to report unethical conduct under their names or anonymously.</p> <p>(3) The Company requires "all related personnel who have knowledge of the reported case shall be obligated to maintain the confidentiality of the reporter."</p>	None
4. Strengthening information disclosure	V			None

Evaluation Item	Implementation Status			Deviations from "Ethical Corporate Management Best Practice Principles for TWSE/ TPEX - Listed Companies" and reasons
	Yes	No	Summary Statement	
(1) Does the company disclose its Ethical Corporate Management Best Practice Principles and the results of its implementation on the Company's website and MOPS?			(1)The Company has disclosed "Ethical Corporate Management Best Practice Principles" and "Annual policy report on promoting corporate Ethical management" on the company's website, and has disclosed "Ethical Corporate Management Best Practice Principles" on MOPS.	
<p>5. If the company has established its own ethical corporate principles based on "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies", please describe the difference between operation practice and the ethical corporate principles:</p> <p>According to the "Ethical Corporate Management Best Practice Principles for TWSE/ TPEX--Listed Companies", the Company has obtained the approval of the "Ethical Corporate Management Best Practice Principles" (the "Principle") in the 17th meeting of the 7th term Board of Directors in December 9th, 2019. The all employees, officers and board members should comply with the Principle.</p>				
<p>6. Other important information to facilitate understanding of the company's good faith management implementation.(e.g. To announce the company's determination to implement good faith management to business vendors, to invite vendors to participate in related education, and to review and revise the company's ethical corporate management best practice principles):</p> <p>The Company strictly observed "Company Act"," Securities and Exchange Act", related rules for TWSE/ TPEX -Listed Companies and other commerce ordinances to implement the good faith management. Review and revise the Company's internal management principles including "Corporate Governance Principles", "Ethical Corporate Management Best Practice Principles", "Code of Ethics for Directors and Managers", "Employee Code of Ethics and Conduct", and based on the development of ethical corporate management principles.</p>				

2.3.7 Other Important Information Regarding Corporate Governance

(1) Training program for directors

Title	Name	Study Period		Sponsoring Organizaion	Course	Training Hours
Chairman	J. J. Liao	113/05/03	113/05/03	Taiwan Independent Director Association , TIDA	2024 Global Economic Trends, Risk Indicators, and Response Strategies	3.0
		113/07/13	113/07/13	Securities and Futures Institute (SFI Taiwan)	Sustainable Development Committee and Chief Sustainability Officer Symposium	3.0
Director	H. H. Tiao	113/05/03	113/05/03	Taiwan Independent Director Association , TIDA	2024 Global Economic Trends, Risk Indicators, and Response Strategies	3.0
		113/07/09	113/07/09	Taiwan Stock Exchange	AI Strategy and Governance	3.0
Director	Kuan Shen Wang	113/05/03	113/05/03	Taiwan Independent Director Association , TIDA	2024 Global Economic Trends, Risk Indicators, and Response Strategies	3.0
		113/08/02	113/08/02	Taiwan Independent Director Association , TIDA	Applications and Challenges of Generative AI from ChatGPT's Perspective	3.0
Director	Ping Shen	113/05/03	113/05/03	Taiwan Independent Director Association , TIDA	2024 Global Economic Trends, Risk Indicators, and Response Strategies	3.0
		113/08/02	113/08/02	Taiwan Independent Director Association , TIDA	Applications and Challenges of Generative AI from ChatGPT's Perspective	3.0
Director	Minyang Liu	113/05/03	113/05/03	Taiwan Independent Director Association , TIDA	2024 Global Economic Trends, Risk Indicators, and Response Strategies	3.0
		113/08/02	113/08/02	Taiwan Independent Director Association , TIDA	Applications and Challenges of Generative AI from ChatGPT's Perspective	3.0
Director	Eugene Chien	113/01/25	113/01/25	Taiwan Institute for Sustainable Energy(TAISE)	The 35th TCCS Board Meeting and CEO Lecture	2.0
		113/04/25	113/04/25	Taiwan Institute for Sustainable Energy(TAISE)	The 36th TCCS Board Meeting and CEO Lecture	2.0
		113/07/18	113/07/18	Taiwan Institute for Sustainable Energy(TAISE)	The 37th TCCS Board Meeting and CEO Lecture	2.0
Independent Director	Shuh Woei Yu	113/05/03	113/05/03	Taiwan Independent Director Association , TIDA	2024 Global Economic Trends, Risk Indicators, and Response Strategies	3.0
		113/08/02	113/08/02	Taiwan Independent Director Association , TIDA	Applications and Challenges of Generative AI from ChatGPT's Perspective	3.0
		113/05/03	113/05/03	Taiwan Independent Director Association ,	2024 Global Economic Trends, Risk Indicators, and	3.0

Independent Director	James Tsai			TIDA	Response Strategies	
		113/05/13	113/05/13	Taiwan Academy of Banking and Finance , TABF	Corporate Governance Forum - Trends and Applications of Personal Data Protection in the Development of Digital Finance	3.0
		113/09/26	113/09/26	Taiwan Corporate Governance Association	Cybersecurity Threats and Regulatory Trends	3.0
Independent Director	Shan-Shan Chou	113/05/03	113/05/03	Taiwan Independent Director Association , TIDA	2024 Global Economic Trends, Risk Indicators, and Response Strategies	3.0
		113/08/02	113/08/02	Taiwan Independent Director Association , TIDA	Applications and Challenges of Generative AI from ChatGPT's Perspective	3.0

(2) Training program for managers of corporate governance

Sponsoring Organization	Course	Study Period		Training Hours
Taiwan Independent Director Association , TIDA	2024 Global Economic Trends, Risk Indicators, and Response Strategies	113/05/03	113/05/03	3.0
Taiwan Independent Director Association , TIDA	Applications and Challenges of Generative AI from ChatGPT's Perspective	113/08/02	113/08/02	3.0
Taiwan Stock Exchange	Symposium on Digital Finance and Sustainable Finance Symphony in the AI Boom	113/10/08	113/10/08	3.0
Taiwan Corporate Governance Association	Trends and Risk Management of Digital Technology and Artificial Intelligence	113/10/23	113/10/23	3.0

(3) Internal Material Information Disclosure Procedure

According to the letter of Financial Supervisory Commission dated March 16th, 2009 and consulting with “Internal Material Information Disclosure Procedure” which is announced by Taiwan Stock Exchange Corporation (TWSE), the Company has formulated the “Regulations Governing Prevention of Insider Trading” (the “Regulation”). The Regulation is the code of conduct for Directors, Supervisors, Managerial personnel, and the persons regulated under the Regulation and it includes the scope of Internal Material Information, and the laws, regulations, orders that people forenamed should comply with. The company has made a series of revisions over the years to comply with laws and regulations and to adapt to changing business practices. The most recent revision took place during the 19th board meeting of the 8th term on December 19th, 2022. The Company has provided the Regulation to all Directors and Supervisors, and also disseminates all employees.

ECOVE Environment Corporation Code of Ethical Conduct

Article 1 (Purpose and Basis of the Code)

To pursue the overall best interests of the company and commit to sustainable development, and to ensure that stakeholders understand the ethical standards and conduct guidelines that directors, managers, and all employees should follow when performing their duties, this code is established by resolution of the board of directors.

Article 2 (Scope of the Code)

The scope of this code covers the company's subsidiaries and other institutions or legal entities with substantial control. The term "company personnel" refers to the company's directors, independent directors (supervisors), managers, and other employees.

Article 3 (Duty of Care in Ethical Conduct)

Directors and managers shall comply with laws and the provisions of this code, lead by example, and promote the implementation of the code, pursuing high standards of ethical conduct.

When performing their duties, directors and managers shall exercise the duty of care of a good administrator, aiming to pursue the overall interests of the company, and shall not harm the company's interests for the benefit of specific individuals or groups. They shall treat all shareholders fairly when performing their duties.

Employees shall emphasize team spirit, abandon self-centeredness, adhere to the principles of honesty and integrity, and maintain a proactive, diligent, and responsible attitude.

Article 4 (Equal Employment and Prohibition of Discrimination)

Company personnel shall not engage in any form of discrimination or exclusion based on gender, race, religious beliefs, political affiliation, sexual orientation, job level, nationality, or age.

Article 5 (Healthy and Safe Work Environment)

Company personnel shall jointly maintain a healthy and safe work environment, and shall not engage in any acts of sexual harassment, violence, or threats.

Article 6 (Prevention of Conflicts of Interest)

If a board proposal involves a director's own interests and may harm the company's interests, the director shall voluntarily recuse themselves and shall not participate in voting or act as a proxy for other directors to exercise their voting rights. Before engaging in transactions, loans, or other legal acts with the company for themselves or others, directors and managers shall disclose and explain such matters in detail to the audit committee.

Article 7 (Non-Competition)

If directors engage in activities that compete with the company, they shall report to the shareholders' meeting and obtain approval in advance according to the provisions of the

Company Act. If managers engage in activities that compete with the company, they shall report to the board of directors and obtain approval in advance according to the provisions of the Company Act.

Article 8 (Avoidance of Personal Gain Opportunities)

Company personnel have the responsibility to maintain and increase the company's legitimate interests. Business opportunities or profitable opportunities related to the company's business, such as procurement, supply, cooperation, strategic alliances, or other commercial opportunities known through the performance of duties, shall be prioritized for the company to maintain its interests.

Company personnel should avoid the following behaviors:

1. Using company property, information, or their position to create opportunities for personal gain or for the benefit of third parties.
2. Competing with the company or engaging in any activities that may be detrimental to the company.

Article 9 (Fair Trade)

Company personnel should treat business partners, competitors, and employees fairly. They must not manipulate, conceal, misuse information obtained through their position, make false statements about important matters, or engage in other unfair trading practices to gain improper benefits.

Article 10 (Insider Trading)

Company personnel must strictly keep confidential any information obtained through their duties that may significantly affect the company's securities trading prices before such information is publicly disclosed, in accordance with the Securities Exchange Act. They must not use this information for insider trading.

Article 11 (Confidentiality Obligations)

Company personnel must carefully manage matters or confidential information known through their duties. Unless disclosed by the company or necessary for the performance of their duties, they must not leak such information to others or use it for purposes other than work, even after leaving the company. Confidential information includes personnel and customer data, inventions, business secrets, technical data, product designs, manufacturing expertise, financial accounting data, intellectual property rights, and other undisclosed information that could be used by competitors or cause harm to the company or customers if leaked.

Article 12 (Protection and Proper Use of Company Assets)

Company personnel have the responsibility to protect company assets and ensure their effective and legal use for company affairs. They must avoid theft, interference, destruction, and intrusion that could affect the company's profitability.

Article 13 (Compliance with Laws and Regulations)

Company personnel must comply with laws, regulations, and the company's relevant policies and rules.

Article 14 (Encouraging Reporting of Illegal or Code Violations)

The company should strengthen the promotion of ethical concepts internally and encourage employees to report any violations of laws, regulations, or this code by name. The company should make every effort to keep the identity of the reporter confidential and protect them from threats.

Article 15 (Handling Violations of the Code)

If company personnel violate this code, they will be dealt with according to the company's reward and punishment methods. Serious cases should be reported to the board of directors for resolution.

Article 16 (Procedure for Exemption)

If directors or managers have legitimate reasons to be exempted from specific provisions of this code, they should explain the specific content and confirm that it does not conflict with the company's interests to the board of directors. The exemption must be approved by the board of directors. The information should be publicly disclosed on the information observation station, including the title and name of the exempted personnel, the date of board approval, the period of exemption, the reason for exemption, and the specific provisions of the code that are exempted.

Article 17 (Implementation and Disclosure)

This code shall be implemented after approval by the board of directors and disclosed in the annual report and on the company's website. The same applies to any amendments.

ECOVE Environment Corporation Accusation Management Regulations

1.0 Purpose

This regulation is specially formulated in order to effectively control the accusation case of the company and establish smooth accusation channel and fair investigation procedure, so as to prevent blackmail and correct possible undue behavior.

2.0 Scope

2.1 Accuser

Including official, contracted and dispatched in-service employee of the company, however, if external personnel of the company finds any significant malpractice, such personnel can be included as accuser.

2.2 Scope of accusation

Accusation may be proposed if the accused object violates laws and decrees, rules and regulations of the company, or has other undue behaviors affecting the rights and interests of the company.

3.0 Definition

3.1 Individual accusation

An employee proposes real-name accusation independently in his/her own name.

3.2 Joint accusation

Two (inclusive) or more employees propose real-name accusation jointly.

3.3 Blackmail

The accusation letter proposed anonymously.

3.4 Information provide

The act of providing information related to illegal activities, appearing as a witness, or in any other way assisting in the investigation by the reporting person.

4.0 Responsibility

4.1 Human Resources Unit

Responsible for accepting accusation case and proposing suggestion on preliminary examination, sending the case for Management Division for hearing, and handing subsequent matters thereof according to hearing result.

4.2 Investigation Group

The trans-department group formed by the members as approved by Management Division, which will be responsible for investigating whether the accusation contents are true and proposing investigation report.

4.3 Management Division

Responsible for hearing the accusation case preliminary examination proposal and accusation case investigation report, and proposing suggestions on punishment.

4.4 Each Division

Relevant personnel of each division shall coordinate to assist investigation group to execute relevant investigation works.

4.5 Chairman

Approval of the accusation case report.

5.0 Operation context

5.1 Operation procedure

Subject to Attachment 1 - Flow Chart of this Regulation.

5.2 Accusation

The whistleblower is required to provide specific details and related evidence about the person, event, time, place, and objects involved on the whistleblowing website (<https://secure.conductwatch.com/ctci/>), which must fall within the scope defined in section 2.2 of the policy, or they can submit it to the dedicated whistleblowing email address (HR@ecove.com). When handling joint complaints, they will be treated as individual cases, and a representative must be selected for contact purposes during the whistleblowing process.

When the accusation case comes from outside the company, the unit or employee that receiving the accusation materials shall submit the complete accusation materials to Human Resources at first time for subsequent handling, if the affiliated department of accused object has any concealment or delay that causing impact on the handling time and affecting the rights and interests of the company, it shall be punished according to relevant regulations of the company.

5.3 Case acceptance

After Human Resources Unit has accepted the accusation case, if necessary, it may ask the accuser to supplement relevant descriptions or evidences, conduct preliminary examination according to relevant contents of accusation materials, propose suggestions on whether or not to establish trans-department investigation group for investigation, fill in "Accusation Preliminary Examination Proposal" (Attachment 2) and submit it to Management Division together with other case materials for review and approve whether or not to open a case for investigation. If it is not belong to the scope of accusation or the evidences proposed by accuser are not detailed and true, Human Resources Department shall ask the accuser for supplement. If the accusation case is blackmail, Human Resources Department may not handle it.

5.4 Investigation

If the Management Division decides to open a case for investigation, it shall designate relevant unit representatives to form investigation group and assign group convener to start investigation according to the situation of accusation case. In the course of investigation, Human Resources Unit shall inform relevant units that shall cooperate to assist in investigation according to the investigation plan of the investigation group. When necessary, investigation group may interview relevant personnel or ask relevant personnel to provide relevant materials to assist in investigation. After the completion of investigation, investigation group shall submit investigation report to Human Resources Department.

5.5 Punishment

After Human Resources Unit has received the investigation report, it shall convene the meeting pursuant to "ECOVE Employees Reward and Punishment Regulations" to hear the accusation case, and propose punishment suggestions according to the preceding Regulation. Then Human Resources Unit will submit the complete report contents to the

Chairman for review and decision.

5.6 Response

For any accusation case, Human Resources Unit shall respond to the accuser in writing on the handling result thereof. For false accusation or fling abuses, the responding content shall include the reminder on relevant legal responsibility.

5.7 Confidentiality obligation

Responsible employee of Human Resources Unit and all members of Management Division and investigation group shall bear confidentiality obligation for the materials of accuser.

The Company promises to protect accusers and will not fire, dismiss, or reduce the salary of the accusers due to the reported case, which would harm their legal, contractual, customary entitlements, or any other disadvantageous position. However, this protection does not apply to any of our colleagues who are found to have provided false or misleading information.

5.8 Incentive regulation

If any employee of the Company reports cases that harm the interests of the Company according to this policy and the cases are confirmed to be true or effective measures are taken to prevent or mitigate the damage, the employee shall be granted a bonus of up to NTD 100,000.

If the informant has been involved in the illegal activities that they reported, but provides information and assistance to the Company and the administrative and judicial authorities to investigate the facts, the level of punishment and responsibility of the informant may be reduced or exempted.




6.0 Reference document

KCP-174 Employees Reward and Punishment Regulations

7.0 Attachment

2.3.8 Internal Control System

(1) Statement of Internal Control System

 ECOVE Environment Corporation Statement of Internal Control System		
		Date: February 26, 2025
<p>Based on the findings of self-assessment, ECOVE Environment Corporation (ECOVE) states the following with regard to its internal control system during fiscal year 2024:</p>		
<ol style="list-style-type: none">1. ECOVE is fully aware that establishing, operating, and maintaining an internal control system are the responsibility of its Board of Directors and management. ECOVE has established such a system aiming at providing reasonable assurance of the achievement of the following objectives :<ol style="list-style-type: none">(1) Effectiveness and efficiency of operations (including profits, performance, and safeguard of asset security).(2) Reliability, timeliness, transparency, and regulatory compliance of reporting.(3) Compliance with applicable norms and applicable laws, regulations, and bylaws.2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three objectives mentioned above. Furthermore, the effectiveness of an internal control system may be subject to changes due to environment or circumstances. Nevertheless, the internal control system of ECOVE contains self-monitoring mechanisms, and ECOVE takes immediate remedial actions in response to any identified deficiencies.3. ECOVE evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the "Regulations"). The criteria adopted by the Regulations identify five key components based on the process of management control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communications, and (5) monitoring activities. Each component also includes several items. Please refer to the Regulations for details.4. ECOVE has assessed the design and operating effectiveness of its internal control system according to the aforesaid criteria.5. Based on the findings of the assessment mentioned in the preceding paragraph, ECOVE believes that, as of December 31, 2024, its internal control system (including its supervision and management of subsidiaries), encompassing internal controls for (1) operational effectiveness and efficiency, (2) reliability timeliness, transparency, and regulatory compliance of reporting, and (3) compliance with applicable norms and applicable laws, regulations, and bylaws, is effectively designed and operating, and reasonably assures the achievement of the above-stated objectives.6. This Statement will be a major part of ECOVE's Annual Report and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.7. This Statement has been passed by the Board of Directors Meeting of ECOVE held on February 26, 2025, the nine attending directors all affirmed the content of this Statement.		
ECOVE Environment Corporation		
Chairman (J.J.Liao) :		(signature)
President (Eric Tiao) :		(signature)

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

2.3.9 Major Resolutions of Shareholders' Meeting and Board Meetings

1. Major resolutions of Shareholders' Meeting of Year 2024

Shareholders' Meeting	Major Resolutions of Shareholders' Meeting	Action Arisen
2024.05.27	1. Approval of the Company's 2023 Business Report, Financial Statements and Consolidated Financial Statements.	The resolution has been made and implemented.
	2. Approval of the Company's distribution plan of 2023 earnings. (In accordance with the total amount of common. shares outstanding, the cash dividend per share was NT\$14.59)	The ex-dividend date was set for July 12 th , 2024, and dividends were fully distributed by July 24, 2024.
	3. Proposal to lift the non-compete restrictions on the new corporate director representative	The resolution has been implemented to lift the restriction on competitive behavior for the newly appointed corporate director representative.
	4. The company revised some provisions of the "Articles"	After approval of change registration by the Ministry of Economic Affairs, was announced on the Company's website.
	5. The company has revised certain provisions of the "Endorsement and Guarantee Handling Procedures."	Revised and uploaded to Public Information Observatory and the Company's website in accordance with the resolution.

2. Major resolutions of the Board Meeting in recent years until the annual report being published:

Audit Committee's Meetings	Contents of proposals and follow-up processing
The 7 th meeting of the 9 th term 2024.03.04	Approved the ratification of the company's external endorsement and guarantee handling.
	Approved the ratification of the company's credit limit changes.
	Approved the distribution of directors' and employees' remuneration for the year 2023.
	Approved the company's 2023 annual business report, financial statements, and consolidated financial statements.
	Approved the company's 2023 profit distribution table.
	Approved the company's 2023 "Internal Control System Statement."
	Approved the company's application for lending funds to others.
	Approved the revision of certain provisions of the company's "Risk Management Guidelines."
	Approved the revision of certain provisions of the company's "Audit Committee Charter."
	Approved the revision of certain provisions of the company's internal control system.
	Approved the revision of certain provisions of the company's "Board Meeting Rules."
	Approved the revision of certain provisions of the company's "Endorsement and Guarantee Handling Procedures."
	Approved the revision of certain provisions of the subsidiary ECOVE ESC's "Endorsement and Guarantee Handling Procedures."
	Approved the revision of certain provisions of the company's "Articles of Incorporation."
	Approved the proposal to the shareholders' meeting to lift the restriction on competitive behavior for the newly appointed corporate director representative.
	Approved the date, location, and agenda of the company's 2024 annual shareholders' meeting.
	Approved the period and location for accepting shareholder proposals for the company's 2024 annual shareholders' meeting.
	Approved the change of the company's paid-in capital.
	Approved the change of the company's address.
	Approved the change of the dedicated custodian for the company's endorsement and guarantee seal.

