Stock Code: 2208

CSBC CORPORATION, TAIWAN.

2025 Annual Report

Notice to readers

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

Taiwan Stock Exchange Market Observation Post System:
https://mops.twse.com.tw
CSBC Annual Report is available at :
https://www.csbcnet.com.tw/InvestorService/AnnualReportEn
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Tel：(07)8059888
Company Website: https://www.csbcnet.com.tw/en

Printed on May 20, 2026

◇ Spokesperson and Deputy Spokesperson

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Title：Executive Vice President

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Email address：091587@csbcnet.com.tw

Deputy Spokesperson：Gao, Jian-Yi

Title：supervision

Tel：（07）805-9888 Ext.2131

Email address：094611@csbcnet.com.tw

◇ Address and Phone of the company and Shipyard

Add of Headquarter：No.3,Jhonggang Rd., Siaogang District, Kaohsiung 81234, Taiwan (R.O.C.)

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Tel：（02）2463-1021

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Tel：(02)2361-1300

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Website: http://www.fbs.com.tw/

◇ CPA for the most recent financial report:

Name of CPA：Wang, Chun-Kai, Wu, Chien-Chih

Accounting Firm：PwC Taiwan

Add：22F., No.95, Minzu 2nd Road., 800 Xinxing Dist., Kaohsiung Taiwan (R.O.C.)

Website：http://www.pwc.com

Tel：（07）237-3116

◇ The name of the trading place where overseas securities are listed for trading and the way to inquire about the information：None.

◇ Company website：https://www.csbcnet.com.tw

CSBC CORPORATION, TAIWAN

2025 Annual Report

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I. Letter to Shareholders

Dear Shareholders,

Thank you for attending the year's regular shareholders meeting of the company during the busy schedule. I would like to report to you about the company's business results for 2025 and a summary of the business plan for 2026.

1. Overview of the global shipbuilding industry in 2025

In retrospect of the global shipbuilding market condition in 2025, compared with 2024, it was relatively sluggish in the first half of 2025, with a decrease in shipbuilding orders. However, starting in the second half of 2025, the market rebounded rapidly, exceeding expectations, as new shipbuilding orders for container ships, bulk carriers, oil tankers, and LNG carriers surged.

According to statistics from Clarksons Research, the new shipbuilding orders reaches 2,493 vessels worldwide in 2025, with a total deadweight tonnage of approximately 153.95 million tons, representing declines of 37.8% and 22.7% respectively compared with 2024. This suggests that the shipbuilding market is shifting into a period of adjustment after several years of robust growth.

Concerning orders in hand, as of January 9, 2026, global shipyards held a total of 6,489 vessels on order, totaling approximately 173.91 million compensated gross tons (CGT). China holds 4,482 vessels, representing approximately 64% of the market share, maintaining continuing its leading position globally. Furthermore, in terms of new shipbuilding deliveries, a total of 3,210 new ships were delivered globally in 2025, representing an 8.84% increase in total deadweight tonnage compared with 2024, indicating that actual shipbuilding capacity remains at a high level.

Overall, the global shipbuilding market is gradually entering a new phase of industrial restructuring driven by a combination of factors, including order recovery, price differentiation, and high production capacity. Nevertheless, China, South Korea, and Japan continue to account for 90% of global commercial vessel orders, with China alone holding over 60% of the market share. This indicates that the shipbuilding market remains monopolized and

is unlikely to change in the short term.

2. Business status in 2025

(1) Consolidated financial analysis

Unit: NTD Thousand

Item	2024	2025	Comparison with 2024 (%)
Operating income	14,494,347	21,780,245	50.27%
Operating gross profit (loss)	-3,057,298	-2,211,700	27.66%
Operating profit (loss)	-3,718,337	-2,960,815	20.37%
Net profit (loss) before tax	-2,783,209	-2,255,141	18.97%
Net profit (loss) for the current period	-2,793,739	-2,272,569	18.65%

The table above shows CSBC's consolidated operating income in 2025 is NT$21.780 billion, operating gross loss is NT$2.212 billion, and net loss for the current period is NT$2.272 billion. The loss will be reduced by NT$0.521 billion compared with 2024.