	Approved the simplified merger between the company and its wholly-owned subsidiary ECOVE SEC and ECOVE SEC's wholly-owned subsidiary ECOVE South Corp. Ltd.
The 8 th meeting of the 9 th term 2024.05.02	Approved the ratification of the company's external endorsement and guarantee handling.
	Approved the company's consolidated financial statements for the first quarter of 2024.
	Approved the change of the company's paid-in capital.
	Approved the company's application for lending funds to others.
The 9 th meeting of the 9 th term 2024.07.31	Approved the ratification of the company's external endorsement and guarantee handling.
	Approved the ratification of the company's credit limit changes.
	Approved the company's consolidated financial statements for the second quarter of 2024.
	Approved the change of the company's paid-in capital.
	Approved the company's "2023 Sustainability Report."
The 10 th meeting of the 9 th term 2024.11.04	Approved the ratification of the company's external endorsement and guarantee handling.
	Approved the ratification of the company's credit limit changes.
	Approved the company's consolidated financial statements for the third quarter of 2024.
	Approved the change of the company's paid-in capital.
	Approved the company's application for lending funds to others.
	Approved the merger of the company's "Code of Ethical Conduct for Directors and Managers" and "Code of Ethical Conduct for Employees" into the "Code of Ethical Conduct" and revised certain provisions.
	Approved the addition and revision of certain provisions of the company's "Internal Control System."
The 11 th meeting of the 9 th term 2024.12.12	Approved the company's 2025 annual business budget.
	Approved the company's 2025 audit plan.
	Approved the revision of certain provisions of the company's "Group Enterprises, Specific Companies, and Related Party Transaction Procedures."
	Approved the addition and revision of certain provisions of the company's "Internal Control System."
	Approved the company's 2025 average salary adjustment for employees.
	Approved the remuneration (salary adjustments and bonuses) for the company's managerial level.
The 12 th meeting of the 9 th term 2025.02.26	Approved the ratification of the company's external endorsement and guarantee handling.
	Approved the ratification of the company's credit limit changes.
	Approved the distribution of directors' and employees' remuneration for the year 2024.
	Approved the company's 2024 annual business report, financial statements, and consolidated financial statements.
	Approved the company's 2024 profit distribution table.
	Approved the company's 2024 "Internal Control System Statement."
	Approved the company's application for lending funds to others.
	Approved the revision of certain provisions of the company's "Articles of Incorporation."
	Approved the revision of certain provisions of the company's internal control system.
	Approved the change of the company's paid-in capital.
	Approved the date, location, and agenda of the company's 2025 annual shareholders' meeting.
	Approved the period and location for accepting shareholder proposals for the company's 2025 annual shareholders' meeting.
	Approved the ratification of the company's external endorsement and guarantee handling.
	Approved the ratification of the company's credit limit changes.
	Approved the distribution of directors' and employees' remuneration for the year 2024.
	Approved the company's 2024 annual business report, financial statements, and consolidated financial statements.
	Approved the company's 2024 profit distribution table.
	Approved the company's 2024 "Internal Control System Statement."
	Approved the company's application for lending funds to others.
	Approved the revision of certain provisions of the company's "Articles of Incorporation."
	Approved the revision of certain provisions of the company's internal control system.
	Approved the change of the company's paid-in capital.
	Approved the date, location, and agenda of the company's 2025 annual shareholders' meeting.
	Approved the period and location for accepting shareholder proposals for the company's 2025 annual shareholders' meeting.

2.3.10 Major Issues of Record or Written Statements Made by Any Director or Supervisor Dissenting to Important Resolutions Passed by the Board of Directors: None

2.4 Professional fee of CPA

Unit: NT\$ thousands

Accounting Firm	Name of CPA		Audit Period	Audit Fee	Non-audit Fee	Total	Note
PriceWaterHouseCoopers	Fu-Ming Liao	Yi-Fan Lin	2024.01.01-2024.12.31	1,600	1,135	2,735	Note 1

Note1: The amounts of non-audit fees as well as details of non-audit services shall be disclosed : Business Registration NT\$408 thousand, Translation fee of financial reports NT\$600 thousand and advance payment for Financial & Tax audit fee NT\$127 thousand.

Note2: In the event that the CPA firm is changed and the audit fees paid by the company in the concurrent year are lower than the preceding year: None

Note3: In the event that the audit fees paid by the company are reduced by 15% compared to the preceding year: None

2.5 Information on replacement of CPA: None

2.6 The Company's Chairman, President and Managers Responsible for Finance or Accounting who have Held a Post in the CPA Office or its Affiliated within the Latest Year: None

2.7 In the most recent year and as of the publication date of the annual report, the transfer of shares of directors, managers, and shareholders whose shareholding ratio exceeds 10% and changes in share pledge:

2.7.1 Shareholding changes of directors, managers and major shareholders

Title	Name	2024		Unit: Share As of Feb. 28, 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman	CTCI Corporation(Note 1)	0	0	0	0
	Representative: J. J. Liao(Chairman)	(899)	0	0	0
Director	CTCI Corporation(Note 1)	0	0	0	0
	Representative: H. H. Tiao	(39,246)	0	0	0
Director	Yangming Liu	0	0	0	0
Director	Eugene Chien	0	0	0	0
Director	Ping Shen	0	0	0	0
Director	Kuan Shen Wang	0	0	0	0
Independent Director	Shuh Woei Yu	0	0	0	0
Independent Director	James Tsai	0	0	0	0
Independent Director	Shan-Shan Chou	0	0	0	0
Vice President (Note 2)	Hsio Hua Tiao	0	0	0	0
Financial Manager	Catherine Huang	2,278	0	0	0
Accounting Manager	Tanching Yao	0	0	0	0

Note 1 : Shareholders holding more than 10% of shares, only CTCI Corp. CTCI Corp. holds 53.14% of the company's shares and is the major shareholder.

2.7.2 Shares Trading with Related Parties: None

2.7.3 Shares Pledge with Related Parties: None

2.8 Information Disclosing the Relationship between any of the Company's Top Ten Shareholders

As of July 12, 2024

Name	Shareholding		Spouse & Minor		Shareholding by Nominee Arrangement		The names and relationships of the top ten shareholders who have a relationship with Financial Accounting Standards Bulletin No. 6 or a relative within spouse, the second degree of kinship , etc.		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
CTCI Corporation	38,457,105	53.50	0	0	0	0	GRQ Investment Corporation	The parent company of GRQ Investment Corp.	-
Rep. : Michael Yang	0	0	0	0	0	0	None	None	-
Fubon Life Insurance Co., Ltd.	3,310,000	4.59	0	0	0	0	Fu bon Financial Holding Venture Capital Corp.	Subsidiary of Fubon Financial Holding Co Ltd.	-
Rep. : F. X. Lin	0	0	0	0	0	0	None	None	-
Parkwell Investment Corp.	1,060,000	1.47	0	0	0	0	None	None	-
Rep. : S. J. Chiu	0	0	0	0	0	0	None	None	-
Bank SinoPac Company Limited	577,000	0.80	0	0	0	0	SinoPac Securities Corp.	Subsidiary of SinoPac Financial Holdings Company	-
Rep.: J. H. Chen	0	0	0	0	0	0	None	None	-
Fubon Financial Holding Venture Capital Corp.	469,856	0.65	0	0	0	0	Fubon Life Insurance Co., Ltd.	Subsidiary of Fubon Financial Holding Co Ltd.	-
Rep. : M. C. Tasi	0	0	0	0	0	0	None	None	-
Taiwan Life Insurance Co, Ltd.	337,774	0.48	0	0	0	0	None	None	-
Rep. : S. B. Hsu	0	0	0	0	0	0	None	None	-
SinoPac Securities Corp.	261,000	0.47	0	0	0	0	Bank SinoPac Company Limited	Subsidiary of SinoPac Financial Holdings Company	-
Rep. : Stanley Chu	0	0	0	0	0	0	Bank SinoPac Company Limited	Director of Bank SinoPac Company Limited	-
D. Y. Wen	251,000	0.35	236,000	0.33	0	0	J. M. Chang	the second degree of kinship	-
GRQ Investment Corp.	243,918	0.34	0	0	0	0	CTCI Corporation	Subsidiary of CTCI Corp.	-
Rep. : John T. Yu	0	0	0	0	0	0	CTCI Corporation	Director of CTCI Corp.	-
J. M. Chang	236,000	0.33	251,000	0.35	0	0	D. Y. Wen	the second degree of kinship	-

2.9 Shareholdings of the Company Directors, Supervisors, Managements, and Direct and Indirect Investments of the Company in Affiliated Companies

As of March 29, 2024

Affiliated Company	Investment of the Company		Directors, Managements Direct and Indirect Investment of the Company		Total Investment	
	Share	%	Share	%	Share	%
ECOVE Environment Services Corporation	15,100,000	100.00	0	0	15,100,000	100.00
ECOVE Wujih Energy Corporation	10,000	100.00	0	0.00	10,000	100.00
ECOVE Waste Management Corporation	2,000,000	100.00	0	0.00	2,000,000	100.00
ECOVE Miaoli Energy Corporation	44,999,200	74.999	800	0.001	45,000,000	75.00
ECOVE Solar Power Corporation	30,600,000	100.00	0	0.00	30,600,000	100.00
G.D. International, LLC	0*	100.00	0	0.00	0*	100.00
Yuan Ding Resources Corporation	4,500,000	100.00	0	0.00	4,500,000	100.00
ECOVE Solvent Recycling Corporation	9,000,000	100.00	0	0.00	9,000,000	100.00
ECOVE Chiayi Energy Corporation	50,000,000	50.00	50,000,000	50.00	100,000,000	100.00

*G.D. International, LLC has not issued any related stock certificates.

III. Capital Overview

3.1 Capital and Shares

3.1.1 Source of Capital

(1) Issued Shares

As of March 29, 2024

Year /Month	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Sources of Capital	Capital Increased by Assets Other than Cash	Other
2014.03	10	80,000,000	800,000,000	63,959,468	639,594,680	CB & ESOP	None	Note 1
2014.05	10	80,000,000	800,000,000	64,068,968	640,689,680	ESOP	None	Note 2
2014.08	10	80,000,000	800,000,000	64,386,968	643,869,680	ESOP	None	Note 3
2014.11	10	80,000,000	800,000,000	64,825,000	648,250,000	CB & ESOP	None	Note 4
2015.03	10	80,000,000	800,000,000	64,986,449	649,864,490	CB & ESOP	None	Note 5
2015.06	10	80,000,000	800,000,000	65,397,149	653,971,490	CB & ESOP	None	Note 6
2015.08	10	80,000,000	800,000,000	65,522,567	655,225,670	CB & ESOP	None	Note 6
2015.11	10	80,000,000	800,000,000	65,779,115	657,791,150	CB & ESOP	None	Note 8
2016.04	10	80,000,000	800,000,000	65,862,648	658,626,480	ESOP	None	Note 9
2016.07	10	80,000,000	800,000,000	66,064,898	660,648,980	ESOP	None	Note 10
2016.11	10	80,000,000	800,000,000	66,435,398	664,353,980	ESOP	None	Note 11
2017.03	10	80,000,000	800,000,000	66,461,398	664,613,980	ESOP	None	Note 12
2017.06	10	80,000,000	800,000,000	66,624,898	666,248,980	ESOP	None	Note 13
2017.08	10	80,000,000	800,000,000	66,784,148	667,841,480	ESOP	None	Note 14
2017.11	10	80,000,000	800,000,000	66,804,398	668,043,980	ESOP	None	Note 15
2018.03	10	80,000,000	800,000,000	66,810,648	668,106,480	ESOP	None	Note 16
2018.05	10	80,000,000	800,000,000	66,932,898	669,328,980	ESOP	None	Note 17
2018.08	10	80,000,000	800,000,000	67,105,148	671,051,480	ESOP	None	Note 18
2020.11	10	80,000,000	800,000,000	67,316,539	673,165,390	ESOP	None	Note 19
2021.02	10	80,000,000	800,000,000	68,976,211	689,762,110	Issuance of new shares due to acquisition of shares of ECOVE ESC	STOCK	Note 20
2021.03	10	80,000,000	800,000,000	69,028,564	690,285,640	ESOP	None	Note 21
2021.06	10	80,000,000	800,000,000	69,083,998	690,839,980	ESOP	None	Note 22
2021.09	10	120,000,000	120,000,000	69,111,683	691,116,830	ESOP	None	Note 23
2021.12	10	120,000,000	120,000,000	69,516,990	695,169,900	ESOP	None	Note 24
2022.04	10	120,000,000	120,000,000	69,602,678	696,026,780	ESOP	None	Note 25
2022.06	10	120,000,000	120,000,000	69,710,488	697,104,880	ESOP	None	Note 26
2022.08	10	120,000,000	120,000,000	69,886,200	698,862,000	ESOP	None	Note 27
2022.11	10	120,000,000	120,000,000	70,457,903	704,579,030	ESOP	None	Note 28
2023.03	10	120,000,000	120,000,000	70,691,305	706,913,050	ESOP	None	Note 29
2023.05	10	120,000,000	120,000,000	70,833,015	708,330,150	ESOP	None	Note 30
2023.09	10	120,000,000	120,000,000	71,084,417	710,844,170	ESOP	None	Note 31
2023.11	10	120,000,000	120,000,000	71,501,622	715,016,220	ESOP	None	Note 32
2024.02	10	120,000,000	120,000,000	71,558,952	715,589,520	ESOP	None	Note 33
2024.03	10	120,000,000	120,000,000	71,617,851	716,178,510	ESOP	None	Note 34
2024.05	10	120,000,000	120,000,000	71,882,164	718,821,640	ESOP	None	Note 35
2024.09	10	120,000,000	120,000,000	72,158,820	721,588,200	ESOP	None	Note 36
2024.11	10	120,000,000	120,000,000	72,260,440	722,604,400	ESOP	None	Note 37

Note 1: 2014.04.15 MOEA Ruling Ref. No. 10301064930

Note 2: 2014.06.04 MOEA Ruling Ref. No. 10301099890

Note 3: 2014.09.05 MOEA Ruling Ref. No. 10301181770

Note 4: 2014.11.28 MOEA Ruling Ref. No. 10301246650
Note 5: 2015.03.31 MOEA Ruling Ref. No. 10401055110
Note 6: 2015.06.01 MOEA Ruling Ref. No. 10401095880
Note 7: 2015.08.26 MOEA Ruling Ref. No. 10401178670
Note 8: 2015.11.26 MOEA Ruling Ref. No. 10401246910
Note 9: 2016.04.12 MOEA Ruling Ref. No. 10501064000
Note 10: 2016.07.14 MOEA Ruling Ref. No. 10501133770
Note 11: 2016.11.29 MOEA Ruling Ref. No. 10501271530
Note 12: 2017.03.31 MOEA Ruling Ref. No. 10601041590
Note 13: 2017.06.01 MOEA Ruling Ref. No. 10601070050
Note 14: 2017.08.28 MOEA Ruling Ref. No. 10601121260
Note 15: 2017.11.20 MOEA Ruling Ref. No. 10601158200
Note 16: 2018.03.29 MOEA Ruling Ref. No. 10701031800
Note 17: 2018.05.16 MOEA Ruling Ref. No. 10701053860
Note 18: 2018.08.16 MOEA Ruling Ref. No. 10701103650
Note 19: 2020.11.23 MOEA Ruling Ref. No. 10901216120
Note 20: 2021.02.03 MOEA Ruling Ref. No. 11001011780
Note 21: 2021.03.29 MOEA Ruling Ref. No. 11001049030
Note 22: 2021.06.10 MOEA Ruling Ref. No. 11001091980
Note 23: 2021.09.02 MOEA Ruling Ref. No. 11001147420
Note 24: 2021.12.01 MOEA Ruling Ref. No. 11001212620
Note 25: 2022.04.01 MOEA Ruling Ref. No. 11101047340
Note 26: 2022.06.01 MOEA Ruling Ref. No. 11101085750
Note 27: 2022.08.26 MOEA Ruling Ref. No. 11101159460
Note 28: 2022.11.25 MOEA Ruling Ref. No. 11101221110
Note 29: 2023.03.25 MOEA Ruling Ref. No. 11230047500
Note 30: 2023.05.29 MOEA Ruling Ref. No. 11230088130
Note 31: 2023.09.05 MOEA Ruling Ref. No. 11230160800
Note 32: 2023.11.27 MOEA Ruling Ref. No. 11230215650
Note 33: 2024.02.27 MOEA Ruling Ref. No. 11330010400
Note 34: 2024.03.29 MOEA Ruling Ref. No. 11330043850
Note 35: 2024.05.22 MOEA Ruling Ref. No. 11330081470
Note 36: 2024.09.16 MOEA Ruling Ref. No. 11330150770
Note 37: 2024.11.25 MOEA Ruling Ref. No. 11330203380

Share Type	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common Share	72,373,475	47,626,525	120,000,000	Listed on the OTC from May 27, 1999. The cut-off date for the outstanding shares is Feb. 28, 2025

3.1.2 List of Major Shareholders

Shareholder's Name	Shareholding	
	Shares	Percentage (%)
CTCI Corporation	38,457,105	53.30
Fubon Life Insurance Co., Ltd.	3,310,000	4.59
Parkwell Investment Limited	1,060,000	1.47
Bank SinoPac Company Limited	577,000	0.80
Fubon Financial Holding Venture Capital Corp.	469,856	0.65
Taiwan Life Insurance Co, Ltd.	337,774	0.47

SinoPac Securities Corp.	261,000	0.36
D. Y. Wen	251,000	0.35
GRQ Investment Corporation	243,918	0.34
J. M. Chang	236,000	0.33

3.1.3 Dividend Policy and Implementation Status

A. Dividend Policies under Articles of Incorporation

Article 29

When net profit occurs in the annual accounts, the Company may, after reserving a sufficient amount of the income before tax to cover the accumulated losses, with the resolution of the board of directors, distribute at least 0.01% of the income before tax to pay to the employees as remuneration, and distribute no more than 2% of the income before tax to pay to the board of directors as remuneration. The remuneration could be stock or cash, and the employee remuneration could be distributed to the employees of subsidiaries of the Company under certain conditions.

A report of the distribution of employee remuneration or the board of directors' remuneration shall be submitted to the shareholders' meeting.

Article 30

The Company shall, after all taxes and dues have been paid and its losses have been covered and at the time of allocating surplus profits, first set aside ten percent of such profits as a legal reserve. However, when the legal reserve amounts to the authorized capital, this shall not apply. Furthermore, in accordance with the provisions of laws and regulations and the rules prescribed by the central competent authority, a special reserve shall be set aside. If there is recovery of the balance of special reserve, the recovered amount shall be included in the distribution of the profit for the current year.

The allocable profit for the current year, which is the balance after the profit distribution and covering losses aforementioned as the preceding Paragraph, together with the undistributed retained earnings accrued from prior years shall be referred to as accumulated distributable earnings, which shall be distributed as dividends to shareholders according to shareholders' resolutions.

In order to meet the requirements in business expansion and industry growth, fulfilling future operating needs and stabilizing financial structure is the priority of the Company's dividend policy. Thus, the distribution of the accumulated distributable earnings accords to the shareholders' resolutions. And, the amount of shareholders' bonus shall not be less than 20% of accumulated distributable earnings of the Company, and in particular cash dividend shall not be less than 5%.

- B. Proposed Distribution of Dividend: Due to the board of directors' resolution on March. 04, 2024, the Company has decided to distribute the cash dividends NT\$1,045,307 thousand (NT\$14.59 per share) to common shareholders.
- C. The Company adopts a dividend policy of high earnings appropriation rate, and stipulates that at least 80% of total attributable earnings should be appropriated as dividends. In recent years, the Company distributes all of its dividends in the form of cash. Historical information about dividends distribution is available on the Company's website.

3.1.4 Impact of Stock Dividend Distribution on Business Performance, EPS and Return on Investment: None

3.1.5 Employee and Directors' Remuneration

- A. The percentage of employee and directors' remuneration in dividend policies under articles of incorporation:
Article 29 When net profit occurs in the annual accounts, the Company may, after reserving a sufficient amount of the income before tax to cover the accumulated losses, with the resolution of the board of directors, distribute at least 0.1% to employees and 2% limited to directors as remuneration. The employees' remuneration could be stock or cash. The remuneration's objects should include the employees of subsidiaries of the Company. A report of the distribution of employee remuneration or the board of directors' remuneration shall be submitted to the shareholders' meeting.
- B. The estimation basis on remuneration to Employees and Directors, the calculating basis on the number of shares for share bonus and accounting treatment for the differences between the actual distributing amounts and estimations:
Employee and Directors' Remuneration: Estimation of employee and Directors' remuneration is based on prior experience and is recognized as current expenses.
If, after the period, a resolution is passed by the Board of Directors in terms of a material change in the amount to be issued (the amount of change meets the standard for restatement of financial reports stipulated in Article 6 of the Securities and Exchange Act Enforcement Rules: the corrected amount of the comprehensive income is NT\$10 million or more, and is also 1 % or more of the originally stated net operating revenue after final accounting or the paid-in capital is more than 5%), the expense of the current year shall be adjusted (the year in which the compensation of employee is originally recognized). If the amount of change does not reach the standard of the material change, it may be treated as a change in accounting estimates and recognized as profit and loss for the following year. • If the amount remains variable at the date of Shareholders' meeting in the following year, it shall be recorded in the following year as change in accounting estimation.
- C. Profit Distribution Approved in Board of Directors Meeting for Employee and Directors' Remuneration:
a. In 2024, the Board of Directors approved NT\$ 5,200 thousands for the directors' remuneration and NT\$1178 thousands for the employees' remuneration respectively, and this will be distributed by cash.
b. Ratio of Recommended Employee Stock Bonus to Capitalization of Earnings: None
- D. Information of 2023 Earnings Set Aside to Employee Bonus and Directors' and Supervisors' Remuneration:

	2023 Actual Distribution (A)	Recognized Estimated Amount (B)	Variance (C=A-B)
Remuneration for Employees (Cash)	NT\$286,769	NT\$286,769	0
Remuneration for Directors (Cash)	NT\$5,200,000	NT\$5,200,000	0

The actual distribution of employee Remuneration and Directors compensation in 2023 is based on Shareholders' Resolution and corresponds to actual reserve.

- E. The Information of Top Ten Recipients of Employee Bonuses in 2023:

Name	Title	Amount(NT\$)
J.J Liao	Chairman of Business Strategy Committee	286,769
H.H. Tiao	President	
Mike Chiu	Manager	

Han-Yun Chung	Audit Manager	
Chung-Lei Huang	Finance Manager	
Tan-Ching Yao	Accounting Manager	
C.T Lee	Executive Specialist	
S.C Huang	IT Engineer	

Note 1: The total number of employees in the company that meet the standard of the distribution of employee compensation in the year of 2023 is 7, therefore information on only these 7 employees will be disclosed.

3.1.6 Company Buyback of Own Shares Situation: None

3.2 Issuance of Corporate Bonds:

Type Item	2021 First Unsecured Corporate Bond	
Issuance (Process) Date	May 27, 2021	
Face value	TWD 1,000,000	
Locate of Issuance and Exchange	NA	
Price of Issuance	TWD 100 (100% of face value)	
Total Amount	Total Amount: TWD 2,000,000,000 (Tranche A: TWD 1,000,000,000; Tranche B: TWD 1,000,000,000)	
Rate	Tranche A: Fixed annual rate of 0.65% Tranche B: Fixed annual rate of 0.56%	
Tenor	Five years. Maturity Date: May 27, 2026	
Guarantor	NA	
Trustee	Bank Sinopac Co.Ltd.	
Underwriter	Yuanta Securities Co., Ltd.	
Appointed Attorney of Law	Hui-Chi Kuo	
Appointed CPAs	Shyh-Rong Ueng, Yi-Fan Lin	
Repayment Method	On due date, the bonds will be redeemed in whole	
Outstanding principal	TWD 2,000,000,000	
Terms of redemption or early repayment	NA	
Restrictive terms	NA	
Name of the credit rating agency, date, and outcome of the rating of the corporate bond	Credit Rating Agency: Taiwan Ratings Corporation Date of rating: April 12, 2021 Credit Ratings: twA	
Other Rights At A fit	By the publication date of the annual report, the amount of the converted (exchanged or subscribed) common shares, GDR, or other negotiable securities	Other Rights At A fit
	Guidelines of issuance or conversion (exchange or subscription)	NA
Guidelines of issuance or conversion, exchange or subscription; the possible dilutions to equities by the issuance terms, Effects to the current shareholders' equity	NA	
Delegated custodian of the underlying exchange	NA	

3.3 Preferred Shares: None

3.4 Global Depositary Receipt: None

3.5 Employee Stock Options

3.5.1 Issuance of Employee Stock Options

As of Feb. 28, 2025

Type of Stock Option	2018 ESOP	2019 ESOP	2020 ESOP
Effective Date by Regulatory Agency and	2018/06/27 1,500 units	2019/06/26 1,500 units	2020/04/13 1,500 units

Total Units			
Issue date	2018/07/09	2019/07/24	2020/04/13
Units issued	1,500 units	1,500 units	1,500 units
Option shares to be issued as a percentage of outstanding shares (%)	2.07	2.07	2.07
Duration	The duration for options is 6 years, during which employees may not transfer, pledge, or gift their options except to heirs. Upon the expiration of the grant period, unexercised options are deemed forfeited and the subscribers may no longer claim right to exercise the option and purchase those shares.		
Conversion measures	Issue new common share		
Conditional conversion periods and percentages	Subscribers may exercise their options by the following schedule and proportion: The availability period The ceiling of option exercisable (accumulate)		
		<u>Regular</u>	<u>Reward</u>
	Less than 2 years	0%	0%
	In 2 years after the grant	50%	25%
	In 3 years after the grant	75%	50%
	In 4 years after the grant	100%	100%
Converted shares	1,310,864 Shares	1,230,028 Shares	1,010,433 Shares
Exercised amount	NT\$182,592,686	NT\$212,097,132	NT\$173,134,296
Number of shares yet to be converted	0 Share	269,972 Shares	489,567 Shares
Adjusted exercise price for those who have yet to exercise their rights	NT\$128.00	NT\$165.90	NT\$167.50
Unexercised shares as a percentage of total issued shares (%)	N/A	0.37	0.68
Impact on possible dilution of shareholdings	The ESOP is implemented by 4 years after the 2-year expiration date of issuing. The original shareholders' equity will be diluted year by year. Dilution to Shareholders' Equity is still limited.		

Note 1: The employee stock options for the year 2018 expired on July 8, 2024. Any unexercised stock options are considered forfeited.

3.5.2 List of Executives Receiving Employee Stock Options and the Top 10 Employees

As of Feb. 28, 2025

	Title	Name	No. of Option Shares (share)	Option Shares as a Percentage of Shares issued (%)	Exercised				Unexercised(Note 1)			
					No. of Shares Converted (share)	Strike Price (NT\$)	Amount (NT\$ thousands)	Converted Shares as a Percentage of Shares issued (%)	No. of Shares Converted (share)	Strike Price (NT\$)	Amount (NT\$ thousands)	Converted Shares as a Percentage of Shares issued (%)
Managements	Chairman of Management Strategy Committee	J. J. Liao	481,384	0.67	386,128	2018 ESOP NT\$128.0-147.4	60,563	0.53	95,256	2018 ESOP NT\$128.0	15,683	0.13
	Vice President	Hsio Hua Tiao										
	Accounting Officer	Tanching Yao										
	Financial Officer	Catherine Huang										
Employees	Consultant	Y.P. Shih	421,032	0.58	403,743	2019 ESOP NT\$158.2-191.1	64,869	0.56	17,559	2019 ESOP NT\$158.2	2,794	0.02
	Manager	Y.C. Chan										
	Manager	Mike Chiou										
	Manager	C.L. Su				2020 ESOP NT\$159.7-184.1				2020 ESOP NT\$159.7		
	Manager	P.Y. Lin										
	Manager	Eason Chan										
	Manager	T. J. Lan										
	Manager	M. S. Ji										
	Manager	Y. H. Lin										

3.6 Status of Restricted Stock Awards: None

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

A. If during the most recent fiscal year and up to the annual report publication date, the Company has completed any issuance of new shares in connection with a merger or acquisition or with acquisition of shares of any other company, the followings shall be disclosed:

1. The lead underwriter's assessment opinion on the issuance of new shares for merger or acquisition of shares of another company in the most recent quarter:

ECOVE Environment Corp. (the "Company") has entered into a share conversion agreement with ECOVE Solvent Recycling Corporation ("ECOVE SRC") and

issued new shares for the conversion in 2023. The share conversion was reported to the Taipei Exchange listed company and effective by Letter No. 11200122061 on December 18, 2023 with the conversion record date on December 29, 2023. The registration of the issued new shares was approved by the Ministry of Economic Affairs on February 27, 2024 and the relevant information of "Announcement of issuance of new shares, corporate bonds and marketable securities before delivery or distribution of dividends" was announced on March 12, 2024 on the Market Observation Post System. The listing date of the converted shares was March 14, 2024. The benefit of the acquisition is expected to gradually emerge after the resource integration of both parties.

In accordance with provisions of Article 9, paragraph 1, sub-paragraph 8 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the Company has engaged the lead underwriter to provide an assessment opinion as to whether any of the aspects of the share conversion would have an effect on the finance, business, and shareholders' equity of the Company by the forth quarter of 2024. The opinion is as follows:

(1) Impact on finance:

The issuance of new shares by the Company and conversion of the shares with ECOVE SRC were reported and effective on December 18, 2023 with the conversion record date on December 29, 2023. The listing date for the converted shares was March 14, 2024. The Company's consolidated operating revenue for 2024 (self-assessed) was NT\$8,520,711 thousand, representing an increase of NT\$890,500 thousand compared to the consolidated operating revenue of NT\$7,630,211 thousand for the same period last year. This represents a growth rate of approximately 11.67%, indicating that the acquisition has had a positive impact on the Company's financial performance.

(2) Impact on business:

Both the Company and ECOVE SRC belong to the environmental recycling industry specializing in waste treatment and possess extensive experience in waste resource management. Through this share swap transaction, significant business complementarity can be achieved. By leveraging the exchange of experience between the technical and business personnel of both parties and integrating their respective strengths to enhance sales effectiveness, the Company will be able to more closely consolidate the resources of its subsidiaries. This represents vertical integration across the upstream and downstream segments of the industry, enabling the provision of more professional and comprehensive services to clients. In addition, the share swap will enhance the efficiency of operating capital, allowing for optimal and effective allocation and utilization of resources. Through resource integration and expansion of service scope, the scale of operations for both parties can be effectively enlarged, contributing to improved sales deployment and overall profitability of the Company. In summary, the share swap transaction is expected to bring positive benefits to the Company's business.

(3) Impact on shareholders' equity:

Following the share swap between the Company and ECOVE SRC, positive impacts are expected in both financial and business aspects, which will support the Company's long-term development planning, with the goal of achieving continuous growth in revenue and profit and creating greater corporate value. With enhanced competitiveness, the Company will have increased opportunities to secure more industrial waste treatment contracts, thereby driving overall business development and further enhancing shareholders' equity. Therefore, this share swap is expected to have a positive impact on the shareholders' equity of the Company.

(4) Whether the expected benefits from merger appear:

The share swap between the Company and ECOVE SRC was based on the record date of December 29, 2023, and the amendment registration was completed on February 27, 2024. Following the completion of the share swap, the integration of resources between both companies is expected to

generate positive benefits in terms of finance, business operations, and shareholders' equity, with the anticipated synergies gradually becoming evident. The assessment opinion issued by the lead securities underwriter has also been disclosed on the Market Observation Post System (MOPS) public information website. (<https://mopsov.twse.com.tw/mops/web/t146sb10#>)

2. Disclosure of the status of implementation in the most recent quarter. If the progress of implementation or benefit has not been achieved, the impact on shareholders' equity and improvement plan shall be provided.

(1) In order to simplify the shareholding structure and improve the efficiency of operation, the Company acquired all shares of ECOVE SRC by share conversion and issuance of new shares so that ECOVE SRC became a wholly-owned subsidiary of the Company on the record date of December 29, 2023.

(2) The progress or benefits of the implementation had not reached the expected objective: None.

B. Where the board of directors has, during the most recent fiscal year and as of the date of publication of the annual report, resolved any issuance of shares in connection with a merger or acquisition of shares of any other company, the annual report shall disclose the implementation status and the basic information of the merged or acquired company. In addition, the implementation of ongoing merger or acquisition of other companies through the issuance of new shares and the impact on shareholders' equity shall be disclosed:

1. Implementation status:

In order to simplify the shareholding structure and enhance the operating performance of the Group, the Company implemented share conversion with ECOVE SRC by the issuance of new shares pursuant to Article 30 of the Business Mergers and Acquisitions Act. The share conversion was approved by the Board of Directors of both companies on October 30, 2023. The Company issued 57,330 new shares in the amount of NT\$ 573,300 with par value of NT\$10. One share of ECOVE SRC was converted to 0.0637 shares of the Company. The rights and obligations of the ordinary shares issued for conversion are the same as the ordinary shares already issued by the Company.

2. Basic information about the acquired company :

Company Name		ECOVE Solvent Recycling Corp.
Company Address		No. 7-1, Guojian 3 rd Rd., Shulin Vil., Guanyin Dist., Taoyuan City 328453, Taiwan (R.O.C.)
Principal		Hsio-Hua Tiao
Paid-in Capital		NT\$ 90,000,000
Main Business Items		Basic Chemical Industrial and Other Chemical Materials Manufacturing
Main Products (service items)		85% industrial grade isopropyl alcohol and 99.5% industrial grade isopropyl alcohol
Financial Information for the most Recent Year	Total Assets	NT\$ 184,293,552
	Total Liabilities	NT\$ 59,844,287
	Total Shareholders' Equity	NT\$ 124,449,265
	Operating Income	NT\$ 180,119,524
	Operating Revenue	NT\$ 40,654,775
	Operating Profit and Loss	NT\$ 37,325,793
Current Profit and Loss		NT\$ 29,762,605

	Earnings per Share	NT\$ 3.31
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3. Currently there is no issuance of new shares for merger or acquisition of other companies.

3.8 Implementation of Capital Utilization Plan:

The issuance of 2021 first unsecured corporate Bond:

1. Capital utilization plan: To repay the debt and invest in green projects
2. Approved date and document No.: Dated April 13, 2021. Zheng-Guei-Zai-Zhi No. 1100003319.
3. Amount needed for this plan: TWD 2,000,000,000.
4. Source of funds: issuing unsecured common corporate bonds for TWD 2,000,000,000.
5. Items of the plan and the executions:

(Unit: TWD thousands)

Items of the plan	The executions		As of Feb. 28 th , 2025	Reason of being early or late and the improvement plan
Repay the debt	Amount to be used	Estimated	1,470,000	Fully executed in the third quarter in 2021
		Actual	1,470,000	
	Progress of execution (%)	Estimated	100%	
		Actual	100%	

(Unit:TWD thousands)

Items of the plan	The executions		As of Feb. 28 th , 2025	Reason of being early or late and the improvement plan
Invest in green projects	Amount to be used	Estimated	530,000	Fully executed in the second quarter in 2022
		Actual	530,000	
	Progress of execution (%)	Estimated	100%	
		Actual	100%	

IV. Operations Overview

The Company is committed to enhancing the efficiency of resource reuse and provides professional investment and operational services related to the circular economy industry, with a development focus on the advancement and management of renewable energy, renewable materials, and reclaimed water. The Company is deeply engaged in the fields of resource management, recycling and reuse, renewable energy, and electromechanical maintenance. In 2024, ECOVE completed the transfer of operating rights following the conclusion of the 20-year BOT operation period of ECOVE SEC and ECOVE WEC. As of now, the Company holds equity interests in four major subsidiaries: ECOVE ESC, ECOVE SRC, ECOVE MEC, and ECOVE SEC. The following provides an overview of the business operations of ECOVE and its major equity-invested subsidiaries.

4.1 Business content

A. ECOVE Environment Corporation and Subsidiaries: Consolidated business ratio

Unit: NT\$ thousands

Year Item	2023		2024	
	Amount	%	Amount	%
Waste Treatment	2,139,524	28.05	2,864,394	33.58
Electricity	2,679,713	35.13	2,946,480	34.54
Concession Service	555,584	7.28	574,739	6.74
Waste Collection	270,913	3.55	255,977	3.00
Others	1,982,768	25.99	1,889,060	22.14
Total	7,628,502	100.00	8,530,650	100.00

B. ECOVE Environment Corporation: Has expanded our business scope from general investment to include green energy and environmental protection activities, leveraging the performance and experience of our subsidiaries to explore more investment or service opportunities.

C. ECOVE Environment Services Corporation

a. Main Businesses

Operations, maintenance, commissioning, annual inspections, upgrades and improvements, operational supervision and other technical services for the following items:

- i. Waste EfW plants, integrated waste processing centers, sewage, desalination plant and reclaimed water treatment plants.
- ii. Cogeneration power plants and public facilities.
- iii. Transportation tracks and stations.
- iv. Solar Energy stations.
- v. High-tech Industrial Utilities

b. Revenue distribution

Unit: NT\$ thousands

Year Item	2023		2024	
	Amount	%	Amount	%
EfW plant related income	3,193,420	64.21	3,954,398	67.64
Others	1,779,814	35.79	1,891,864	32.36
Total	4,973,234	100.00	5,846,262	100.00

c. The Company's Current Products and Services

- i. Repairs, maintenance and technical consulting services for facilities such as electricity,

- environmental control and solar power plant.
 - ii. Repairs, maintenance and power conservation planning for water and electricity supply for public facilities (e.g. High-tech industry, hospitals and airports), fire-fighting equipment, air-conditioning and mechanical and electric equipment.
 - iii. Operations, management, supervision, annual overhauls and maintenance for environmental and pollution prevention processing plants and power plants.
 - iv. Updates and upgrades for hardware and software and automation control systems in mechanical and electrical equipment systems.
- d. New Products and Services Under Development
- i. Energy-saving waste solvent assisted combustion technologies for hazardous and medical waste in EfW furnaces and the use of high performance sodium bicarbonate dry spray exhaust treatment system technologies.
- D. ECOVE Waste Management Corporation
- a. Main Businesses
 - i. Waste disposal and processing.
 - ii. Waste and resource recycling management.

b. Revenue distribution

Unit: NT\$ thousands

Item \ Year	2023		2024	
	Amount	%	Amount	%
Waste Treatment	49,249	11.36	10,552	3.33
Waste Collection	299,689	69.12	286,178	90.22
Comprehensive planning to clean up revenue (Reuse included)	84,621	19.52	20,480	6.45
Total	433,559	100.00	317,210	100.00

- c. The Company's Current Products and Services
 - i. Waste Transportation Services: This includes the transportation of incinerator ash, industrial and scientific industrial park waste (including general and hazardous industrial waste), as well as the removal and transfer services for municipal waste and waste from various institutions and schools.
 - ii. Waste and Resource Recycling Management: This involves managing the receipt, reporting, scheduling, and entrusted processing of general waste and general industrial waste at the Miaoli plant. In terms of resource recycling, in response to the organizational adjustments in 2024, efforts will be made to align with the group's investment in waste isopropanol recycling equipment to increase the receipt volume.
- d. New Products and Services Under Development

Continuously evaluate the installation and procurement of equipment with the capability to handle different sites and various types of waste/recyclable materials, in order to secure diverse transportation business opportunities.

E. ECOVE Miaoli Energy Corporation

- a. Main Businesses
 - i. Cogeneration power plant.
 - ii. Waste disposal.

b. Revenue distribution

Unit: NT\$ thousands

Item \ Year	2023		2024	
	Amount	%	Amount	%
Concession Service	346,976	100.00	308,881	100.00
Total	346,976	100.00	308,881	100.00

c. The Company's Current Products and Services

- i. General waste disposal.
- ii. Industrial waste disposal.
- iii. Cogeneration power sales.

d. New Products and Services Under Development
Not applicable.

F. ECOVE Solar Power Corporation

a. Main Business

- i. Development, investment and operation of solar energy domestic and overseas.
- ii. Renewable energy sales.

b. Revenue distribution

Unit: NT\$ thousands

Item \ Year	2023		2024	
	Amount	%	Amount	%
Electricity	197,053	100.00	174,159	100.00
Total	197,053	100.00	174,159	100.00

c. The Company's Current Products and Services

- i. Energy technical services.
- ii. Electric power supply.
- iii. Wheeling of renewable energy power.
- iv. Energy storage systems participate in Taiwan Power Company's power trading platform for frequency regulation and reserve auxiliary services.

d. New Products and Services Under Development
i. Direct supply of Renewable energy power.

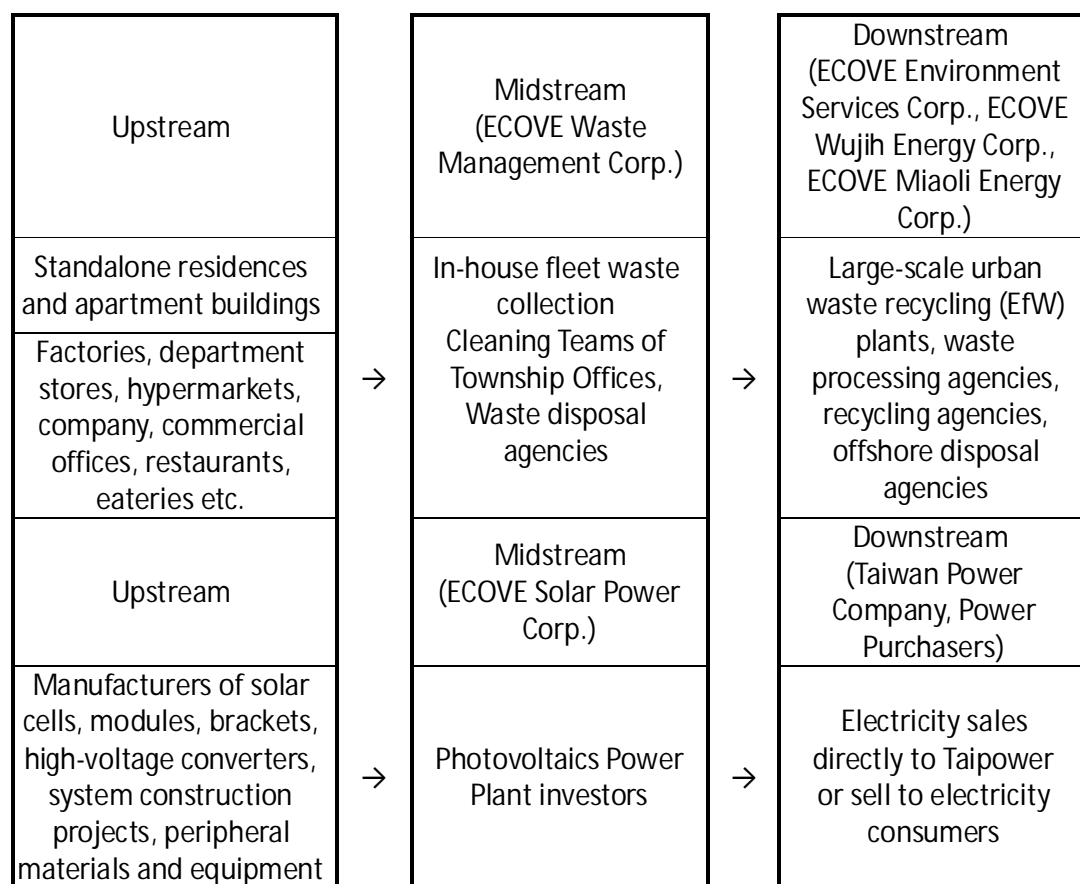
4.1.2 Industry Overview

A. Current State and Development of the Industry

The 27 EfW plants in Taiwan processed a total of 6,314,881.93 metric tons of waste in 2024. The waste accepted by ECOVE O&M EfW plants amounted to 2,167,563.38 metric tons and the total processed waste amounted to 2,141,795.88 metric tons. General waste constituted 1,568,036.35 metric tons of processed waste and general industrial waste amounted to 599,527.03 metric tons. ECOVE Environment Services Corporation processed the equivalent of waste produced by 4.355 million people in a year. ECOVE Waste Management Corporation accepted a total of 244,335 metric tons of waste, which constituted around 30%. At the same time, we also own the only two BOT EfW plants in Taiwan. In 2024, we successfully transferred the first BOT incinerator, establishing a significant presence in the domestic waste treatment market. By the end of 2024, we had built a total of 137 solar power plants, with a cumulative power generation of 724.07 million kWh. Domestically, through public bidding mechanisms, we have established good

cooperative relationships with public sectors, accumulating rich achievements. Ground-mounted projects are represented by the revitalization and reuse of landfill sites, while rooftop projects are mainly concentrated in railway systems such as high-speed rail and metro, as well as Kaohsiung Port. Our achievements are spread across northern, central, and southern regions, deeply cultivating the domestic solar power market. In the overseas market, we also own a solar power plant in New Jersey, USA, which is the third-largest investment by Taiwanese companies in the eastern United States.