The main reason for the loss in 2025 was the appreciation of the New Taiwan Dollar against the US Dollar, increased warranty costs, and increased production costs due to the slow progress of shipbuilding in the first half of the year. These factors resulted in an annual operating loss, with exchange rate fluctuations contributing approximately NT$674 million. CSBC proactively adopted strategies and implemented measures for improvement.-Since the second half of 2025, it has achieved profitability for two consecutive quarters, and the overall loss has decreased compared with 2024, indicating that the improvements have yielded results.

(2) Overview of outstanding orders

I. Business orders in hand

As of December 31, 2025, there are 16 commercial vessels and 16 warships and government ships on order. Delivery is scheduled for September 2031 at Kaohsiung plant and October 2031 at

Keelung plant. The current orders for machinery include 26 petrochemical storage tanks and a truck loading and unloading plant for CPC Corporation, In addition, there is a business responsible for upgrading and refitting warships..

II. Fulfilled Orders

CSBC completed and delivered a total of **4 ships in 2025**. Two vessels were delivered at Kaohsiung plant, i.e. one is the educational training ship and the other is 4,000-ton coast guard ship along with a warship's upgraded performance. Keelung plant delivered 1 ship (one 1,000-ton coast guard ship).

3. Summary of business outlook for 2026

Following a rapid recovery, the global shipbuilding market has recently entered a period of adjustment. Yet, shipping companies still have a demand for building new, energy-efficient, and environmentally friendly ships, and the shipbuilding market is expected to sustain growth.

Regarding national defense and security, the Ministry of National Defense, R.O.C. has publicly announced its plans to purchase various types of weapons, including over 200,000 drones and over 1,000 unmanned surface vessels. Moreover, the Coast Guard Administration has completed the "Maritime Rights Protection Coast Guard Vessel Construction Plan," which has been approved by the Executive Yuan, R.O.C.. The overall plan is expected to be completed in 2033 and will continue to build 2,000-ton coast guard ships, 300-ton and 100-ton patrol boats. CSBC will actively pursue related business opportunities to build a long-term and stable shipbuilding business.

In summary, CSBC has undertaken operational strategies and focusing primarily on shipbuilding (including submarines) while also developing its offshore and onshore heavy machinery engineering capabilities. Besides, CSBC currently has an order book with delivery extending through 2031, ensuring ample business in the near to medium term. Significantly, CSBC's independently developed unmanned surface vessel, the "Endeavor Manta USV" , demonstrating its superior performance in 2025, which will reinforce-competitiveness in the sector of USV. Last but not least, Taiwan's first domestically built submarine, the "SS-711" has entered the testing

phase and is scheduled to be delivered in 2026.

CSBC has been continuously refining its business strategy and direction and its operating revenue and gains are gradually to emerge. It has a promising future ahead.

Chairman: Chen, Jeng-Horng President: Tsai, Kun-Tsung

II. Corporate Governance Report

2.1 Directors, Supervisors and Management Team

2.1.1 Board of Director

1.Information of the 18th Board of Directors

April. 27, 2026

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date of election	Term (Year)	Date of 1st election	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other position in the company or other company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks
							Share	%	Share	%	Share	%	Share	%			Title	Name	Relation	
Chairman/ Representative of Ministry of Economic Affairs	R.O.C	HUANG, CHENG-HUNG	M 61~70	August 19, 2024	3	August 19, 2024	105,070,366	8.24%	105,070,366	8.24%	—	—	—	—	.Ph.D. of North Carolina State University .Vice President of National Cheng Kung University .Professor, National Cheng Kung University .Chairman of CSBC Corporation, Taiwan	Chairman of CSBC Corporation, Taiwan	—	—	—	
Chairman/ Representative of Ministry of Economic Affairs	R.O.C	HO,CHIN-TSANG (Note 2)	M 51~60	October 28, 2024	3	October 28, 2024	105,070,366	22.21%	105,070,366	8.24%	—	—	—	—	.PhD in Business Administration, National Central University .Director General, Small and Medium Enterprise and Startup Administration, MOEA .Deputy Minister, Ministry of Economic Affairs	Deputy Minister, Ministry of Economic Affairs	—	—	—	Resignation
Chairman/ Representative of Ministry of Economic Affairs	R.O.C	LAI,CHIEN-HSIN (Note 2)	M 51~60	March 24, 2025	3	March 24, 2025	105,070,366	22.21%	105,070,366	8.24%	—	—	—	—	.Ph.D. in Soil and Water Conservation, National Chung Hsing University .Director General, Water Resources Agency, MOEA .Vice Minister Ministry of Economic Affairs	Vice Minister Ministry of Economic Affairs				
Director /Representative of Ministry of Economic Affairs	R.O.C	JHANG,YI-DE	M 51~60	June 22, 2022	3	June 22, 2022	105,070,366	22.21%	105,070,366	8.24%	—	—	—	—	. Graduated from High School . Director of the Employee Welfare Committee of CSBC Corporation, housand	Director of Enterprise Union of Kaohsiung CSBC Corporation Taiwan	—	—	—	
Director /Representative of Ministry of Economic Affairs	R.O.C	LI, GUO-JI	M 61~70	June 22, 2022	3	June 22, 2022	105,070,366	22.21%	105,070,366	8.24%	—	—	—	—	. Graduated from Kuang Lung Vocational High School. . Foreman of Erection Shop Keelung Yard, CSBC	Chief foreman of Keelung Yard, CSBC	—	—	—	
Representative of Ministry of National Development Fund	R.O.C	WU, WEN-KUEI	M 51~60	June 22, 2022	3	November 26, 2018	36,032,305	7.62%	213,046,523	16.72%	—	—	—	—	. Master of Earth Sciences, National Cheng Kung University . Central Region Branch, National Property Administration Director	Counselor and Director of The Office of the Zhongxing New Village Revitalization Project of National Development Council	—	—	—	

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date of election	Term (Year)	Date of 1st election	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other position in the company or other company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks
							Share	%	Share	%	Share	%	Share	%			Title	Name	Relation	
Representative of Ministry of National Development Fund	R.O.C	WANG, CHAU-CHANG	M 61~70	June 22, 2022	3	June 22, 2022	36,032,305	7.62%	213,046,523	16.72%	—	—	—	—	.Ph.D of Mechanical Engineering,Pennsylvania State University, USA .Dean of the College of Marine Sciences, National Sun Yat-sen University	Professor of the Institute of Undersea Technology of National Sun Yat-sen University and Director of Taiwan Ocean Research Institute				
Representative of Ministry of National Development Fund	R.O.C	LIN, CHIH-LUNG	M 61~70	June 22, 2022	3	June 22, 2022	36,032,305	7.62%	213,046,523	16.72%	—	—	—	—	.Ph.D. of National Sun Yat-sen University .Vice president of MIRDC .Adjunct Associate Professor of Chemical and Materiais Engineering of KUAS	Deputy CEO of Metal Industries Research & Development Centre				
Representative of Ministry of National Development Fund	R.O.C	MAO, ZHEN-TAI	M 51~60	June 22, 2022	3	June 22, 2022	36,032,305	7.62%	213,046,523	16.72%	—	—	—	—	.Ph.D.of Civil Engineering,National Central University .Deputy director of National Spatial Planning and Development departmentr, National Development Fund	Director of Congress and press contact Center, National Development Council				
Director	R.O.C	Representative of Yaohua Glass Co., Ltd. Management Committee	-	June 22, 2022	3	June 22, 2022	36,032,305	7.62%	103,614,396	8.13%	—	—	—	—	—	—	—	—	—	
Representative of Ministry of National Defense Industrial Development Foundation	R.O.C	Yang Ji-Rong	M 51~60	Jan 01, 2024	3	Jan 01, 2024	25,000,000	5.29%	53,571,428	4.20%					. Graduated from WAR COLLEGE, NDU, ROC . Deputy commander of Army Command Hedquarter	Deputy Chief of Mnistry of Defense	-	-	-	
Director	R.O.C	CPC Corporation, Taiwan	—	June 22, 2022	3	June 23, 2016	23,777,487	5.03%	23,777,487	2.57%	—	—	—	—	–	–	—	—	—	
Director	R.O.C	Director / Kaohsiung City Representative of Industrial Labor Union of CSBC	—	June 22, 2022	3	96.6.4	428,000	0.09%	802,000	0.06%	—	—	—	—	–	–	—	—	—	