B. Correlation with Upstream, Midstream, and Downstream Sections of the Industry



C. Business Development Trends:

a. O&M of EfW plants

- i. The accepted processing volume of domestic general waste has stabilized after years of government implementation of charging by the bag and resource recycling regulations.
- ii. The government's current environmental policy is to suspend the construction of domestic large-scale urban EfW plants. Regional cooperation is planned to deal with waste in municipalities that have no waste recycling (EfW plant) facilities.
- iii. According to the regulations that are clearly established in the policies of the Environmental Protection Administration of the Executive Yuan, daily waste can no longer be buried in sanitary landfills starting in 2007. Therefore the waste that would have been delivered to local landfills shall be delivered to EfW plants in accordance with EfW procedures before they can be delivered to landfills to be buried.
- iv. In foreign regions such as Mainland China and Southeast Asia, the processing of general waste has gradually shifted from landfills to EfW plant. Development in urban EfW facilities have expanded rapidly in recent years and demand for related expertise in O&M will grow with the development.

- b. Acceptance and management of general industrial waste
 The following factors have caused the oversupply of general industrial waste:
 - i. The government has ordered that starting on January 1, 2007, combustible waste shall not be accepted at all public landfills and the policy caused large quantities of combustible waste to be transferred to EfW plants.
 - ii. Vender returning to Taiwan and large-scale waste disposal projects (e.g. landfill reclamation) have led to an increase in waste.
 - iii. The gradual completion of the Waste Disposal Act, strict investigations on illegal disposals and strengthen the clauses concerning joint and several liability obligations have caused an increase in the demand for waste processing as producers and disposal operators seek normal channels for waste processing.
 - iv. Half of the existing 24 waste incineration plants running before 2024 in Taiwan will gradually be in the rectification period in the next five years. Due to the aging equipment at the incineration plant and the renovation schedules of some facilities not meeting expectations over the past three years, the amount of waste treatment will be reduced, and the waste treatment gap is increasing year by year.
 - v. The changes of urban life patterns have made household garbage content more complicated, and the heat energy of general waste generated has increased, which has affected the efficiency of treatment, and the waste treatment gap is increasing year by year.
 - vi. Due to reduced processing efficiency at large waste incineration plants and difficulties in establishing new facilities, local governments are prioritizing waste disposal permits for local disposal facilities and sources of waste. This policy has exacerbated the challenges faced by some counties and cities that lack adequate waste treatment facilities, continuously worsening their waste disposal issues.
- c. Waste Disposal
 With the arrival of the circular economy and changes in waste disposal and processing, resource processing and recycling have significantly replaced the simple mid-stream processing (e.g. incineration process). Therefore, in addition to working with major technology companies to process their general industrial waste and hazardous industrial waste, the waste disposal business shall also progress in the direction of working with recycling agencies and intermediate treatment plants (screening plants), etc. in order to obtain more profitable businesses and more diversified opportunities for disposing waste. Additionally, considering that some local governments prioritize waste disposal permits for local disposal facilities and waste sources, Hui Ding has established branches in certain counties and cities, obtaining approvals for local waste processing capacities. We will continue to expand the waste collection operations of each branch and enhance connectivity with our existing Taichung operation base to create synergies.
- d. Resource Recycling and Reuse
 Due to the shortage of resources, awareness for resource recycling and reuse has grown and the circular economy has become a trend. In the future, the Company shall continue to make use of business opportunities in the waste with potential recycling resource sector and conduct R&D on related subjects for important business development in the future.
- e. Renewable Energy
 In response to global climate change issue, the development of renewable energy to replace traditional petrochemical energy has become a trend. In the future, ECOVE will focus on the investment and operation of photovoltaics power plants and continue to seek business opportunities
- f. Water Resources
 Due to abnormal climate conditions leading to a water scarcity crisis within the country, the issue of water resources has gained significant attention from the government. This has resulted in opportunities such as the establishment of reclaimed water plants and desalination plants. In the future, our company will leverage the synergies within the group to seize these opportunities.

D. Competition:

- a. As we look ahead to the contracted O&M services for waste resource recycling plants in the domestic market, the Company's subsidiary ECOVE Environment Services Corp. shall actively participate in the market for contract renewal for O&M of EfW plants across Taiwan to expand our market share in Taiwan and provide services to more people in Taiwan.
- b. The Miaoli Plant of ECOVE Miaoli Energy Corp. is a large-scale urban waste EfW plant that were built and operated in BOT investment project. We have a special twenty-year operation permit and there are no issue of competition within the duration of the special permit.
- c. ECOVE Waste Management Corp. controls the domestic mid-stream and downstream market for resource waste disposal and is one of the very few operators in Taiwan that could provide one-stop services for waste disposal. With regard to the general waste disposal market in Taiwan, in addition to owning a fleet for in-house waste management services, ECOVE Waste Management has a significant market presence. The company assists with the management and handling of industrial waste for its facilities, which constitutes a substantial portion of the national total, maintaining a stable condition.
- d. In response to the government's renewable energy policy, ECOVE Solar Power Corp. invested in construction and operation of photovoltaics power plants. With strong engineering planning, operational capabilities and financial support under the Group, it completed many domestic and overseas excellent photovoltaics power plant construction. Moreover, it has long-term cooperation with government agencies in building photovoltaics power plants and makes business grow steady.

4.1.3 Overview of Technologies and R&D (R&D expenses invested and successfully developed technologies or products in the most recent year and up to the date of publication of the annual report)

- A. In response to the trend of carbon neutrality in the world, ECOVE has expanded the development direction of new technologies to carbon dioxide emission reduction and recycling (such as flue gas carbon capture to produce sodium bicarbonate) and hydrogen production (such as waste-to-hydrogen, green hydrogen from surplus electricity etc.). Continue to meet the needs of the Group's core business areas of incineration, resource recycling, and renewable energy in order to optimize the final disposal of waste (such as increasing power generation efficiency of incinerators, integration of new incineration technologies, exhaust gas reflux denitration, boiler tubes with Inconel cladding, fly ash water-washing, natural gas compression system to shockwave ash-cleaning device and agricultural waste to energy etc.), increase reuse rates of waste resources (such as recycled water, sorting and selection of waste, purification of waste solvents, biomass and biogas fuel centers, syngas from pyrolysis and gasification, solar panel recycling etc.), increase the added value of resources from waste (such as the purification of waste engine oil into base oil, the valorization of recycled isopropanol/cleaning agents), the reduction of pipeline carbon dioxide emissions through carbon capture (e.g., incinerators, other industrial boilers, or processes), increase energy production efficiency (such as increasing the efficiency of solar panels, prevention of grate clinker, flue gas heat recycle, the survey and adoption of generators with optimal power generation efficiency, solar panel wind-evaded mechanism etc.) and introduce multiple application solutions of energy storage systems (such as automatic frequency control).
- B. In response to the global trend of digital transformation in enterprises and actively integrating technology, we have developed intelligent management, control, maintenance technologies, and introduced more advanced management tools. These include a remote central control room, repair event inquiry, high-temperature camera furnace inspection, advanced combustion control systems, robotic boiler slag removal, fixed shockwave soot blowing, personnel safety positioning systems, intelligent monitoring systems for solar photovoltaic sites, drone imagery AI recognition for solar panels, smart semantic search engines, Digital Twin systems, electronic inspection,

electronic handover books, factory automation, electronic security, electronic fencing, high-pressure water column robotic arms for solar panel cleaning, AI garbage hopper bridge recognition, superheater tube thickness measurement technology, and complete wireless network systems for incineration plants. Important Operational Indexes (IOI) from each plant can be accessed anytime, anywhere through devices like the ECOVE ESC mobile network IOI system and LINE notification platform, allowing real-time monitoring of operational performance, emissions monitoring, key equipment anomalies, and on-site inspection data. This enables timely control over plant conditions and enhances operational management efficiency. Additionally, it improves the effectiveness of employee training and instruction, such as VR educational training tours and instructional applications using 3D models.

- C. For remote work in the post-pandemic future, ECOVE takes remote site survey as a starting point through video conference tools and intelligent management system. Given remote patrol, remote guidance and remote audit are feasible and aimed at management's intellectualization in incinerator, the operating efficiency is improved.
- D. ECOVE's developed "WMIS Waste Management Information Platform" integrates the operations at both the cleanup and processing endpoints to ensure that the data uploaded to the Environmental Protection Department's Control Center can be transmitted more quickly and accurately. For example, the system's connection and integration with the Environmental Protection Department's Control Center allow for a more seamless process of reporting and tracking controlled industrial waste. This ensures that waste handling and management are more standardized and efficient, thereby protecting the environment and public health.
- E. In our waste transportation services, we equip advanced vehicle sensor equipment to help drivers stay alert and familiarize themselves with their surroundings. In 2023, we utilized driver monitoring systems, incorporating onboard cameras and artificial intelligence sensors to monitor the condition and behavior of drivers. Proactive safety measures are employed to prevent momentary errors during driving, especially over long periods, to avoid potential catastrophic consequences. Furthermore, by integrating automated collection of breathalyzer data, cloud storage, and intelligent analysis, we can track each driver's health status and history of alcohol testing. When the system detects any abnormal data, it can instantly provide feedback and alerts, notifying managers to pay attention and handle situations promptly. This significantly enhances the managers' awareness and efficiency in addressing drivers' health conditions, aiding in prevention and response before accidents occur, ensuring the reliability of transportation activities, and achieving comprehensive smart fleet safety management.

As of now, we have acquired a total of 51 domestic patents, 11 patents in Mainland China and 1 patent in the U.S.

- a. Research and Development: ECOVE and its subsidiaries have invested the following amounts in research and development annually up to the present.:
 - i. Research and Development Expenses in Past Two Years

Unit: NT\$ thousands		
Item/Year	2023	2024
Operating Revenue	4,973,234	5,846,262
R&D Expense	9,456	11,121
R&D Expense as percentage of Operating Revenue (%)	0.19	0.19

The above Research and Development expenses are related to the expenditure incurred by the Research and Development Center for the development of new technologies and new systems. The cost of the use of new technologies or new systems or the integration of other

project systems is absorbed by the relevant project.

ii. Successfully developed technologies and products in recent years

Year	Research and development achievements
2024	a. Obtained the invention patent for the "Acid Removal System in Incineration Plants Using Efficient Lime and Sodium Bicarbonate Reaction Devices" in Taiwan.
2023	a. Acquired an invention patent of "System and method for capturing carbon capture and recovering fly ash sodium salt recovery to produce sodium" in Taiwan. b. Acquired an invention patent of "Isopropanol regeneration system and method" in Taiwan. c. Acquired a new patent of "Environmentally friendly fireproof core board" in Taiwan. d. Acquired an invention patent of "Solar panel wind shelter device" in Taiwan. e. Acquired a new patent of "Waste solvent recovery process integrated system" in Taiwan. b. Acquired a new patent of "System of performing smoke capture to produce sodium bicarbonate using sodium hydroxide solution as absorbent" in Taiwan.
2022	a. Acquired a new patent of "Incineration plant carbon capture and fly ash sodium salt recovery system to produce sodium bicarbonate system" in Taiwan. b. Acquired a new patent of "Flue gas compression system" in Taiwan. c. Acquired a new patent of "Solar panel wind-evaded mechanism" in Taiwan. d. Acquired an invention patent of "Spent IPA to 99.5% purification" in the U.S.
2021	a. Acquired a new patent of "The purification and separation system of waste solvent" in Taiwan. b. Acquired a new patent of "The optimization of arranging the coiling and unwinding mechanism" in Taiwan. c. Acquired a new patent of "Water quality inspection by Multi-axis drone with water sampling device" in Taiwan. d. Acquired a new patent of "Multiple closed feed system for fluffy material and sludge" in Taiwan.

iii. Significant achievements of self-imposed improvement for mechanical and electrical systems in the plant

Project Plant	Project
Keelung	Replaced the mixed bed of the pure water system with EDI (Electrodeionization) technology to save energy and materials.
Southern Taoyuan	Added fixed furnace bars to the roller bed furnace to reduce maintenance time.
Biomass Energy	Used liquid thermal insulation film to lower the indoor temperature of west-facing offices.
Miaoli	Updated the third-stage superheater tubes to long-lasting high

Project Plant	Project
	alloy coated tubes.
Miaoli	Changed the operation mode of the baghouse dust collector discharge valve to save energy and reduce carbon emissions.
Miaoli	Used shock waves for ash cleaning to reduce the frequency of annual maintenance.
Miaoli	Surface-treated the lime slurry pump to extend its lifespan.
Wujih	Adopted electric compression vehicles for point collection to reduce carbon emissions.
Xizhou	Replaced other heat sources within the plant to meet the electric heating needs for urea preparation, saving energy and reducing carbon emissions.
Xizhou	Introduced absorption chillers in the incineration plant to save energy and reduce carbon emissions.
Xizhou	Changed the pure water system from ion exchange to RO (Reverse Osmosis) system.
Tainan	Utilized reclaimed water from landfill leachate for car washing, saving water and reducing carbon emissions.
Tainan	Updated part of the air-cooled condenser in the ROT project to low wind resistance FRP fans.

4.1.4 Short & Long Term Development Plans

A. ECOVE Environment Corporation

ECOVE focuses on the circular economy as its main development axis, in line with government policies, and develops investment fields in the circular economy: In terms of green energy, in addition to energy resource centers (including industrial waste treatment) and solar photovoltaics, it also includes biomass biogas generation; in terms of material resources, besides PET bottles and other polyesters, it includes waste solvents, waste acids and alkalis, waste oil, incineration fly ash, incineration bottom ash, kitchen waste, or other valuable substances; in terms of water resources, it covers seawater desalination, sewage and wastewater treatment, sewer networks, and reclaimed water. The overall development principle is to integrate corporate group resources and provide professional services required by subsidiaries, introduce competitive technologies and appropriate strategic partners to enhance the feasibility of business development, and invest in domestic and foreign, different types of targets to achieve risk diversification and proper control. The long-term and short-term development focuses are detailed in the subsections of each company described below:

B. ECOVE Environment Services Corporation

a. Short-Term Business Plans

i. Taiwan

- (a) Closely monitoring the planning direction of new municipal waste incineration plant projects in various cities and counties. In addition to working with Group to promote new BOT waste incineration plant projects, also continuously striving for ROT or OT service opportunities for existing incineration plants in Taiwan whose contracts are about to expire. Furthermore, technical services are also provided such as mechanical and electrical upgrades and maintenance for older waste incineration plants.
- (b) Maintain and intensify current services for mechanical and electric equipment at

Taoyuan International Airport to open up more opportunities for services.

- (c) The related maintenance market of the government's forward-looking infrastructure development program-railways construction will continue grow and stay in organic growth. In addition, will expand the scope of services (such as MRT/ High Speed Rail/Taiwan Railway) to core equipment.
- (d) Comply with government policies to actively promote reclaimed water and sewage system construction and use mergers or participation of the Group in tenders for development.
- (e) Accumulate experience from own 485MW solar photovoltaic plants' O&M and expand to gain external business opportunities.
- (f) The expansion of high-tech industries in Taiwan may release business opportunities related to electrical and mechanical services for public facilities, which will be carried out together with the Group's strategy of developing high-tech industries.

ii. Overseas:

- (a) Combining the government's southbound policy and existing technical experience, the Energy Resource Center will initially participate through rectification or technical services to strive for efficiency improvement.
- (b) Participate in the development of the EfW market in Southeast Asia along with the Group.

b. Long-Term Business Plans

The long-term business plans will be based on short-term business plans and they involve expanding the pursuit for business opportunities such as operations, equipment repair and refurbishment as well as technical consulting in related domestic and overseas industries.

C. ECOVE Waste Management Corporation

- a. With regard to the short-term business plans, we shall aim to provide a diversity and one-stop (planning management, removal, treatment, disposal and reuse, resource utilization etc.) of solutions for waste disposal in the Taiwan business with the status of waste removal and management specialists.
- b. The medium-to-long-term business plan will leverage our experience and familiarity with the waste management market to facilitate the matching of waste sources towards recycling channels, aiming to reduce waste and secure related transportation services. We will continue to improve our understanding of the characteristics of source waste, increase waste resource recovery and recycling services, and expand our business scope. Moving towards the goals of waste resource reuse and diversification, we aim to strengthen the foundation of our overall business group.

D. ECOVE Miaoli Energy Corporation

- a. With regard to the short-term business plans, we shall seek to satisfy, as a principle, the minimum annual processing volume of 155,125 metric tons of the county government and maximize profits from power sales.
- b. Achieve high efficiency in power generation through the mid to long-term target of maintaining average waste acceptance and stable mechanical operation rates.

E. ECOVE Solar Power Corporation

- a. With regard to the short-term business plans, we focus on organic growth and continue to strive for investment opportunities in photovoltaics power plants domestic and overseas.
- b. The mid to long-term business plan intends to expand the business scope and to develop new business areas, such as green electricity, renewable energy voucher trading opportunities and

applications of energy storage, etc. in order to become a comprehensive renewable energy solution service provider

4.2 Market and Sales Overview

4.2.1 Market Analysis

(1) ECOVE Environment Corporation and Subsidiaries

a. By Major business Categories

Unit: NT\$ thousands

Area \ Year	2023		2024	
	Amount	%	Amount	%
Taiwan	6,620,219	86.78	7,456,008	87.40
Macau	913,338	11.97	973,547	11.41
USA	94,945	1.25	101,095	1.19
Total	7,628,502	100.00	8,530,650	100.00

(2) ECOVE Environment Corporation

Has expanded our business scope from general investment to include green energy and environmental protection activities, leveraging the performance and experience of our subsidiaries to explore more investment or service opportunities.

(3) ECOVE Environment Services Corporation

a. By Major business Categories

Unit: NT\$ thousands

Area \ Year	2023		2024	
	Amount	%	Amount	%
Taiwan	4,780,990	96.13	5,657,991	96.78
Macau	192,244	3.87	188,271	3.22
Total	4,973,234	100.00	5,846,262	100.00

b. Market Share

The main business of ECOVE ESC is O&M services for environmental protection and related facilities. It has been ranked in the top 500 service industries by the CommonWealth magazine since 2008 and it has consistently achieved top rankings in the top 500 service industries. It is evident that ECOVE ESC has achieved a significant position in Taiwan's environmental protection sector. There are currently 26 large-scale waste resource recycling plants in Taiwan and the designed capacity of the ones operated and maintained by ECOVE ESC has reached a market share of 42% compared with the total designed capacity in Taiwan.

c. Future Supply, Demand and Growth of the Market

- With regard to domestic EfW plants, the O&M contracts for private operations are expiring and as government policy has suspended the construction of new waste EfW plants, the service of the old plants are expected to be extended and tenders will be reopened. ECOVE ESC will continue to consolidate contracts at current operating plants while also actively pursuing the new tenders for other plants.
- A large quantity of EfW plants will be built in Southeast Asia and we expect our overseas market scale to exceed the market scale in Taiwan. ECOVE ESC is now actively pursuing related businesses.
- Due to the government's promotion of reclaimed water and sewage system projects, the market for operation services is expected to grow. ECOVE ESC will actively pursue the

opportunities.

d. Competitive Niches

ECOVE ESC has been in the domestic EfW industry for over 20 years and it is the most experienced O&M company for EfW plants. Moreover, its parent company CTCL is the largest professional designer and builder of EfW plants in Taiwan. ECOVE ESC retains resources and capabilities for integration and improvement of technologies and it will be beneficial to future pursuits of reopened tenders for the O&M of EfW plants.

ECOVE ESC has developed technologies and management capabilities through its experience in the O&M of EfW plants. It can also provide the clients with superior and more comprehensive services in water resource industries, track industries and mechanical and electrical engineering technologies.

e. The Favorable factors and Unfavorable Factors of the Development Prospect and Countermeasures

i. Favorable Factors

(a) Starting from 2018, the contracts for O&M of EfW plants across Taiwan will expire one after another. As Taiwan's most professional and experienced operator, we shall be in a position to expand our market share.

(b) We can provide clients with more diversified services and increase the quality of services through technical and experience exchanges between various subsidiaries.

ii. Unfavorable Factors and Countermeasures

(a) The government's policy on domestic urban waste resource recycling plants is not to build new plants.

Countermeasure: Actively pursue expansion overseas and expand horizontally into related core expertise such as the repairs and operations of transportation industries, operations in water resource industries, plant management and mechanical and electrical equipment maintenance etc.

(b) The public's environmental awareness is on the rise and protests against environmental pollutions have become more common.

Countermeasure: Fully abide by related laws and regulations in O&M of various plants in order to prevent pollutions from occurring; conduct good-neighborly relations tasks regularly.

(4) ECOVE Waste Management Corporation

a. By Major business Categories

Unit: NT\$ thousands

Area \ Year	2023		2024	
	Amount	%	Amount	%
Taiwan	433,559	100.00	317,210	100.00

b. Market Share

ECOVE WMC is a company dedicated to industrial waste clearance and disposal. In 2024, ECOVE WMC received a total of 244,335 metric tons of waste per year for O&M. Its national market share in industrial waste collection and processing services is approximately 30%.

c. Future Supply, Demand and Growth of the Market

Large urban treatment facilities in Taiwan are continuously being planned, and within the next five years, half of the operating large-scale incineration plants will successively enter a period of renovation. Currently, the treatment capacity is less than the volume of waste

generated.

d. Competitive Niches

ECOVE WMC leveraging over 20 years of accumulated expertise in waste acceptance, management, and transportation services, has developed and planned its own waste management information system using smart management systems. This system is also made available for use by waste removal entities entering the facility, integrating a comprehensive waste transportation management system that quickly compiles data from various transportation operations to enhance the management efficiency and competitiveness of the group's own plants.