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date of election	Term (Year)	Date of 1st election	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other position in the company or other company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks
							Share	%	Share	%	Share	%	Share	%			Title	Name	Relation	
Independent Director	R.O.C	LIN, HUI-JENG	M 61~70	June 22, 2022	3	June 23, 2016	0	0.00%	0	0.00%	—	—	—	—	. PhD, Institute of Naval Architecture, National Taiwan University . President of National Penghu University of Science and Technology . Professor, Department of Engineering Science and Ocean Engineering, National Taiwan University	Director of Chunyu Factory Co., Ltd.	—	—	—	
Independent Director	R.O.C	LIEU, DER-MING	M 71~80	June 22, 2022	3	June 23, 2016	0	0.00%	0	0.00%	—	—	—	—	. PhD in Economics, Ohio State University . Advisor of Securities and Futures Commission, Ministry of Finance	Professor, Department of Financial Management, National Sun Yat-sen University	—	—	—	
Independent Director	R.O.C	CHEN, CHIH-YANG	M 51~60	June 22, 2022	3	June 26, 2019	0	0.00%	0	0.00%	—	—	—	—	. Master of Laws, National Chung Hsing University . Judge of Banqiao District Court	Presiding lawyer of CHEN, CHIH-YAN law firm	—	—	—	

Note:

(1)The term of the 18th directors starts on June 22, 2022 and ends on June 21, 2025.
(2)March 3, 2025 Representative of Ministry of Economic Affairs, Ho, Chin-Tsang resigned, and LAI,CHIEN-HSIN took over his job.

2.Information of the 19th Board of Directors

April. 27, 2026

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date of election	Term (Year)	Date of 1st election	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other position in the company or other company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks
							Share	%	Share	%	Share	%	Share	%			Title	Name	Relation	
Chairman/ Representative of Ministry of Economic Affairs	R.O.C	HUANG, CHENG-HUNG (Note 2)	M 61~70	Jun 25, 2025	3	August 19, 2024	105,070,366	8.24%	105,070,366	8.24%	—	—	—	—	.Ph.D. of North Carolina State University .Vice President of National Cheng Kung University .Professor, National Cheng Kung University .Chairman of CSBC Corporation, Taiwan	Chairman of CSBC Corporation, Taiwan	—	—	—	Resignation
Chairman/ Representative of Ministry of Economic Affairs	R.O.C	CHEN JENG-HORNG (Note 2)	M 51~60	August 28, 2025	3	August 28, 2025	105,070,366	8.24%	105,070,366	8.24%	—	—	—	—	.PhD in Naval Architecture and Marine Engineering, University of Michigan (Ann Arbor) .Associate Professor and Chair, Department of Systems and Naval Mechatronic Engineering, National Cheng Kung University .Chairman of CSBC Corporation, Taiwan	Chairman of CSBC Corporation, Taiwan				
Director/ Representative of Ministry of Economic Affairs	R.O.C	LAI,CHIEN-HSIN	M 51~60	Jun 25, 2025	3	March 24, 2025	105,070,366	22.21%	105,070,366	8.24%	—	—	—	—	.Ph.D. in Soil and Water Conservation, National Chung Hsing University .Director General, Water Resources Agency, MOEA .Vice Minister Ministry of Economic Affairs	Vice Minister Ministry of Economic Affairs				

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date of election	Term (Year)	Date of 1st election	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other position in the company or other company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks
							Share	%	Share	%	Share	%	Share	%			Title	Name	Relation	
Director /Representative of Ministry of Economic Affairs	R.O.C	JHANG,YI-DE	M 51~60	Jun 25, 2025	3	June 22, 2022	105,070,366	22.21%	105,070,366	8.24%	—	—	—	—	. Graduated from High School . Director of the Employee Welfare Committee of CSBC Corporation, housand	Director of Enterprise Union of Kaohsiung CSBC Corporation Taiwan	—	—	—	
Representative of Ministry of National Development Fund	R.O.C	WU, WEN-KUEI	M 51~60	Jun 25, 2025	3	November 26, 2018	36,032,305	7.62%	213,046,523	16.72%	—	—	—	—	. Master of Earth Sciences, National Cheng Kung University . Central Region Branch, National Property Administration Director	Counselor and Director of The Office of the Zhongxing New Village Revitalization Project of National Development Council	—	—	—	
Representative of Ministry of National Development Fund	R.O.C	WANG, CHAU-CHANG	M 61~70	Jun 25, 2025	3	June 22, 2022	36,032,305	7.62%	213,046,523	16.72%	—	—	—	—	.Ph.D of Mechanical Engineering,Pennsylvania State University, USA .Dean of the College of Marine Sciences, National Sun Yat-sen University	Professor of the Institute of Undersea Technology of National Sun Yat-sen University and Director of Taiwan Ocean Research Institute				
Representative of Ministry of National Development Fund	R.O.C	MAO, ZHEN-TAI	M 51~60	Jun 25, 2025	3	June 22, 2022	36,032,305	7.62%	213,046,523	16.72%	—	—	—	—	.Ph.D.of Civil Engineering,National Central University .Deputy director of National Spatial Planning and Development departmentr, National Development Fund	Director of Congress and press contact Center, National Development Council				
Director	R.O.C	Representative of Yaohua Glass Co., Ltd. Management Committee	-	Jun 25, 2025	3	June 22, 2022	36,032,305	7.62%	103,614,396	8.13%	—	—	—	—	—	—	—	—	—	
Independent Director	R.O.C	CHEN, LI-HSUI	F 51~60	Jun 25, 2025	3	Jun 25, 2025	0	0.00%	0	0.00%	—	—	—	—	.Executive Master of Business Administration, NCCU .Adjunct Lecturer, Department of Accounting Information, National Taipei University of Business .Managing Partner, Wealth CPA Firm	Managing Partner, Wealth CPA Firm	—	—	—	
Independent Director	R.O.C	CHIOU WEN-TSONG	M 51~60	Jun 25, 2025	3	Jun 25, 2025	0	0.00%	0	0.00%	—	—	—	—	.Juris Doctor of University of Virginia, UVA y .Researcher at the Institutum Iurisprudentiae of Academia Sinica and Director of Department of Intellectual Property and Technology Transfer, Academia Sinica	Researcher at the Institutum Iurisprudentiae of Academia Sinica and Director of Department of Intellectual Property and Technology Transfer, Academia Sinica	—	—	—	
Independent Director	R.O.C	SONG MENG-YANG	M 31~40	Jun 25, 2025	3	Jun 25, 2025	0	0.00%	0	0.00%	—	—	—	—	.Master of Law, Department of Law, National Chung Cheng University .Lawyer of CHOU CHUN MI law firm .Lawyer of SONG MENG YANG law	Lawyer of SONG MENG-YANG law firm	—	—	—	

Title	Nationality/ Place of Incorporation	Name	Gender Age	Date of election	Term (Year)	Date of 1st election	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other position in the company or other company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Remarks
							Share	%	Share	%	Share	%	Share	%			Title	Name	Relation	
															firm					
Independent Director	R.O.C	CHEN,JENG-HORNG (Note 2)	M 51~60	Jun 25, 2025	3	Jun 25, 2025	0	0.00%	0	0.00%					.PhD in Naval Architecture and Marine Engineering, University of Michigan (Ann Arbor) .Associate Professor and Chair, Department of Systems and Naval Mechatronic Engineering, National Cheng Kung University .Chairman of CSBC Corporation, Taiwan	Chairman of CSBC Corporation, Taiwan				

Note:

(1)The term of the 19th directors starts on June 25, 2025 and ends on June 24, 2028

(2)Augest 27 2025, Chen,Jeng-Horng resigned

Augest 28 2025 Representative of Ministry of Economic Affairs, Huang, Cheng-Hung resigned, and Chen,Jeng-Horng took over his job.

2.Major shareholders of the institutional shareholders

Name of Institutional Shareholders (Note 1)	Major Shareholders of the Institutional Shareholders (Note 2)	
CPC Corporation, Taiwan	Ministry of Economic Affairs	100%

Note1: If the director or supervisor is a representative of an Institutional Shareholder, the name of the Institutional Shareholder shall be filled in.

Note2: Fill in the name of the main shareholder of the Institutional Shareholder (its shareholding ratio accounts for the top 10) and its shareholding ratio. If its major shareholders are an Institutional Shareholder, the description of point 3 should be filled in.