Since 2019, ECOVE WMC has been developing the waste recycling business sector, primarily focusing on ECOVE SRC. Starting from 2024, in line with the business group's expertise in high-tech waste liquid recycling and reuse, ECOVE WMC has been striving to increase the intake volume and has achieved significant results. Moving forward, ECOVE WMC will gradually provide more comprehensive services for the sources of production.

e. The Favorable factors and Unfavorable Factors of the Development Prospect and Countermeasures

i. Favorable Factors

(a) Advantages in integration

The Company has capabilities for the management, disposal, and market development of waste and is able to satisfy customers' requirements for waste disposal. Also, the Company continuously develops the recycling business field, integrates the understanding of market information, and directs the waste to reuse treatment to achieve waste reduction.

(b) Brand Advantages

Our performance always meet client demands and we enjoy a favorable reputation in the industry which reassures clients that they can safely allow the Company to dispose of their waste.

(c) Low Financial Risks

Our clients have all undergone extensive evaluation by the Company to ensure the health of their financial status and therefore the risks of bad debts is low.

ii. Unfavorable Factors and Countermeasures

(a) High Dependence on Policy

The Company's business would be affected if the government becomes lax in amendments and execution of environmental protection laws.

Countermeasure: Stay abreast of government policies as well as the regulations and execution of related laws in order to make flexible adjustments in business operations to comply with policies and regulations.

(b) Decline of Processing capacity

Urban lifestyle changes, household waste content has become more complicated. The increase in thermal energy of general waste has led to a decline in the processing capacity, which will affect the company's business.

Countermeasure: In response to the limitation of the calorific value of the incineration plant, the high calorific value waste is screened out and the reuse mode is introduced. The waste removal and dispatching into the plant are mainly general business waste low-like calorific value domestic waste. Additionally, by establishing branches in various counties and cities and securing approved capacities for local processing facilities, we have expanded the operations of these branches. By integrating with the existing operational base in Taichung, we have enhanced the connectivity of our waste transportation network, increased regional dispatch

flexibility, and diversified disposal methods to create synergies.

(5) ECOVE Miaoli Energy Corporation

a. By Major business Categories

Unit : NT\$ thousands

Area \ Year	2023		2024	
	Amount	%	Amount	%
Taiwan	346,976	100.00	308,881	100.00

b. Market Share

ECOVE Miaoli Energy is a dedicated BOT project company and it operates an EfW plant with a daily capacity of 500 metric tons to process the waste delivered by Miaoli County Government (500mt/day, including general industrial waste independently collected by Miaoli County Government) in 20 years of operation period. According to statistics of the Environmental Protection Administration of the Executive Yuan in 2024, current domestic medium to large-scale urban EfW plants in operations process a total of approximately 6.03 million metric tons of waste a year. The annual processing capacity of Miaoli Plant is approximately 160,000 metric tons and it constitutes 2.65% of the total processing capacity of the 25 EfW plants in Taiwan. In terms of the volume of electricity sales, the total amount electricity sold by EfW plants in an entire year amount to approximately 2.45 billion kilowatt-hours while Miaoli Plant sells approximately 74.19 million kilowatt-hours per year with excellent efficiency, constituting 3.04% of the total amount of electricity sold.

c. Future Supply, Demand and Growth of the Market

Miaoli County Government ensures delivery of 155,125 ton/ year. In addition to the previous plans for waste disposal, Nantou County and Hsinchu County has been included in 2024 and the waste processing volume remains at 480 ton /day. There is no shortage of waste delivery to satisfy the total required amount for operations at the EfW plant.

d. Competitive Niches

The Company's partnered team - ECOVE ESC - is a professional O&M company of EfW plants and its O&M total 8 domestic large-scale urban EfW plants. Therefore, its integration of operation technologies and improvement in managing production of EfW plants shall improve the performance of resource integration of ECOVE.

e. The Favorable factors and Unfavorable Factors of the Development Prospect and Countermeasures

i. Favorable Factors

- (a) All supply of waste is guaranteed by the County Government and the arrangements maintain the stability of the processed volume and power generation at the plant.

ii. Unfavorable Factors and Countermeasures

- (a) The increase in general industrial waste increases equipment degradation

Countermeasure: The designed capacity of the Miaoli Plant is 500ton/day and the actual operation rate (operating hours/ (annual hours-suspension hours)) in the most recent 5 years has been kept at approximately 93% (exceeding the 85% required in the contract). Therefore, the operations of the EfW plant continue to be stable. In response to the increased volume of general industrial waste processed by the plant, the Plant shall continue to enhance inspections of waste upon arrival, actively implement homogenization management of waste to ensure that they are sufficiently mixed, and fully implement the preventive maintenance tasks of related facilities in the plant.

(6) ECOVE Solar Power Corporation

a. By Major business Categories

Unit ; NT\$ thousands

Area \ Year	2023		2024	
	Amount	%	Amount	%
Taiwan	197,053	100.00	174,059	100.00

b. Market Share

ECOVE has merged with ECOVE SEC in 2024, and together with ECOVE Solar Power Corp., they have acquired domestic and international solar development rights totaling 163.8 MWp, which accounts for approximately 1.15% of the domestic market. ECOVE Solar Power Corp. is a company specializing in the investment and operation of photovoltaic power plants. By the end of 2024, ECOVE Solar Power Corp. has accumulated domestic solar development rights totaling 36.6 MWp.

c. Future Supply, Demand and Growth of the Market

To align with the domestic government's renewable energy policy, the goal is to achieve 20GW of solar photovoltaic installations by 2025. The 'Regulations for the Management of Renewable Energy Generation Equipment for Power Users with a Certain Contract Capacity' have also expanded the domestic market demand for renewable energy. Additionally, global issues such as green supply chains, renewable energy initiatives, carbon border taxes, and carbon trading continue to gain traction, providing opportunities for the development of the renewable energy industry. However, due to the impact of photovoltaic scandals over the past two years, public trust in photovoltaic policies has been affected, potentially limiting the government's promotion efforts. In light of increased market uncertainty, our company will carefully evaluate investment strategies, balancing development opportunities and risk management to ensure long-term stable operations in the renewable energy sector.

d. Competitive Niches

With extensive experience in the installation and sale of large-scale solar power plants abroad, we integrate group resources to maximize operational efficiency. We also possess significant achievements and experience in long-term cooperation with government agencies on landmark power plants, which surpass industry peers in engineering quality and brand value. This excellent reputation is advantageous for securing collaboration opportunities.

e. The Favorable factors and Unfavorable Factors of the Development Prospect and Countermeasures

i. Favorable Factors

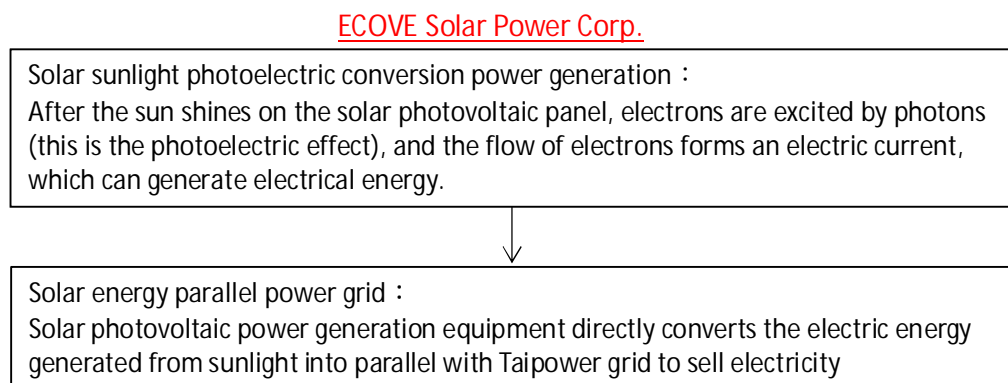
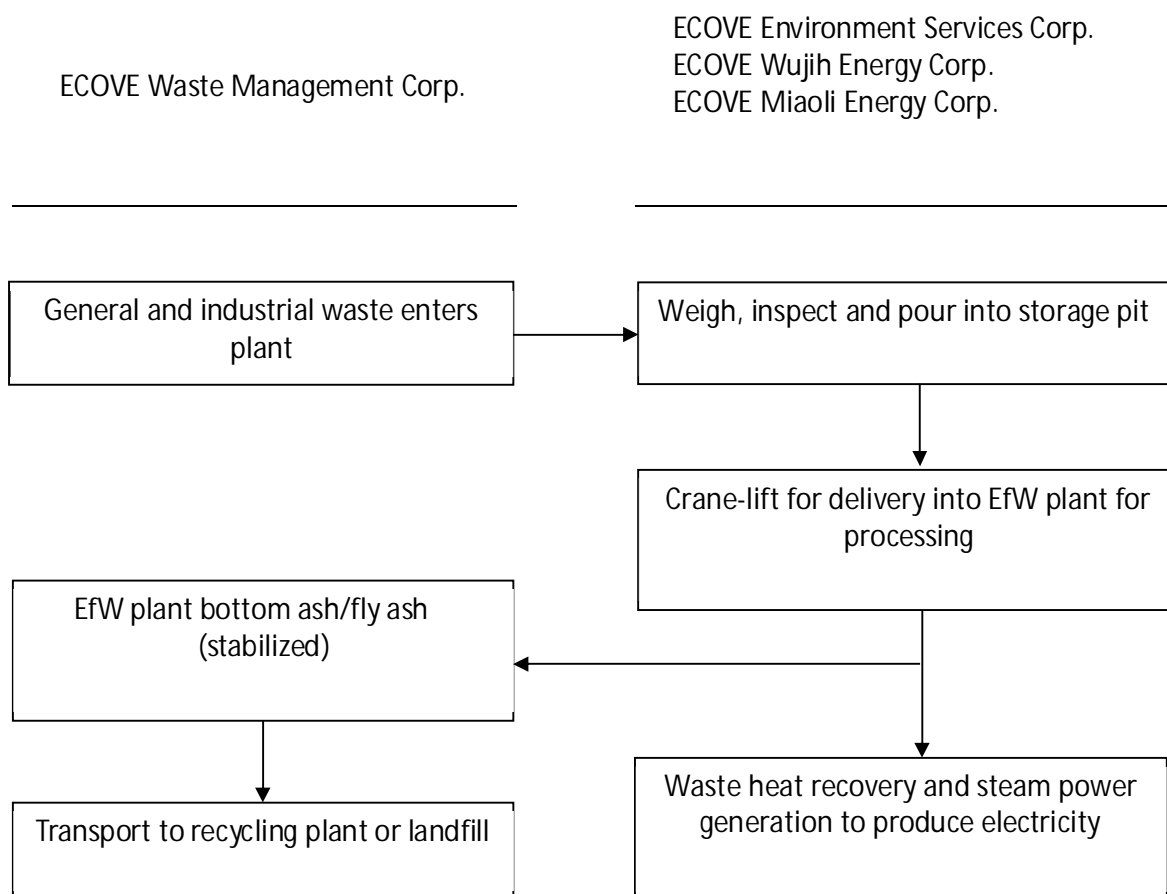
- (a) The Company has mature market development capabilities, and has experience in the development and operation of large-scale photovoltaics power plants in domestic and overseas, which can provide customers with long-term stable power supply needs.
- (b) The group image has a good reputation and rich resources which are conducive to business development.
- (c) The cooperation partners are mainly government agencies, and projects are invested after detailed evaluation. The main source of long-term income is Taipower Co. whose financial status is stable.

ii. Unfavorable Factors and Countermeasures

- (a) Domestic solar photovoltaics continue to be short of work, insurance costs and financing interest rates are rising, resulting in increased investment costs.

- (b) Environmental and ecological issues will affect project development and extend the construction period.
- (c) Due to the impact of photovoltaic scandals, public trust in photovoltaic policies has been affected, potentially limiting the government's promotion efforts. In light of increased market uncertainty, our company will carefully evaluate investment strategies, balancing development opportunities and risk management.
- (d) As the scale of overseas investment expands, capital costs and income risks need to be carefully assessed.

4.2.2 The Company's Main Services Purposes and Service Sequences



Power Sale :

Through parallel transmission of power grid to sell electricity to Taipower or enterprises who needs.

A. ECOVE Environment Corporation: The company and our significant subsidiaries, including ECOVE Waste Management Corporation, ECOVE Environment Services Corporation, ECOVE Miaoli Energy Corporation, and ECOVE Solar Power Corporation, currently hold leading positions in Taiwan in the fields of resource management, recycling, renewable energy, and electromechanical maintenance. Their professional technology and scale have reached a leading position. Detailed descriptions of the main uses and production processes of their products are provided in the sections below for each company.

B. ECOVE Environment Services Corporation

a. Usage of Primary Products (Services)

- i. The Company's main business is to provide O&M services as well as EfW plant for the disposal of waste to various urban waste resource recycling plants and EfW plants of municipality governments.
- ii. The Company also generates power from the EfW plant of waste to provide power for civilian use.

b. Production Process of Primary Products (Services)

The Company's main service is to dispose of waste and generate electricity from the EfW plant of waste. Place waste into the EfW plant for EfW and recover the heat generated in the boiler in the process to produce steam. The steam is used to power the turbine generator to generate electricity. The remaining electricity is transmitted into the power grid of Taiwan Power Corporation after deducting the self-use electricity.

C. ECOVE Waste Management Corporation

a. Usage of Primary Products (Services)

The main service of ECOVE WMC is the disposal/management of general waste and industrial waste in order to provide clean and comfortable life and work environment. Since 2019, a resource waste (wasted isopropanol) of index technology factories has been strived. After the organizational restructuring in 2024, the quantity is increasing. Wasted isopropanol is converted into reusable products which is enable efficient recycling of resources.

b. Production Process of Primary Products (Services)

The Company collects or manages household waste and industrial waste generated by the general public (apartment building management committees), government agencies, and enterprises to deliver to landfills, EfW plants or reuse plants for future processing. In addition, the Company also transports ash produced by EfW plants to landfills for final disposal or to reuse plants for reuse. Additionally, since 2019, the Company has invested in the waste recycling business and provided services for reuse facility application, trial operation, operational management and product sales.

D. ECOVE Miaoli Energy Corporation

a. Usage of Primary Products (Services)

- i. The Company operates Miaoli EfW Plant by means of a special permit and its main service is the disposal of waste produced by civilians and industrial entities. It is a stable environmental

- protection service industry that is less affected by economic cycles.
- ii. Electricity is generated in the process of EfW plant of waste. Except for the self-use electricity, all remaining electricity is sold to Taiwan Power Company.

b. Production Process of Primary Products (Services)

The Company's main service is the disposal of waste delivered by Miaoli County Government and general industrial waste collected by waste disposal agencies. The heat generated in the EfW plant the process is transmitted through the heat exchanger to the boiler to produce steam. The steam is used to power the turbine generator to generate electricity. The remaining electricity is transmitted into the power grid of Taiwan Power Corporation after deducting the self-use electricity.

E. ECOVE Solar Power Corporation

a. Usage of Primary Products (Services)

The company mainly produces renewable energy and integrates it into the Taipower grid to supply users' electricity needs.

b. Production Process of Primary Products (Services)

After the solar photovoltaic panel is irradiated by sunlight, the light energy is converted into direct current, and after being converted into alternating current by the converter, send electricity to Taipower grid.

4.2.3 State of Supply of Main Materials:

ECOVE Environment Corp. and its subsidiaries are all environmental protection services providers or in renewable energy power generation industry. None of them have production activities and this item is therefore not applicable.

4.2.4 Major Suppliers and Clients (each commanding 10%-plus share of annual order volume)

A. Major clients commanding 10%-plus share of annual order volume

Unit: NT\$ thousands

Item	2023				2024			
	Company Name	Amount	Percent	Relation with Issuer	Company Name	Amount	Percent	Relation with Issuer
1	Taiwan Power Company	1,936,155	25.38	None	Taiwan Power Company	2,206,956	25.87	None
2	New Taipei City Government Water Resources Department	288,617	3.78	None	Environmental Protection Bureau of Taichung City Government	358,403	4.20	None
3	United Microelectronics Corp.	107,931	1.41	None	Environmental Protection Bureau Miaoli County Government	337,095	3.95	None
4	Environmental Protection Bureau Miaoli County Government	346,976	4.55	None	United Microelectronics Corp.	308,881	3.62	None
5	Environmental Protection Bureau of Taichung City Government	318,106	4.17	None	Southern Taiwan Science Park	304,798	3.57	None
6	Others	4,630,717	60.71	None	Others	5,014,517	58.79	None
	Total	7,628,502	100.00		Total	8,530,650	100	

B. Major suppliers commanding 10%-plus share of annual order volume: None

4.3 Employee Information

The information about employees employed for the most recent two fiscal years and up to the date of printing of the annual report

Year		2023	2024	As of Feb. 28 th , 2025
Number of Employees	Regular Employees	912	905	953
	Contracted Employees	19	32	39
	Total	929	937	992
Average Age		41.3	41.3	43.4
Average service seniority		8.3	8.3	10
Ratio of employees at each level of educational degree	Doctor	0.10%	0.21%	0.20%
	Master	16.03%	16.76%	15.52%
	Bachelor	65.76%	65.42%	65.12%
	Senior High School	15.50%	15.26%	16.63%
	Below Senior High School	2.79%	2.3%	2.52%

Status of licenses required by competent authorities held by personnel of the Company and its

subsidiaries involved in the transparency of financial information:

Certification Name	Number of People
R.O.C. Certified Public Accountant (CPA)	1
Qualified in the Basic Proficiency Test on Enterprise Internal Control of the Securities & Futures Institute	1

4.3.1 Safety of the Work Environment and Employees' Personal Safety

A. Safety, Health and Environmental Policy

- Safety First
- Improve Employee's Health and Well-being
- Environmental Protection and Sustainable Development
- Implement Risk Management Mechanism
- Fulfilling Regulations and Contract Requirements
- Promoting Full Participation and Training

The Company has established an environmental, health and safety policy to fulfill our responsibilities towards environmental protection and create a safe and healthy working environment. The Company prioritizes the maintenance of the physical and mental health of its employees and partners, ensuring a safe working environment without hazards. Each year, the Company establishes quality, environment, health and safety objectives in accordance with its policy and develop key performance indicators (KPIs) based on the requirements of on-site safety and health management. These KPIs cover seven major areas, including contract management, operational safety control, machinery and equipment safety, fire management, risk management and control, on-site 5S, and internal control audits. The Safety and Health Management Department conducts unannounced audits every quarter and reports the results to management meetings and the occupational safety and health committee.

In addition to industry-specific regulations, the Company ensures effective control over safety and health risks, non-compliant issues, and other hazards related to waste incineration processing, power generation, and waste disposal through compliance with ISO 45001:2018 standard requirements. This systematic approach allows the Company to gradually improve its safety and health management system, prevent, eliminate, reduce, and control risks, and continuously improve the system to achieve sustainable development goals.

The Company addresses potential employee injuries and illnesses, process changes, procurement, contractor, and property-related safety and health risks and non-compliant issues, while promoting a culture of safety and health. The Company's ultimate goal is to establish it as a model of excellence in quality, environmental protection, and safety and health, and be recognized as a leader in these areas.

B. Safety, Health and Environmental Organization

The Company has always maintained a business model of participation of all employees in which the supervisors and staff members in each department conduct effective communication through periodic meetings and training to ensure harmonious labor relations. The company and its subsidiaries conduct safety and health promotion review through monthly meeting of plant managers and hold The Occupational Safety and Health Committee quarterly. It shall open and supervise the company's quality safety, appropriate law adequacy, and effectiveness of various policies and measures. To ensure that the company's employees work in a safe and hygienic environment. We have set Quality Assurance and Safety Department to promote the safety and security of the company's activities, audit safety management requirements for each operation, and monitor the company's safety and security performance. In addition, dedicated level one safety, health and environmental management units are established for each project to be

responsible for the performance and supervision safety, health and environmental protection for each project.

C. Safety, Health and Environmental Management System

The Company and its subsidiary, adheres to the spirit of occupational safety, health and environmental management system based on ISO 45001:2018 to actively carry out hazard prevention in risk management of safety and health operations, event prevention, energy and resource conservation, employee health. The implementation status for safety, health and environmental management goals is under review every year. The annual goals for safety, health and environmental management are re-established accordingly. Specific improvement plans are proposed to reduce potential safety, health and environmental risks and meet standards of internationalization.

D. Safety, Health and Environmental Management Operations

The safety, health and environmental management system of the Company and subsidiaries employ management methods and strategies to resolve safety, health and environmental-related issues through sequential and targeted methodology and use the Deming Management Cycle: Plan-Do-Check-Action (P-D-C-A) logic to promote a three-tiered auditing and management system. The system employs constant auditing and real-time correction from operation safety observation to achieve real-time education and two-way communication and allow all employees to participate in the establishment a consensus and culture for safety.

E. Statistical Analysis of Occupational Hazards

The data for statistical analyses of occupational hazards of the Company and subsidiaries are based on the disabling injury frequency rate per million work hour from the Department of Labor and the Company reports online for statistical analyses in accordance with regulations of the Ministry of Labor. Seriously and critically review and analyze the work safety accidents or false alarms that occurred in the past, and combine safety and health performance management KPIs to avoid the occurrence of the same events. The same cases where the content specification has been announced and reviewed have occurred again. The points will be deducted from the security KPI of the project during the month, and if the cause is inconsistent with the behavior of colleagues, it will enter the evaluation of the people's assessment meeting. The employee will calculate the minimum performance of the project in the quarter, and The Occupational Safety and Health Committee worked together to develop improvement plans; in the statistical analysis, it was found that the reporting of false alarms should be given more encouragement in order to effectively and prioritize improvements to reduce the occurrence of worker safety accidents. Therefore, the company performed safety and health performance management. The KPI project specifically incorporates activities such as internal dynamic inspections and joint audits. It is expected that problems can be detected by digging around to use false alarm events or staff counseling to prevent the occurrence of workers' safety incidents, and set annual safety and health goals. Let all my colleagues recognize and work together toward the goal. The Company upholds the "people-oriented" core value, invests the necessary manpower and resources for the safety and health of employees, and creates a safe and healthy working environment. Continued business philosophy, to meet every disaster-free working hours and go all out.

F. Awards

ECOVE and its subsidiaries have continued to strive for safety and health and employees' health. In recent years, we've been honored by government agencies and the awards are summarized as

follows:

- ECOVE has been awarded the '2024 Emerging Model Award for Sustainable Health Workforce Leadership' by the Occupational Safety and Health Administration of the Ministry of Labor.
- ECOVE ESC's Tainan Plant has been awarded the '2024 Excellent Unit Award for Occupational Safety and Health' by the Occupational Safety and Health Administration of the Ministry of Labor.
- ECOVE ESC's Tainan Plant has been awarded the '2024 Excellent Performance Award for Safety and Health Family' by the Tainan City Labor Bureau.
- ECOVE ESC's Tainan Plant has been awarded the '2024 Excellent Occupational Safety and Health Performance Award' by the Tainan City Labor Bureau.
- ECOVE ESC's Houli Plant has been awarded the '2024 Excellent Unit Award for Occupational Safety and Health' by the Occupational Safety and Health Administration of the Ministry of Labor.
- ECOVE ESC's Gangshan Plant has been awarded the '2024 Excellent Unit Award for Occupational Safety and Health' by the Kaohsiung City Government.
- ECOVE ESC's Southern Taiwan Science Park Plant has been awarded the '2024 Excellent Unit Award for Occupational Safety and Health' by the Occupational Safety and Health Administration of the Ministry of Labor.
- ECOVE SRC has been awarded the '2024 Excellent Unit Award for Occupational Safety and Health' by the Occupational Safety and Health Administration of the Ministry of Labor..
- Awarded by the Industrial Safety and Health Association (ISHA) of the R.O.C. entrusted by the Ministry of Labor:
 - ü Keelung EfW Plant was awarded the 1.49 million zero-accident work hours certificate.
 - ü Houli EfW Plant was awarded the 1.81 million zero-accident work hours certificate.
 - ü Wujih EfW Plant was awarded the 1.57 million zero-accident work hours certificate.
 - ü Xizhou EfW Plant was awarded the 0.12 million zero-accident work hours certificate.
 - ü Tainan EfW Plant was awarded the 2.19 million n zero-accident work hours certificate.
 - ü STSP EfW Plant was awarded the 1.33 million zero-accident work hours certificate.
 - ü Gang-Shan EfW Plant was awarded the 240,000 zero-accident work hours certificate.
- Other awards:
 - ü Keelung EfW plant, Taoyuan EfW Plant, Taoyuan Airport EfW Plant, Miaoli EfW Plant, Houli EfW Plant, Xizhou Efw plant, Tainan EfW Plant and STSP EfW plant and Gang-Shan EfW plant received the "Healthy Workplace Certification" health promotion mark from the National Health Service of the Ministry of Health and Welfare.
 - ü Received the certificate of participation in the "2024 National Workplace Safety and Health Week Series Activities Implementation Plan" by the Ministry of Labor.
 - ü Keelung EfW Plant rewarded "AED+CPR site mark certificate" by Keelung City Government Health Bureau.
 - ü Taoyuan EfW Plant rewarded "AED+CPR site mark certificate" by Taoyuan City Government Health Bureau.
 - ü Miaoli EfW Plant rewarded "AED+CPR site mark certificate" by Miaoli County Government Health Bureau.
 - ü Houli EfW Plant rewarded "AED+CPR site mark certificate" by Taichung City Government Health Bureau.
 - ü Wujiu EfW Plant rewarded "AED+CPR site mark certificate" by Taichung City Government Health Bureau.
 - ü Xizhou EfW Plant rewarded "AED+CPR site mark certificate" by Changhua County Government Health Bureau.
 - ü Tainan EfW Plant rewarded "AED+CPR site mark certificate" by Tainan City Government Health Bureau.
 - ü STSP EfW Plant rewarded "AED+CPR site mark certificate" by Tainan City Government

Health Bureau.

- ü Gangshan EfW Plant rewarded "AED+CPR site mark certificate" by Kaohsiung City Government Health Bureau.

4.3.2 Code of Ethics for Employees

(1) Purpose

In order to follow the behavior of the employees of the company and make the stakeholders of the company understand the ethical standards and behavior standards that the employees of the company should follow when they perform their duties, the board of directors has decided to make this code to be the basis for compliance by the employees of the company. All employees of the company are responsible for carefully reading, understanding and complying with the contents of this Code.

(2) Area

The term "employee" as used in this Code refers to all employees of the company. However, when the company's directors, supervisors and managers have other requirements stipulated in the Code of Business Ethics and Code of Conduct, the managers of the company shall abide by the code of conduct for business ethics of directors and supervisors and managers. Provisions.

(3) Principle of good faith

In performing their duties, the employees of the company should pay attention to teamwork and abandon the standard of identity; they should abide by the principle of good faith, and uphold a positive, progressive and responsible attitude.

(4) The principle of fairness

The employees of the company must not discriminate or exclude each other in any form due to factors such as gender, race, religion, party, sexual orientation, rank, nationality, and age.

(5) Work environment

Our employees should work together to maintain a healthy and safe working environment. There must be no sexual harassment or other acts of violence or threats of intimidation.

(6) Avoid conflicts of interest and opportunities for personal gain

The employees of the company have the responsibility to maintain and increase the legitimate gains of the company, and should avoid:

(1) The opportunity for personal or third-person access to personal gain through the use of company property, information, or through his or her position.

(2) Compete with the company.

(7) Fair trade

(1) The employees of the company should treat the objects of business transaction fairly; when dealing with related parties, there should be no special preferential treatment.

(2) In the performance of their duties, the employees of the company shall not be in the interest of themselves or a third party, but have requirements, contract, delivery or acceptance of any form of gift, entertainment, rebate, bribe or other improper interest. However, the gift or entertainment provided by the courtesy of social etiquette or company regulations is not limited to this.

(8) Insider trading

Any information that the employees of the company may have significant influence on the trading price of the company's securities in the course of their duties should be strictly confidential in accordance with the provisions of the Securities Exchange Act before being publicly disclosed, and may not use this information to conduct insider trading.

(9) Confidentiality responsibility

The employees of the company should respect each other's personal privacy and must not spread rumors or defamatory libel. Matters or confidential information that are known to him in his duties should be managed with care. They must not be leaked to others or used for purposes other than work unless they are disclosed by the company or are necessary for the execution of their duties. They also apply after leaving the company.

The information that should be kept confidential in the preceding paragraph includes information

about the company's personnel and customers, inventions, business confidentiality, technical data, product design, manufacturing expertise, financial accounting information, intellectual property rights, and other information that may be used by competitors or leaks. Afterwards, the company or its customers are harmed by the undisclosed disclosure of information.

(10) Correct document records and reports

Employees of the company should ensure that all forms of paperwork handled by them are correct and complete and properly preserved.

(11) Protecting and Using Company Assets Properly

When employees of the company perform their duties, they should avoid theft, interference, destruction, and intrusion of resources such as data, information systems, and network equipment to protect the confidentiality, integrity, and availability of the company's information.

(12) Political Contributions and Activities

The employees of the company must not influence other employees in any way to contribute politically, support specific political parties or candidates, or participate in other political activities. In addition, political activities should be avoided during working hours and workplaces.

(13) Copyright

The employees of the company must not influence other employees in any way to contribute politically, support specific political parties or candidates, or participate in other political activities. In addition, political activities should be avoided during working hours and workplaces.

(14) Encourage the report of any illegal or violation of this Code

The head of the company should strengthen the publicity of the company's internal moral concepts and encourage employees to report the violations of the laws and regulations or this Code. The company should do its utmost to protect the identity of the presenter and protect them from being exposed. Threatened.

(15) Exemption from applicable procedures

Employees of the company may be exempted from the application of specific provisions of the Code if they have a valid reason to pass the resolution passed by the board of directors.

(16) 16. Execution

This Code shall be implemented after the resolution of the board of directors is passed and shall be disclosed in the annual report, the open specification and the public information observing station.

4.4 Environmental Protection Expenditure Information

(1) According to laws and regulations, the Company is required to apply for a permit for installing polluting facilities, or permit for pollution drainage, or to organize and set up exclusively responsible unit/personnel for environmental protection issues. The status of application and establishment of the Company and subsidiaries are described as follows:

- A. ECOVE Environment Corporation: The green and environmental protection-related businesses of our company are currently operated by subsidiaries. The circumstances regarding the application for pollution facility installation permits or pollution discharge permits, or the establishment of dedicated environmental protection unit staff, are detailed in the following sections for each subsidiary.
- B. ECOVE Environment Services Corporation
 - i. Permit for Installing Polluting Facilities, Permit for Pollution Drainage
The Company has a total of 19 fixed pollutant operation permits, 9 water pollutant prevention permits and 1 toxic chemicals approval certification.
 - ii. Establishment of Dedicated Environmental Protection Unit and Personnel
The Company's employees have obtained 24 Class A Dedicated Air Pollution Control Specialist certificates, 2 Class B Dedicated Air Pollution Control Specialist certificates, 5 Class A Wastewater Treatment Technician certificates, 3 Class B Dedicated Wastewater and Sewage Treatment Specialist certificates, 14 Class A Waste Disposal Technician certificates and 3 Class B Waste Disposal Technician certificates.
- C. ECOVE Waste Management Corporation
 - i. Waste Disposal Permits
2 Class A Waste Disposal Permit (HQ & Kaohsiung Branch) and 1 Class B Waste Disposal Permit (Taoyuan Branch)
 - ii. Establishment of Dedicated Environmental Protection Unit and Personnel
3 Class A Waste Disposal Technicians and 3 Class B Waste Disposal Technician.
- D. ECOVE Miaoli Energy Corporation
 - i. Waste Disposal Permits
The Company has a total of 1 fixed pollutant operation permit, 1 water pollutant prevention permits, 1 waste disposal approval document, and 1 industrial waste disposal plan approval letter.
 - ii. Establishment of Dedicated Environmental Protection Unit and Personnel
1 Class A Waste Disposal Technicians, 3 Class A Dedicated Air Pollution Control Specialists and 1 Class A Dedicated Wastewater and Sewage Treatment Specialist.
- E. ECOVE Solar Power Corporation: Not Applicable.

(2) Investment and Implementation Status of Primary Equipment for Prevention of Environmental Pollution

- A. ECOVE Environment Corporation: The Company's green and environmental protection-related businesses are currently operated by subsidiaries. Information on the investment in and usage of major equipment for environmental pollution control by these subsidiaries is detailed below in the subsections for each subsidiary.
- B. ECOVE Environment Services Corporation: Not Applicable
- C. ECOVE Waste Management Corporation

December 31, 2024; Unit: NT\$1,000

Equipment Name	Quantity	Obtainment Date	Investment Cost	Book Value	Usage and Anticipated Benefit
Waste Disposal Trucks	56	2001.08-2023.12	153,443	46,545	To meet the operational requirements applicable to waste removal organizations, including the provision of mobile vehicles for both lead and follow-up tasks.

- D. ECOVE Miaoli Energy Corporation

December 31, 2024; Unit: NT\$1,000

Equipment Name	Quantity	Obtainment Date	Investment Cost	Book Value	Usage and Anticipated Benefit
EfW plant and Related Pollution Prevention Equipment	1	2008.02.29	2,279,947	378,851	Compliance with related laws and regulations on EfW plant, air and wastewater pollution prevention

- E. ECOVE Solar Power Corp.: Not Applicable

(3) The sum of losses and total fines due to environmental pollution during the most recent year and up to the annual report publication date as well as disclosure of future countermeasures and possible expenditures: None

4.5 Relations between labor and employer

4.5.1 Employee benefits, training and education, retirement system and its implementation, labor-management agreements, measures for protecting employee rights, and health promotion activities:

(1) Employee Welfare

(a) Employee Welfare Committee; organize various subsidies for employee weddings and funerals; periodic leisure travel and recreational sports competitions etc. to promote the physical and mental health of employees.

- (b) In addition to participation in Labor Insurance and the National Health Insurance, the Company also provides coverage with group insurance for employees.
- (c) On-the-job professional skills training, management and language courses, health seminars etc. for employees.
- (d) Distribution of three Chinese festival bonuses and birthday gifts.
- (e) Employee health checkups are conducted every two years, with a frequency and scope exceeding regulatory requirements. Starting in 2024, in consideration of the needs of different age groups, the Company has adjusted the subsidy amounts based on age, increasing them by 33% to 300%, in the hope of identifying potential health issues among employees at an early stage.
- (f) Establish employee bonus and share subscription regulations to share the results of the Company's growth with employees in order to increase employee coherence.

(2) Measures for Employee Training

The Company and subsidiaries have established occupational skills training systems in accordance with the Company's vision, mission and long-term business goals and it also developed occupational training plans for each expertise and level. The training methods include courses, online learning, the knowledge base etc. with the goal of enhancing employees' professional knowledge and skills as well as language, computer, management and leadership skills. The training is managed through a Global Training System (GTS) to strengthen online learning functions to allow employees to learn from the occupational training system and development plans from anywhere. In addition, the Company also provides recommendation for outstanding employees to study at domestic or foreign colleges or institutions to further enhance employees' professional skills and allow employees to develop international business capabilities by working with staff from foreign companies. The total annual training fee for the employees of the Company in 2024 was close to NT\$2.31 million and the total annual training hours for all employees exceeded 49,755 hours.

Employee training operations are conducted in accordance with the "Education and Training Management Method" revised in 2022.

(3) Implementation Status of the Pension System

The "Labor Pension Regulations" of the employee pension system is established in accordance with regulations in the Labor Standards Act. Dedicated labor pension fund accounts are also established to set aside workers' retirement reserve funds each month to be deposited at the dedicated accounts in the Bank of Taiwan. Also, appoint a third-party actuarial firm to conduct annual actuarial audit

Starting on July 1, 2005 with the implementation of the new system for labor pension, the Company inquires its employees whether they wish to adopt the new system or the old system. The Company has set aside 6% of the monthly salary for employees who have opted for the new labor pension system and deposited the funds into the employees' personal pension account to safeguard their lives after retirement.

(4) Labor Agreement Status

The Company has always maintained a business model of participation of all employees in which the supervisors and staff members in each department conduct effective communication through periodic meetings and training. Ecove selects members of both labor and management according to regulations, and the proportion of labor representatives is 50% each. Labor and management meetings are held quarterly periodic labor relation meetings are also conducted in which labor representatives can communicate directly and effectively with management on various rights and benefits to ensure harmonious labor relations.

(5) Health promotion and activities

- (a) Electronic blood pressure monitors and automated external defibrillators (AEDs) have been installed at the headquarters and various plant locations to help employees detect or manage high blood pressure early and to encourage them to monitor their own health.
- (b) From April to July 2024, the Company held a health promotion event titled "Active Life, Light Steps," encouraging employees to develop regular exercise habits through a walking challenge. The activity aimed to improve cardiovascular health, control weight, and reduce the risk of chronic diseases. In the individual competition category, a total of 7,372,846.91 kilocalories were burned, with an average of 7,902.3 kilocalories burned per participant, demonstrating the employees' commitment, energy, and proactive attitude toward their health.
- (c) In 2024, a total of 18 onsite physician consultations were provided. Based on employee health check results and CTCI Group's customized standards, employees with hypertension, hyperglycemia, or hyperlipidemia ("Three Highs") were identified and consulted with professional medical staff. Professional health advice was offered and documented for those with existing or potential health risks.
- (d) In 2024, 15 health seminars were conducted, covering common health issues such as physical fitness assessments, an introduction to stroke and hypertension, weight management, the importance of mental health, diet tracking and appetite control, healthy eating during the Mid-Autumn Festival, nutrition principles, CPR and AED training, among others. These seminars helped raise employee health awareness and equipped more employees with emergency response skills. Additionally, 11 stress-relief workshops such as essential oil massage sessions were held to alleviate psychological stress and enhance mental well-being.
- (e) Health-related information on obesity and the Three Highs was provided to employees periodically via the company EIP system and email. In 2024, topics included: "Understanding Minor Stroke," "Caring for Health Together – Managing Weight," "Proper Weight Loss Strategies," "The Link Between Weight Loss and Mental Health," and "The Role of Social Support in Weight Management."

4.5.2 Losses arising as a result of labor disputes in the recent year up until the publishing date of this annual report and disclosure of potential current and future business losses and countermeasures:

In the most recent years and as of date of the publication of the annual report, there are no labor disputes that incurred business losses.

4.6 Information Security Management

4.6.1 Information Security Management Structure and Strategy:

4.6.1.1 Information Security Risk Management Structure

In accordance with the relevant provisions of the "Risk Management Guidelines", the "Risk Management Executive Committee" is the main promotion organization of the company's risk management. Under the instructions of the committee, it is required to submit relevant social drills, anti-virus systems, firewalls, email filtering systems, email audit systems, etc. on a regular basis every year. The "Information Security Management Report" on the execution results and effectiveness is integrated into the "Risk Management Executive Committee Report", and annual work status and plans are reported to the board of directors every year.

4.6.1.2 Information Security Strategy

ECOVE is committed to protecting clients' critical intellectual assets. We strengthen project execution reliability and quality through a robust information security governance system, regular risk assessments, and diverse security management mechanisms. These efforts aim to meet client requirements or regulatory standards and enhance trust. We proactively identify and mitigate information security risks through internal control guidelines, the Trade Secrets Act, the Personal Data Protection Act, and the Cyber Security Management Act, thereby improving information security comprehensively.

In compliance with Article 9-1 of the "Guidelines for Establishing Internal Control Systems by Public Companies," ECOVE established a dedicated information security unit in 2023, comprising a Chief Information Security Officer (CISO) and a security specialist. The specialist has passed the ISO 27001:2022 Lead Auditor training. We reassessed the "Information Security Management Guidelines" in alignment with ISO/IEC 27001 to standardize the company's security management system, ensuring the confidentiality, integrity, and availability of information. In 2024, we completed 36 security audits across domestic and international subsidiaries, factories, projects, and sites, addressing all 54 identified audit findings.

4.6.2 Information Security Risk Identification and Solutions

Identification and Mitigation of Information Security Risks To proactively identify potential security risks, we conduct annual risk assessments to analyze key threats and vulnerabilities, including:

- Phishing emails tricking employees into making unauthorized transfers or disclosing personal information.
- Corporate espionage or competitors infiltrating internal servers to steal sensitive data.
- Cybercriminals spreading malicious links via email, messaging apps, or social media to compromise devices with ransomware.
- DDoS attacks disrupting normal company network operations.
- Insider threats from employees using unauthorized software or copying sensitive data onto portable devices, leading to data breaches.
- Natural disasters or accidents damaging IT infrastructure, causing service interruptions or data loss.

ECOVE addresses these risks through comprehensive security measures, including:

- Secure data disposal with specialized wiping machines (DoD 5200.22 standard) or manual disk destruction.
- Quarterly social engineering attack simulations and employee training to enhance phishing awareness.
- Endpoint management software (SmartIT) for asset management and USB/installation restrictions.
- Company-wide antivirus software with automatic and regular scans/updates.

- Document control systems and disk encryption to safeguard sensitive files.
- Awareness campaigns and phishing incident reporting mechanisms.
- Regular internal/external audits to refine security practices.
- Encrypted remote access (SSL VPN) with domain policies routing traffic through the corporate firewall.
- Supply chain security assessments and improvements in collaboration with clients.
- Annual third-party security audits and remediation verification.
- Replacing outdated email gateways with enhanced phishing detection capabilities.
- Upgrading backup systems to meet the "3-2-1 backup rule" and automate processes.
- Deploying vulnerability scanners (Nessus Professional, OWASP ZAP).
- Implementing MDR services to strengthen threat detection and incident response.
- Migrating email systems to the cloud for better resilience.
- Establishing an offline backup verification center (Software and hardware equipment and verification system).

4.6.3 Security Management Mechanisms and Resource Allocation

ECOVE continuously enhances security management through initiatives like online/off-site backups, secure disk disposal, and social engineering drills with follow-up training for high-risk employees to prevent data leaks.

We allocate significant resources to security annually, with an NT\$8.28 million budget in 2024 covering defense equipment upgrades, antivirus software renewals, server replacements, backup system improvements, third-party security assessments, and employee training.

Given the rising threat of ransomware attacks, we've set up phishing awareness websites and scam email reporting systems to help employees avoid Business Email Compromise (BEC). We've also replaced aging servers, updated outdated systems, and enhanced email filtering to block phishing attempts. To mitigate potential losses, we purchased cyber insurance in 2024 with a coverage amount exceeding NT\$56.5 million.

To reinforce employee security awareness, we provide tailored training sessions, including courses based on the "GCP-604 Group Information Security Management Guidelines" at CTCI University. Employees are trained to recognize social engineering threats and handle security incidents appropriately.

According to the "Information Security Management Guidelines," employees must immediately notify IT personnel of any malware incidents. If antivirus systems cannot automatically resolve the issue, the IT service center intervenes to prevent escalation. In 2024, we reported 254 security incidents, with no data loss or customer impact, and maintained uninterrupted system operations.

The IT service team's KPIs include metrics like malware incidents, unplanned outages, high-risk social engineering cases, and security audits to ensure the effectiveness of security measures.

4.6.4 Major Security Incidents In 2024, ECOVE experienced one major security incident. However, no personal data or sensitive internal documents were compromised.