3. Disclosure of information on the professional qualifications of directors and supervisors and the independence of independent directors:

Conditrion / Name	Professional qualifications and experience (Note1)	Independence situation (Note2)	Number of serve as independent director of other companies
CHEN JENG-HORNG	1.Chairman of CSBC Corporation, Taiwan 2.Experience:Associate Professor and Chair, Department of Systems and Naval Mechatronic Engineering, National Cheng Kung University	-	0
LAI,CHIEN-HSIN	1.Vice Minister Ministry of Economic Affairs 2.Experience: Director General, Water Resources Agency, MOEA	-	0
JHANG,YI-DE	1.Director of Enterprise Union of Kaohsiung CSBC Corporation Taiwan 2.Experience:Director of the Employee Welfare Committee of CSBC Corporation, housand	-	0

Conditrion / Name	Professional qualifications and experience (Note1)	Independence situation (Note2)	Number of serve as independent director of other companies
WU, WEN-KUEI	1.Counselor and Director of The Office of the Zhongxing New Village Revitalization Project of National Development Council 2.Experience:Central Region Branch, National Property Administration Director	-	0
WANG, CHAU-CHANG	1.National Sun Yat-sen University and Director of Taiwan Ocean Research Institute 2.Experience:Dean of the College of Marine Sciences, National Sun Yat-sen University		0
MAO, ZHEN-TAI	1.Director of Congress and press contact Center, National Development Council 2.Experience:Deputy director of National Spatial Planning and Development departmentr, National Development Fund		0
YANG, JI-RONG	1.Deputy Chief of Mnistry of Defense 2.Experience:Deputy commander of Army Command Headquarter	-	0

Conditrion / Name	Professional qualifications and experience (Note1)	Independence situation (Note2)	Number of serve as independent director of other companies
CHEN, LI-HSUI (Independent Director)	1.Juris Doctor of University of Virginia, UVA 2.Get a CPA Certificate 3.Served as a Mediator of the Mediation Committee, Securities and Futures Investors Protection Center 4.None of Article 30 of the Company Law	Self, spouse, relatives within the second degree 1.No director, supervisor or employee of the company or its affiliates 2.No shares of the company held 3.No director, supervisor or employee of a company that has a specific relationship with the company	1
CHIOU WEN-TSONG (Independent Director)	1.Receive a practicing certificate 2.Researcher at the Institutum Iurisprudentiae of Academia Sinica and Director of Department of Intellectual Property and Technology Transfer, Academia Sinica 3.None of Article 30 of the Company Law	Self, spouse, relatives within the second degree 1.No director, supervisor or employee of the company or its affiliates 2.No shares of the company held 3.No director, supervisor or employee of a company that has a specific relationship with the company	0
SONG MENG-YANG (Independent Director)	1.Receive a practicing certificate 2.Lawyer of SONG MENG YANG law firm 3.None of Article 30 of the Company Law	Self, spouse, relatives within the second degree 1.No director, supervisor or employee of the company or its affiliates 2.No shares of the company held 3.No director, supervisor or employee of a company that has a specific relationship with the company	0

Note1：Professional qualifications and experience: Explain the professional qualifications and experience of individual directors and supervisors. If they are members of the audit committee and have accounting or financial expertise, they should state their accounting or financial background and work experience, and also state whether there is any violation of Article 30 of the Company Law.

Note2：Independent directors shall state their independence, including but not limited to whether they, their spouse, or relatives within the second degree are the directors, supervisors or employees of the company or its affiliated companies; The number and

proportion of the company's shares held in the name of another person; whether to serve as a director or supervisor of a company that has a specific relationship with the company (refer to the provisions of Article 3, Subparagraph 1, Subparagraphs 5 to 8 of the Regulations on the Establishment of Independent Directors and Matters to be Obeyed by Public Offering Companies). Persons or employees; the amount of remuneration received for providing business, legal, financial, accounting and other services to the company or its affiliates in the last two years.

4. Board Diversity and Independence：

(1) Board member Diversity

A.Diversity Policy

Pursuant to Article 20, Paragraph 2 of the Company's "Code of Corporate Governance"，the composition of the board of directors of the company should consider diversity，and formulate an appropriate diversification policy according to its own operation, operation type and development needs, which should include but not limited to the following two major aspects of the standard：

A.Basic conditions and values: gender, age, nationality and culture, etc.