4.7 Important Contracts

ECOVE Environment Corporation owns five main subsidiary companies including ECOVE Environment Services, ECOVE Waste Management, ECOVE Miaoli Energy and ECOVE Solar Power Corp. The important contracts for each individual company are described below:

(1) ECOVE Environment Services Corporation

Nature of Contract	Counterparty	Commencement/Expiration Date	Content	Restrictions
Rectification and O&M Service Contract	EPB of Changhua County Government	2021.06.02 ~2036.06.01	O&M and Rectification Services for Xizhou EfW Plant	None
Investment, rectification and operation work	EPB of Kaohsiung City Government	2021.11.10 ~2036.11.09	Handle the O&M and Rectification of Gangshan EfW Plant by means of private investment	None
Waste treatment plant Construction and operation work	Industrial Development Bureau, MOEA	2020.09.30 ~2044.09.29	Handle the construction and operation of the resource processing center in Zhangbin Industrial Park by means of private investment	None
O&M Service Contract	EPB of Taichung City Government	2024.1.1 ~2025.12.31	O&M Services for Houli EfW Plant	None
O&M Service Contract	EPB of Keelung City Government	2006.03.27 ~2026.03.26	O&M Services for Keelung EfW Plant	None
O&M Service Contract	Macao special administrative region Government	2019.12.16 ~2025.05.31	Macao Special and Hazardous Waste Treatment Station Extension Service Project	None
O&M Service Contract	Hsin Yung Enterprise Corporation	2024.01.01 ~2038.03.01	O&M Services for Southern Taoyuan BOO EfW Plant	None
Build-Operate-Transfer	Ever ECOVE Corporation	2023 Q3~ ~2043.10.21	Taoyuan Biomass-energy Center BOT project	None
O&M Service Contract	Tainan City Government Environmental Protection Bureau	2024.10.16 ~2026.10.15	O&M Services for Tainan Chengxi EfW Plant	None
O&M Service Contract	EPB of Taichung City Government	2024.1.1 ~2025.12.31	O&M Services for Wujih EfW Plant	None
O&M Service Contract	EPB of Taitung City Government	2025.01.30 ~2029.12.31	O&M Services for Taitung EfW Plant	None

(2) ECOVE Waste Management Corporation

Nature of Contract	Counterparty	Commencement /Expiration Date	Content	Restrictions
Waste disposal and processing	Taiwan Semiconductor Manufacturing Company	2024.06.26 ~2026.07.31	Industrial waste disposal and processing	None
Entrust a general business with a waste management supervision	EPB of Miaoli County Government	2024.02.01 ~2025.01.31	Supervise and manage general business waste	None

Nature of Contract	Counterparty	Commencement /Expiration Date	Content	Restrictions
service Plan				

(3) ECOVE Miaoli Energy Corporation

Nature of Contract	Counterparty	Commencement/Expiration Date	Content	Restrictions
Waste Resources Recycling Plant Construction and Operations	Miaoli County Government	2008.02.29 ~2028.02.28	The construction and operations of Miaoli BOT EfW Plant were carried out through private investment and the special operations permit is valid for 20 years starting on the commercial operations date (February 29, 2008)	None
Qualified Cogeneration Power System Electricity Sales	Taiwan Power Company	The annual contract which commenced on Jan. 4, 2010 is automatically renewed each year before its expiry if both parties have no objections	According to the regulations in the Energy Administration Act, the electricity produced by the qualified cogeneration system at Miaoli Plant is sold to Taiwan Power Company	None
Operations Services	ECOVE Environment Services Corp.	2008.02.29 ~2028.02.28	The operations of Miaoli BOT EfW Plant shall be 20 years starting on the commercial operations date (February 29, 2008)	None

(4) ECOVE Solar Power Corporation

Nature of Contract	Counterparty	Commencement/Expiration Date	Content	Restrictions
Renewable Energy Power Sales - Tainan City Xinying Landfill Project	Taiwan Power Company	2018.6.26 ~2038.6.25	According to the "Renewable Energy Development Act," the electricity produced by each photovoltaics power plant is sold to Taiwan Power Company	None
Renewable Energy Power Sales - Taipei Metro Beitou Depot Project	Taiwan Power Company	2018.12.24 ~2038.12.23	According to the "Renewable Energy Development Act," the electricity produced by each photovoltaics power plant is	None

Nature of Contract	Counterparty	Commencement/ Expiration Date	Content	Restrictions
			sold to Taiwan Power Company	
Renewable Energy Power Sales - Taiwan High Speed Rail Yanchao Depot Project	Taiwan Power Company	2014.09.24 ~2034.09.23	According to the "Renewable Energy Development Act," the electricity produced by each photovoltaics power plant is sold to Taiwan Power Company	None
Renewable Energy Power Sales - Taipei Water Department Changxing Water Purification Plant Project	Taiwan Power Company	2019.05.20 ~2039.05.19	According to the "Renewable Energy Development Act," the electricity produced by each photovoltaics power plant is sold to Taiwan Power Company	None
Renewable Energy Power Sales - Taoyuan Metro Qingpu Depot Project	Taiwan Power Company	2020.12.11 ~2040.12.10	According to the "Renewable Energy Development Act," the electricity produced by each photovoltaics power plant is sold to Taiwan Power Company	None
Renewable Energy Power Sales - Taichung Metro Beitun Project	Taiwan Power Company	2022.12.23 ~2042.12.22	According to the "Renewable Energy Development Act," the electricity produced by each photovoltaics power plant is sold to Taiwan Power Company	None
Renewable Energy Power Sales - Fengshan Water Purification Plant North Clear Water Pool Project	Taiwan Power Company	2024.05.04 ~2044.05.03	According to the "Renewable Energy Development Act," the electricity produced by each photovoltaics power plant is sold to Taiwan Power Company	None

V. Review of Financial Conditions, Operating Results, and Risk Management

5.1 Analysis of Financial Status

5.1.1 Analysis of Financial Status

Unit: NT\$ thousands

Item \ Year	2023	2024	Difference		Note
			Amount	%	
Current Assets	5,130,790	5,426,894	296,104	5.77	
Non-current Assets	7,952,512	7,922,880	-29,632	-0.37	
Total Assets	13,083,302	13,349,774	266,472	2.04	
Current Liabilities	2,474,156	2,666,878	192,722	7.79	
Non-current Liabilities	3,792,495	3,286,975	-505,520	-13.33	[Note 1]
Total Liabilities	6,266,651	5,953,853	-312,798	-4.99	
Equity attributable to owners of the parent	6,322,675	6,744,853	422,178	6.68	
Non-controlling interest	493,976	651,068	157,092	31.80	[Note 2]
Total Equity	6,816,651	7,395,921	579,270	8.50	
[Note 1] The decrease in non-current liabilities is mainly due to the reduction of contract liabilities by the subsidiary, amounting to NT\$322,490 thousand.					
[Note 2] The increase in non-controlling interests is primarily due to the capital increase of the subsidiary, ECOVE Chiayi Energy Corp (with the group holding a 75% stake), which led to an increase in non-controlling interests.					

5.1.2 The evaluation basis of the balance sheet valuation items

Item	B/S valuation item	Evaluation reference	Evaluation basis
1	Monetary assets denominated in foreign currency	Spot rate on balance sheet date	Compute exchange gain or loss based on the spot rate
2	Financial instruments carried at fair value, available for sales and derivative financial products	Fair market value on balance sheet date	Evaluate based on the fair market value
3	Allowances for doubtful accounts	Based on customer historical data and customer credit risk assessment	The evaluation and assessment of allowances for bad debts are based on the credit risk assessment of customers and are classified as good customers, general customers and individual evaluation customers, and the revaluation of their possible recoveries is based on the ageing analysis of the customer's category. Note: For receivables from related parties, no provision for allowance for bad debts exists. If there is a special credit risk for the trader, the actual situation is assessed and the bad debts are listed according to their risks.
4	Allowances for obsolescence and market value decline	N/A	Inventory are comparison of the same category.

5.2 Financial Performance Analysis

5.2.1 Analysis & Comparison of Financial Performance

Unit: NT\$ thousands

Item \ Year	2023	2024	Difference		Difference Analysis Explanation
			Amount	%	
Operating Revenue	7,628,502	8,530,650	902,148	11.83	[Note 1]
Less: Sales Returns	0	0	0		
Net Operating Revenue	7,628,502	8,530,650	902,148	11.83	
Operating Costs	-6,008,793	-6,803,673	-794,880	13.23	[Note 1]
Gross Profit	1,619,709	1,726,977	107,268	6.62	
Operating Expenses	-158,067	-172,571	-14,504	9.18	
Operating Income	1,461,642	1,554,406	92,764	6.35	
Non-operating Income and expenses	161,506	186,900	25,394	15.72	[Note 2]
Profit before Income Tax	1,623,148	1,741,306	118,158	7.28	
Income Tax Expense	-256,460	-300,354	-43,894	17.12	[Note 3]
Non-controlling Interest	-202,648	-184,988	17,660	-8.71	
Income attributable to owners of the parent	1,164,040	1,255,964	91,924	7.90	
<p>[Note 1] The increase in operating revenue and costs is mainly due to the formal commencement of operations at the biomass plant and the progress of rectification projects, which led to an increase in both revenue and costs.</p> <p>[Note 2] The increase in non-operating income and expenses is primarily due to an increase in interest income by NT\$6,725 thousand and other income by NT\$13,304 thousand.</p> <p>[Note 3] The increase in income tax expenses is mainly due to the increase in taxable income in 2024.</p>					

5.3 Cash Flow Analysis

5.3.1 Cash Flow Analysis for the Past 2 Year

Item \ Year	Dec.31, 2022	Dec. 31, 2023	Difference ratio (%)
Cash Flow Ratio (%)	69.77	90.54	29.77
Fund Flow Adequacy Ratio (%)	136.23	135.69	-0.40
Cash Re-investment Ratio (%)	11.41	11.14	-2.37

Explanation to changes:

1. Decrease in cash reinvestment ratio: Primarily due to a decrease in net cash inflow from operating activities.

5.3.2 Analysis of Cash Liquidity

The consolidated cash inflow for 2024 was NT\$340,490 thousand, and the ending cash balance was NT\$2,003,967 thousand, indicating normal liquidity.

5.3.3 Analysis of Cash Liquidity for the Coming Year

Unit: NT\$ thousands

Cash Balance at Beginning for the Year	Expected Net Cash Outflow from Operating Activities	Expected Cash Inflow (Outflow)	Expected Cash Surplus (Deficit)	Leverage of Expected Cash Deficit	
				Investment Plans	Financing Plans
2,003,967	1,986,784	415,474	2,419,441	-	-
1. Analysis of change in cash flow in Year 2025: (1) Operating activities: The stable business growth will create net cash inflow. (2) Investing activities: The cash outflow is mainly due to increase in other non-current assets. (3) Financing activities: The cash outflow is mainly due to cash dividends distribution. 2. Liquidity analysis and remedial measures against cash deficit: N/A					

5.4 The Impact of Major Capital Expenditures on Financial Operations in the Most Recent Year: None

5.5 Reinvestment Policy in Last Year, Main Causes for Profits or Losses, Improvement Plans and the Investment Plans for the Coming Year

(1) Reinvestment Policy:

- a. Focus on "strategic investments".
- b. Prioritize investment targets that can create synergistic or multiplicative effects on the overall business operations.
- c. Prioritize projects related to environmental protection, green energy, energy conservation and carbon reduction, and resource recycling and reuse.

(2) Reinvestment Profits or Losses and Improvement Plans

The Company adopts the equity method for reinvestments based on long-term strategic goals. The profits generated by reinvestments in 2024 amounted to NT\$ 124,765 thousand based on the equity method. The Company shall continue to conduct prudent assessments of investment projects based on the principle of long-term strategies.

(3) Investment Plans in the Upcoming Year

Three major directions of ECOVE business development are wastes treatment, recycling and reuse, renewable energy and mechanical maintenance. They will be implemented on business expansion and the growth of existing businesses. By stabilizing the domestic market, we will also seek viable opportunities in ASEAN, India, the United States and Mainland China. Extending existing core capabilities, matching future development trends, government policies coordination and complementary or synergistic effects on the overall operations of the company and its subsidiaries will be our prior target choice.

5.6 Risk Management and Assessment

5.6.1 Effects of Changes in Interest Rates, Foreign Exchange Rates and Inflation on Corporate Finance and Future Response Measures

(1) Assessment and analysis of interest rate changes

Unit: NT\$ thousands

Item	2023	2024
Interest Income	15,230	21,955
Interest Expense	25,708	19,923
Investment gain on money market fund	24,375	17,215
Sales	7,628,502	8,530,650
Net Income before Tax	1,623,148	1,741,306

Note 1: Besides equity products and deposits, the Company invests inactive money mainly in money market funds, which highly correlate with market interest rates.

However, the investment gain on money market fund is not credited to interest income but to gain on disposal of investment. Therefore, to analyze the effects of changes in interest rates should consolidate interest income/expense and gain on disposal of money market fund.

Note 2: For inactive money, the Company will continue to look for higher-yield financial products with safety and proper liquidity to achieve the purpose of earning stable investment profits.

A. ECOVE Environment Corporation

The Company primarily relies on its own funds to support its operations. The utilization of funds is mainly focused on investments in domestic and overseas equity instruments or placement in interest-bearing financial products such as demand deposits, time deposits, and money market funds. Net interest income and returns from money market fund investments account for only a small proportion of net operating revenue and pre-tax profit. In June 2024, following the mergers with subsidiaries ECOVE SEC and ECOVE South Corp. Ltd., and the simultaneous repayment of short-term bank borrowings, the impact of interest rate fluctuations on the Company's profitability has remained limited. Nevertheless, based on prudent and conservative considerations, the Company has formulated the following specific measures:

- Look into interest rate changes to take appropriate and timely actions.
- If interest rates decline, we will timely adjust our strategy by utilizing loans with lower interest rates to repay those with higher rates. Conversely, if interest rates rise to a level that might erode the overall profitability of our company, we will consider raising funds through a cash capital increase to reduce dependence on bank loans and mitigate the risks associated with interest rate fluctuations.

In addition, in order to support the repayment of bank loans by subsidiaries and the funding needs of green investment plans, the Company has issued five-year corporate bonds in May 2011 with an amount of 2 billion at a relatively low interest rate to lock in long-term capital costs, reduce interest rate risk, strengthen financial structure, and fulfill sustainable corporate governance.

B. ECOVE Environment Services Corporation

The Company primarily relies on its own funds to support its operations, with fund allocation mainly in time deposits and demand deposits. In December 2024, the Company incurred short-term borrowings due to equity investment in ECOVE Chiayi Energy Corp., which were fully repaid by February 2025. Therefore, the impact of interest rate fluctuations on the Company's profitability has remained limited. For the utilization of idle funds in the future, the Company will continue to seek financial instruments with higher returns under the principles of safety and liquidity, in order to achieve stable profitability.

C. ECOVE Wujih Energy Corporation

The Company primarily relies on its own funds to support its operations, with fund allocation mainly in time deposits, demand deposits, and money market funds. Regarding fund utilization, as the BOT operation period for the Wujih EfW Plant ended on September 5, 2024, the Company, after retaining funds for future operations, proceeded with a capital reduction in November 2024. There is currently no need for borrowings from financial institutions. The Company will continue to seek financial instruments with higher returns under the principles of safety and liquidity, in order to achieve stable profitability.

D. ECOVE Waste Management Corporation

Besides equity products and deposits, the Company invests inactive money mainly in money market funds, interest income/expense and investment gain on money market fund, there is no demand for borrowing from financial institutions due to good operating conditions. The impact of the company's profit is limited. For inactive money, the Company will continue to look for higher-yield financial products with safety and proper liquidity to achieve the purpose of earning stable investment profits.

E. ECOVE Miaoli Energy Corporation

Besides equity products and deposits, the Company invests inactive money mainly in money market funds, interest income/expense and investment gain on money market fund. Since the Company only raise a little fund with the bank and the term is short, the interest rate changes on the Company's profitability is limited. However, based on conservative and considerations, the Company deposited money in reputable financial institutions and maintained a smooth communication channel with them to look for higher-yield financial products with safety and proper liquidity to achieve the purpose of earning stable investment profits.

F. ECOVE Solar Energy Corporation

ECOVE Environment Corporation acquired 100% equity of ECOVE Solar Energy Corporation at September 2018. Since the Company bade various projects, the Company originally arranged mid-term to long-term project loans with banks. In May 2022, the parent company issued corporate bonds and lent to the Company to repay the bank loans, which lead a significant drop in interest expense as a percentage of net operating income. The proportion of interest expense in net operating income has decreased year by year because of the Company partially repayment principal of project loans. However, based on conservative and considerations, the company deposited money in reputable financial institutions and maintained a smooth communication channel with them for preferential lending rate.

(2) Foreign exchange rates: None

(3) Assessment of inflation

Item	2023	2024
Consumer price index (CPI)	105.51	107.81
Consumer Price Index Annual Growth Rate (%)	2.49	2.18

Source: Directorate General of Budget, Accounting and Statistics, Executive Yuan (DGBAS)/ Base year 2021

The Consumer Price Index (CPI) for 2024 was 107.81. Although the annual growth rate of the CPI slowed compared to 2023, it remained above historical levels, primarily due to rising inflation in the services sector and persistently high food prices. According to the Directorate-General of Budget, Accounting and Statistics (DGBAS), the outlook for 2025 anticipates a downward trend in international oil prices and a gradual decline in domestic service prices. However, factors such as U.S. tariff policies, increases in the minimum wage, and proposed hikes in residential electricity rates are expected to keep the CPI annual growth rate at a relatively high level, with a projected rate of 1.94%. Meanwhile, the Taiwan Institute of Economic Research forecasts that economic growth in 2025 will rely on domestic demand, with external demand also returning as a main driver of economic growth. Nonetheless, new policies introduced by the U.S. government and the monetary policies of various central banks create global economic uncertainties that may affect Taiwan's overall economic performance. Consequently, the economic growth rate is projected to decline to 3.42%, down from 2024.

Looking ahead, as our company primarily focuses on investment in the environmental protection industry, our subsidiaries in this sector are relatively less affected by inflation. Moving forward, we will continue to monitor domestic and international price changes and adjust our business strategies accordingly to mitigate severe fluctuations in operating costs that could erode company profits.

5.6.2 The Policies, Main Causes of profit or loss and response measures for the high risk and high leveraged investment, endorsements or guarantees for others, lending to others and derivative financial instruments:

Risk items	Executable situation	Policy and response measures
Loans to others	In the most recent fiscal year, the Company provided lending limits to ECOVE SEC, ECOVE Solar Power Corp., ECOVE South Corp. Ltd., and ECOVE ESC. Such fund lending was conducted in accordance with the Company's "Procedures for Lending of Funds to Others."	Lending to others is processed in accordance with the 「Procedure for Lending Funds to Others.」 set by the company

Endorsements for others	In the most recent fiscal year, the Company provided endorsements and guarantees for ECOVE South Corp. Ltd., ECOVE SEC, ECOVE Solar Power Corp., Ever ECOVE, ECOVE SRC, ECOVE Gangshan Energy Corp., and ECOVE Chiayi Energy Corp.	Endorsements for others is handled in accordance with the 「Endorsement and Guarantee Handling Procedures.」 set by the company
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5.6.3 Future R&D Projects and Estimated R&D Expenditure:

We are actively integrating external new technologies and collaborating on the development of other carbon capture and reuse technologies to diversify the utilization pipelines of carbon dioxide captured from flue gases. Additionally, targeting the recycling back into the semiconductor manufacturing processes, we have developed high-value regeneration technology for semiconductor waste isopropyl alcohol/edge cleaner and have already established a pilot plant. We are also incorporating diverse applications of energy storage systems, such as developing new projects for frequency regulation reserve services and establishing integrated capabilities for energy storage systems.

To address the annual issue of millions of tons of agricultural waste in the country, we are utilizing agricultural residues such as rice straw and corn stalks as fuel by introducing foreign power generation technologies. We analyze the available waste heat from renovated incineration plants for recovery and reuse, such as capturing residual heat from bag filter exhaust gases.

The amount of investment this year was approximately NT\$14.50 million.

5.6.4 Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales: None

5.6.5 Effects of and Response to Changes (Information Security Risk included) in Recent Years Technology and in Industry Relating to Corporate Finance and Sales:

Facing the overall economic situation, responding to technological changes, and changes in domestic industries, our company will adjust some investments and develop new businesses according to the conditions of the securities market, while taking into account both profitability and security. This will make our investment portfolio more comprehensive and our financial structure more appropriate. Our company and its subsidiaries also constantly monitor industry changes and technological advancements, and always have professionals gather relevant information on industry and technological trends to provide references for management decisions. This information is used to adjust operational strategies and develop corresponding measures. The recent technological changes and industry shifts have not had a significant impact on the finances or operations of our company and its subsidiaries.

5.6.6 The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures: None

5.6.7 Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans: None

5.6.8 Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans: Not Applicable

5.6.9 Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration: None

5.6.10 Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors, or Shareholders with Shareholdings of over 10%: As of the publication date of the annual report, the company's legal person director CTCI holds 53.14% of the company's shares. CTCI is also the largest shareholder and the only shareholder holding more than 10% of the company's shares. CTCI has no plan to sell any shares of the company in the near future. Considering the risk of a large number of equity transfers or replacements, the company will continue to strengthen the functions of the board of directors, improve corporate governance, and expand revenue and profits in order to obtain the support and trust of major shareholders and the investing public.

5.6.11 The impact, risk and countermeasures of the change of management right on the company: None

5.6.12 For directors, supervisors, the general manager, de facto responsible persons, and major shareholders holding more than 10% of shares:

A. On March 31, 2014, CTCI Corporation (hereinafter the "Company") entered into an "Agreement of Assumption of Construction Contract" with Far Eastern Petrochemical Co., Ltd. and Dayu Mechanical Engineering Co., Ltd. (hereinafter "Dayu") concerning the Area 19 Above-Ground Piping Prefabrication and Installation Works under the PTA LINE 3 Plant Project of Far Eastern Petrochemical's Guanyin Plant II, for which Far Eastern Petrochemical had been the original contractor. Under this agreement, the Company assumed all rights and obligations arising from the contract on behalf of Far Eastern Petrochemical. Due to adjustments in the detailed scope of work, the Company and Dayu executed a contract amendment on November 18, 2014, extending the project completion deadline to December 31, 2015.

Subsequently, due to Dayu's repeated failure to dispatch a sufficient number of workers to the site, the Company issued a notarized termination letter to Dayu on May 9, 2016, terminating the contract. On May 20, 2019, Dayu filed a lawsuit against the Company, alleging that the Company delayed the project commencement by five months and failed to fulfill its contractual obligations, such as the timely completion of infrastructure works. Dayu claimed it suffered losses and demanded the Company pay withheld amounts, outstanding payments, safety and health management fees, profit management fees, and advances for night shift access control fees, totaling NT\$120,771 thousand. The claim was later amended to NT\$117,176 thousand.

The Company contended that Dayu's claims had exceeded the statutory limitation period. Should the court find otherwise, the Company asserted a counterclaim for offset, citing NT\$75,007 thousand in losses from re-awarding the project and NT\$22,520 thousand in liquidated damages due to Dayu's delays. The court summoned witnesses from both parties to clarify whether the Company had acknowledged any debt obligations during the 2017 negotiations initiated by Dayu, the causes of project delay, and the actual payable amount based on the progress achieved.

On December 27, 2023, the court ruled in favor of the Company, dismissing both Dayu's claims and its motion for provisional execution. All litigation costs were imposed on Dayu. Dayu has since appealed and reduced its claim amount to NT\$37,183 thousand. The case is currently pending.

B. The plaintiff, Pao An Fire Equipment Co., Ltd. (hereinafter "Pao An"), a subcontractor of CTCI Corporation (hereinafter the "Company"), was responsible for the fire protection engineering works for the main plant area of the Taipower Dalin Power Plant. In February 2020, Pao An filed a petition with the court for a payment order against the Company, claiming that the Company had not paid the remaining contract balance and additional work fees totaling NT\$82,411 thousand. Following the Company's objection, the case was transferred to the Taiwan Taipei District Court for litigation. During the trial, Pao An expanded the scope of its claim, seeking a

total of NT\$96,559 thousand from the Company.

The Company argued that the remaining balance had not yet met the condition of payment, as it had not passed the owner's final inspection. Regarding the additional work fees, the Company maintained that both parties' engineers had verified the quantities on-site at the time and that the amount should only be in the range of a few million NT dollars. Moreover, the Company contended that Pao An was liable for liquidated damages due to project delays, and that the Company had incurred additional costs from completing unfinished works on Pao An's behalf after formal notices were issued. Therefore, after offsetting these amounts, the Company holds no payment obligation to Pao An.

Concerning Pao An's claim for a third round of additional work compensation, the Company has submitted supporting documentation to the court showing that the related items had been jointly measured on-site and were covered by existing unit prices under the original contract; thus, the amount calculated by the Company should prevail. The remaining items listed by Pao An were deemed to fall within the original contractual scope and therefore were not eligible for additional compensation.

In response to Pao An's argument regarding an extension of the construction period, the Company cited the contractual requirement that such requests must be submitted within the stipulated period. Failing that, the contract prohibits the contractor from claiming either additional compensation or time extension.

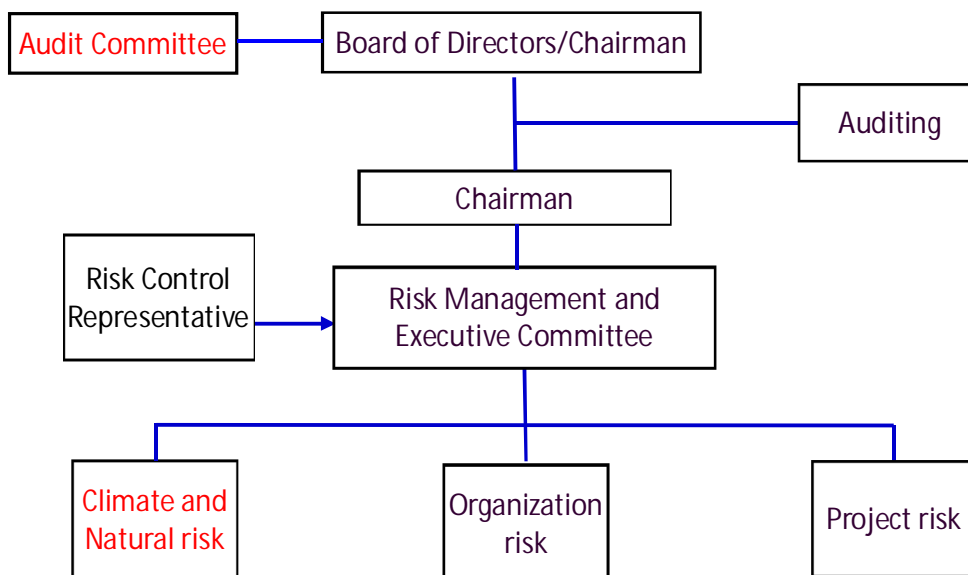
Additionally, according to the construction contract, any variation in contract value must be adjusted by deducting 5% from the total contract amount. As such, the Company further claimed an offset of NT\$7,050 thousand against Pao An's additional payment request, which did not reflect this required deduction.

The court rendered its judgment on March 15, 2024, dismissing Pao An's claims and its motion for provisional execution. Litigation costs were assigned to the plaintiff. Pao An has since appealed the case. During mediation at the High Court, the parties failed to reach an agreement due to significant differences. The case remains pending.

In summary, although CTCI has the aforementioned case, it belongs to CTCI itself and has no involvement with the Company. Even if CTCI loses all the aforementioned cases, it will not have a significant impact on our shareholders' equity and stock trading price, and will not violate the principle of good faith.

5.6.13 Risk management organization framework

a. Organization chart



b. Job Description

(1) Risk Management Executive Committee

The committee is the company's main promotion agency for risk management. It holds a meeting in the first and the third quarter of each year. Its main responsibilities are:

- Approve risk management policies and guidelines.
- Review the unit's risk management report, strategy and proposed improvement plan.
- Overseeing the risk management and control measures and improving the implementation of the plan, communicating and communicating risk management matters to all employees.
- Review and evaluate the effectiveness of risk management measures, according to which relevant units are required to propose improvement plans.
- It is necessary to conduct quarterly high-risk projects or above to track whether the improvement measures are implemented and whether the risk rating is adjusted

(2) Each Unit Risk Management Committee

The risk management committee of each company shall be fully responsible for risk management, including risk identification, assessment, reporting, implementation and supervision of daily control measures, and promotion of improvement plans. The roles and responsibilities of the risk management committee are as follows:

- Responsible for promoting, supervising, identifying and managing major risks
- Summarize and compile the risk files and improvement plans of each company
- Collect and monitor major risk events of each company to assess the degree of impact
- Report major risks and related improvement plans to the general manager of each company
- Communicate the risk management instructions to the members
- Ensure effective execution of risk management and related control procedures within the respective units.

- g. Participate in risk management-related meetings within the respective units and provide opinions on risk control.
- h. Conduct regular risk assessment operations within the respective units, and plan and execute mitigation plans based on the assessment results.
- i. Implement daily advocacy to ensure that personnel within the respective units fully understand the listed risk items related to their units and cooperate with the execution of mitigation plans.
- j. Review and approve risk files of the respective units, supervise the implementation of risk mitigation plans within the respective units, and confirm their effectiveness.

(3) All employees

The implementation of daily risk management operations depends on continuous implementation by all employees.

- a. Identify the risks within the scope of its daily business execution
- b. When there is a risk, immediately notify the direct supervisor
- c. Follow company policies and job descriptions to perform their duties and implement risk management related operations

(4) Risk Control Representative

Appointed by the chief member of the Risk Management Executive Committee to be responsible for the consolidation and tracking of the comprehensive management risk management committee to ensure the continued effectiveness of the risk management mechanism. Its roles and responsibilities are as follows:

- a. Represent the company in promoting risk control across various risk management units.
- b. Coordinate and regularly initiate risk assessment operations, assisting company risk management committees in planning mitigation plans based on assessment results to establish risk files.
- c. Track the implementation of risk mitigation plans listed in the risk files and report to the General Manager.
- d. Follow up on the promotion and implementation of preventive measures and improvements in control mechanisms after lessons learned (LL).
- e. Participate in risk audits within the respective units and be responsible for tracking improvements based on audit findings.

(5) Auditing

Audit results related to climate change risks, operational risks, and project risks of various companies should be compiled into significant or immediate risk issues and reported to the Risk Management Executive Committee. The risk assessment results compiled by the Risk Management Executive Committee should be provided as a reference for the audit unit to formulate the annual audit plan.

5.6.14 Other Major Risks

Our company places significant emphasis on critical risks and continuously supervises the implementation of risk control measures and improvement plans.

First Half of the Year		
Risk Classification	Risk Items	Mitigation Measures
Operational Risk	Loss of Key Talent	1. Strengthen communication channels to appropriately guide the release of

		<p>work pressure or adjust work content, thereby reducing dissatisfaction or the tendency to resign. This will decrease the willingness to leave and enhance talent training, reserving backup personnel.</p> <ol style="list-style-type: none"> 2. Familiarize employees with job responsibilities through a job rotation system to reserve operational capabilities. 3. Establish management operations and job workflow SOPs to perfect the standardization of operations. 4. Continuously pass on experience and learning to reduce excessive concentration of work, which leads to fatigue.
	Existing contracts were not renewed.	<ol style="list-style-type: none"> 1. The new contract tender is expected to be announced in mid-February. 2. Following the group's instructions, a team has been established to commence the preparation for the tender in advance. 3. Collaborating with a local joint venture company in Macau to seek suitable new partners.
	Acquisition of Key Materials	<ol style="list-style-type: none"> 1. Expand the list of suppliers. 2. Require suppliers to establish safety stock. 3. Seek alternative materials and suppliers. 4. Plan equipment upgrades in advance to avoid shortages due to discontinued spare parts. 5. Establish data on the use of similar products by different factories to flexibly allocate spare parts. 6. Evaluate the establishment of a list of professional assistance suppliers to reduce reliance on single technology suppliers. 7. Evaluate the signing of long-term priority support agreements with technicians to ensure the support period.
	Environmental Incident	<ol style="list-style-type: none"> 1. Develop quality audit items separately with the operations department to ensure the implementation of mechanisms. 2. Implement autonomous management of QA/QC mechanisms by project supervisors. 3. Revise the notification and handling guidelines for project quality incidents. 4. Conduct regular compliance education and training. 5. Establish documents such as operation and maintenance guidelines for continuous monitoring systems of waste, and standards for abnormal waste discharge operations. 6. Strictly enforce pollutant emission control operations. 7. Establish a real-time notification mechanism to promptly grasp the status of pollution control, handle it immediately, and avoid environmental incident disputes. 8. Regularly update environmental regulations. 9. Regularly check the content of permits and the compliance of regulatory provisions.
	Occupational Safety Incident	<ol style="list-style-type: none"> 1. The rectification plan should be scheduled to ensure that at least one crane remains available for emergency use. 2. During maintenance or rectification periods, crane personnel should remain on duty to avoid missing immediate response handling. 3. Conduct a fire drill in the storage pit once a month. 4. Regularly perform area-changing and pile-turning operations to prevent methane accumulation due to prolonged garbage storage. 5. Install thermal imaging cameras in the storage pit to detect high temperatures and immediately alert the crane room and control room. 6. When the liquid level in the storage pit is too high, issue a notice to the Environmental Protection Bureau for garbage dispatch.
	Construction management or strategy fails to meet project execution requirements.	<ol style="list-style-type: none"> 1. After the project is established, a detailed project schedule and procurement plan should be formulated within two months according to the contract completion deadline. The construction plan must be submitted for review and approval one month before on-site construction begins. 2. The project should hold weekly meetings to review whether the progress aligns with the plan, ensuring that equipment and materials can be delivered on time and that contractors and machinery can perform as scheduled. If there are delays, the project should immediately formulate

		<p>an acceleration plan, increase machinery/personnel, or extend working hours. Daily end-of-day meetings should be held to review progress until it is back on track.</p> <p>3. The project should provide a monthly progress report to the General Manager, reviewing the progress of each stage and task, and identifying any areas requiring assistance.</p>
Second Half of the Year		
Risk Classification	Risk Classification	Risk Classification
Operational Risk	Existing contracts were not renewed.	1. Coordinate with the Environmental Protection Bureau for waste dispatch to continuously maintain stable operations at the Phase I and Phase II incineration centers and hazardous waste stations.
	Environmental Incident	<p>1. Documents have been established for the operation and maintenance guidelines of the continuous waste monitoring system, as well as standards for abnormal waste discharge operations.</p> <p>2. Strict enforcement of pollutant emission control operations is required.</p> <p>3. A real-time notification mechanism has been established to promptly monitor pollution control status, handle issues immediately, and avoid disputes related to environmental incidents.</p> <p>4. Regular updates to environmental regulations are conducted.</p> <p>5. Regular checks of permit content and compliance with regulatory provisions are performed.</p> <p>6. Strengthen the inspection of incoming waste at the plant. Non-combustible and high-sulfur chlorine waste will be returned and points will be recorded for advocacy.</p>
	System Interruption	<p>1. All servers must install MDR/EDR software to enhance endpoint management.</p> <p>2. Engage external cybersecurity firms to check for hacker infiltration and ensure there are no security concerns.</p> <p>3. Register and manage external (non-company employee) accounts.</p> <p>4. Vendors requiring VPN connections must apply through procedures and obtain approval from department supervisors. VPN equipment must restrict the source (IP) and destination (server) of connections, and account and VPN policies must have valid start and end dates.</p> <p>5. Audit all VPN entry points and register them. When employees use VPN to log in, they must check that the device is a company computer.</p> <p>6. Affiliated companies must have off-site backup mechanisms to ensure uninterrupted business operations.</p> <p>7. Manage accounts and passwords for office equipment work.</p>

5.7 Other: None

VI. Special Disclosure

6.1 Summary of Affiliated Companies

Please refer to the Market Observation Post System (MOPS) under:

MOPS → Single Company → Electronic Document Download → Affiliated Enterprises Disclosure Section (Three Statements of Affiliated Enterprises)

Website: https://doc.twse.com.tw/server-java/t57sb01?step=1&colorchg=1&co_id=6803&year=&mtype=K&isnew=true

6.2 Private placement of securities in the most recent year and up to the date of annual report publication: None

6.3 Other Necessary Supplemental Information

6.3.1 Key performance index specific to the industry:

The Company is an investment holding company and its five main subsidiary companies including ECOVE Environment Services Corp., ECOVE Wujih Energy Corp., ECOVE Waste Management Corp., ECOVE Miaoli Energy Corp. and ECOVE Solar Energy Corp. are all environmental protection service providers. A key performance index (KPI) for Social Corporate Responsibility is established based on such characteristics and it is described below:

Definitions	2024 Goal	2022 Actual Achievements	Definition
This year each project participated social corporate responsibility Award ≥ 3	Annual social corporate responsibility award more than 3 awards	<ul style="list-style-type: none"> Awarded "Top 5% of Corporate Governance Evaluation" from TPEX-listed group for 10 consecutive years Awarded "The 6th National Enterprise Environmental Protection Award" by the Environmental Protection Agency, Executive Yuan The High Distinction Award of 2023 Incineration Plant Audit & Evaluation by Environmental Protection Administration, Executive Yuan Awarded the "Outstanding Private Enterprise in Green Procurement for 2023" by the Taichung City Government. Received the "OTC Happy Enterprise Award" and the "OTC Governance Pioneer Award" at the 30th Anniversary Appreciation Tea Party and Awards Ceremony of the Taipei Exchange. Recognized by S&P Global's Sustainability Assessment, selected as a Yearbook Member for the first time, and awarded the title of Industry 	This year each project participated safety and health related award ≥ 3

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This year each project participated social corporate responsibility Award ≥ 3	Annual social corporate responsibility award more than 3 awards	<p>Our company and its subsidiaries continue to make significant efforts in occupational safety, health, and employee well-being. In recent years, we have been recognized by various government agencies with the following awards:</p> <ul style="list-style-type: none"> • ECOVE received the 2024 Emerging Model Award for Sustainable Healthy Workforce Enterprises from the Occupational Safety and Health Administration, Ministry of Labor. • ECOVE ESC – Tainan Plant received the 2024 Excellence Award for Occupational Safety and Health Units from the Occupational Safety and Health Administration, Ministry of Labor. • ECOVE ESC – Tainan Plant received the 2024 Superior Performance Award in the OSH Family Evaluation from the Tainan City Labor Bureau. • ECOVE ESC – Tainan Plant received the 2024 Outstanding Occupational Safety Performance Award from the Tainan City Labor Bureau. • ECOVE ESC – Houli Plant received the 2024 Excellence Award for Occupational Safety and Health Units from the Occupational Safety and Health Administration, Ministry of Labor. • ECOVE ESC – Gangshan Plant received the 2024 Kaohsiung City Excellence Award for Occupational Safety and Health Units from the Kaohsiung City Government. • ECOVE ESC – Southern Taiwan Science Park (STSP) Plant received the 2024 Excellence Award for Occupational Safety and Health Units from the Occupational Safety and Health Administration, Ministry of Labor. 	This year each project participated safety and health related award ≥ 3

		<ul style="list-style-type: none"> • ECOVE SRC received the 2024 Excellence Award for Occupational Safety and Health Units from the Occupational Safety and Health Administration, Ministry of Labor.. <p>Awarded by the Industrial Safety and Health Association (ISHA) of the R.O.C. entrusted by the Ministry of Labor:</p> <ul style="list-style-type: none"> • Keelung EfW Plant was awarded the 1.49 million zero-accident work hours certificate. • Houli EfW Plant was awarded the 1.81 million zero-accident work hours certificate. • Wujih EfW Plant was awarded the 1.57 million zero-accident work hours certificate. • Xizhou EfW Plant was awarded the 0.12 million zero-accident work hours certificate. • Tainan EfW Plant was awarded the 2.19 million n zero-accident work hours certificate. • STSP EfW Plant was awarded the 1.33 million zero-accident work hours certificate. • Gang-Shan EfW Plant was awarded the 240,000 zero-accident work hours certificate. <p>Other awards:</p> <ul style="list-style-type: none"> • Keelung EfW Plant, Taoyuan EfW Plant, Miaoli EfW Plant, Houli EfW Plant, Xizhou Efw plant, Tainan EfW Plant, STSP EfW plant and Gang-Shan EfW Plant received the "Healthy Workplace Certification" health promotion mark from the National Health Service of the Ministry of Health and Welfare. • Received the certificate of participation in the "2024 National Workplace Safety and Health Week Series Activities Implementation Plan" by the Ministry of Labor. • Keelung EfW Plant rewarded "AED+CPR site mark 	
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		<p>certificate" by Keelung City Government Health Bureau.</p> <ul style="list-style-type: none"> • Taoyuan EfW Plant rewarded "AED+CPR site mark certificate" by Taoyuan City Government Health Bureau. • Miaoli EfW Plant rewarded "AED+CPR site mark certificate" by Miaoli County Government Health Bureau. • Houli EfW Plant rewarded "AED+CPR site mark certificate" by Taichung City Government Health Bureau. • Wujju EfW Plant rewarded "AED+CPR site mark certificate" by Taichung City Government Health Bureau. • Xizhou EfW Plant rewarded "AED+CPR site mark certificate" by Changhua County Government Health Bureau. • Tainan EfW Plant rewarded "AED+CPR site mark certificate" by Tainan City Government Health Bureau. • STSP EfW Plant rewarded "AED+CPR site mark certificate" by Tainan City Government Health Bureau. • Gangshan EfW Plant rewarded "AED+CPR site mark certificate" by Kaohsiung City Government Health Bureau. 	
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6.3.2 Counterparty Commitments

Our company has six counterparty commitments. Except for the following two items, the rest have been completed.

Details of the counterparty commitment tracking for the 4th quarter of 2024.

Feb. 28th, 2025

Counterparty Commitments		Status of Commitment Fulfillment
2.	Commitment in the "Procedure for Acquisition or Disposal of Assets" stipulates that the company shall not forgo participating in future capital increases of the three controlled companies: ECOVE WMC, ECOVE WEC, and ECOVE ESC. If, due to strategic	The Company amended the "Asset Acquisition or Disposal Procedures" on March 24, 2010, during the 13 th meeting of the 4 th board of directors and the annual shareholders' meeting of 2010. The amendment included a provision that prohibits the company from foregoing

Counterparty Commitments	Status of Commitment Fulfillment
<p>alliances or other reasons approved by the TPEx, the company needs to relinquish participation in capital increases or dispose of these companies, such actions must be specially resolved by the board of directors of ECOVE. Any amendments to this procedure in the future must be disclosed as significant information on the Public Information Observation Station and reported to the TPEx for record-keeping.</p>	<p>future capital increases in three controlled subsidiaries; if the company must relinquish the capital increase or disposal of these companies in the future due to strategic alliances or with the approval of the TPEx, such decisions must be passed by a special resolution of our board of directors. (Related attachments were submitted in the report for the second quarter of 2010.)</p> <p>As of the forth quarter of 2024, the Company has not forsaken participating in the capital increases or disposals of ECOVE WMC, ECOVE WEC, and ECOVE ESC.</p>
<p>2. The commitment from the consolidated financial statements starting from the fiscal year 2009 requires that each quarterly consolidated financial statement's notes disclose the revenue from the parent company, CTCI, and explain the reasons for not paying CTCI. for the corresponding operating costs. Additionally, the company is to request the certified public accountant to examine this item during the audit (or review) of the financial statements each quarter.</p>	<p>The Company generates business income from our parent company, CTCI, without corresponding business costs because the relative costs of this income are incurred by ECOVE ESC. These costs are payments made to non-related parties for contracting, maintenance, and procurement services performed, as well as for personnel, administrative, and other operating expenses. We have requested PricewaterhouseCoopers, the certified public accountants, to review these matters. This explanation has been added to the notes on related party transactions in the financial reports from the fiscal 2009 to the most recent fiscal year. The subsequent financial reports will continue to disclose relevant details.</p>

6.4 Significant Events Affecting Shareholders' Equity or Securities Prices: None

During the most recent fiscal year and up to the date of publication of this annual report, there were no matters as defined under Article 36, Paragraph 3, Subparagraph 2 of the Securities and Exchange Act that would have a material impact on shareholders' equity or the price of the Company's securities.