B.Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

Board members should generally possess the knowledge, skills and qualities necessary to perform their dutie.In order to achieve the ideal goals of corporate governance, the overall capabilities of the board of directors are as follows：

a.Operational Judgment

b.Accounting and financial analysis skills

c.Management ability

d.Crisis management ability

e.Industry knowledge

f.International market view

g.Leadership

h.Decision-making capacity

i.Legal profession

B.Specific management objectives

The board of directors of the company shall guide the company's strategy, supervise the management level, and be responsible to the company and shareholders. The various operations and arrangements of its corporate governance system shall ensure that the board of directors exercises its powers in accordance with the provisions of laws, the company's articles of association or the resolutions of the shareholders' meeting.

The specific management objectives are as follows:

a.Pay attention to gender equality among members, and the board of directors should include at least one female director.

b.Focus on operational judgment, management and crisis handling capabilities. More than 2/3 of the board members should have the ability to handle relevant core projects.

c.Independent directors may not serve for more than three consecutive terms to maintain their independence.

d.The number of directors who are employees of the company, parent company, subsidiary company or sister company should be less than or equal to 1/3 of the board seats to achieve the purpose of supervision.

C.Diversity of board members achieved

The 19th board of directors of the company have 10 directors (including 3 independent directors), possess business judgment, leadership decision-making, business management, international market outlook, and crisis management capabilities.

The implementation of the diversification of the 19th Board of Directors of the Company is as follows：

Basic information					Year of independent director		A	B	C	D	E	F	G	H	I
Name	Gender	Employees of the company	Age												
			Over 60 years old	Under 60 years old	3 years or less	4-8									
CHEN JENG-HORNG	M			✓	-	-	✓		✓	✓		✓	✓	✓	✓
LAI,CHIEN-HSIN	M			✓		-				✓	✓	✓	✓	✓	
JHANG,YI-DE	M	✓		✓	-	-	✓			✓	✓	✓	✓	✓	
WU,WEN-KUEI	M			✓	-	-			✓				✓		
WANG, CHAU-CHANG	M			✓	-	-	✓				✓				
MAO, ZHEN-TAI	M			✓	-	-	✓			✓		✓			
YANG JI-RONG	M			✓	-	-			✓	✓		✓	✓	✓	
CHEN, LI-HSUI	F			✓	✓		✓	✓	✓	✓				✓	✓
SONG MENG-YANG	M			✓	✓					✓				✓	✓
CHIOU WEN-TSONG	M			✓	✓					✓				✓	✓

(2)Board independence

A. The average term of office of the 19th Board of Directors of the Company is 2 years.All board members are from the country. The composition structure is30% for 3 independent directors and 10% for 1 directors with employee status. The age distribution range of board members is: 7 directors are under 60 years old and 3 directors are over 60 years old. The current board of directors includes 1 female member, accounting for 10% of female directors.We will continue to encourage shareholders to nominate female director candidates to increase the proportion of female directors.

B.The orientation, complementarity and implementation of director diversity have met the standards set out in Article 20 of the Code of Corporate Governance. In the future, we will continue to update the diversity policy in a timely manner depending on the operation of the board of directors, the type of operation and the development needs, including but not limited to the two major standards of basic conditions and values, professional knowledge and skills, so as to ensure that board members should generally have the necessary skills to perform their duties. Necessary knowledge, skills and literacy.

2.1.2 Information of the President, Executive Vice President and department Heads

January 27, 2026; Unit: share

Title	Name	Gender	Nationality/ Place of Incorporation	Date of election	Current Shareholding (Note 11)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other position in the company or other company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Re-marks
					Share	%	Share	%	Share	%			Title	Name	Relation	
President	Cai, Kun-Zong	M	R.O.C	October 29, 2024	0	0%	0	0%	0	0%	1. Master of Naval Engineering, National Taiwan University 2. Senior Engineer and Manager of Basic Design Section of Section, Department of Design 3. Deputy Director of Department of Material 4. Director of Department of Sales 5. Director of Department of Design 6. Director of President officeproject, Chief Executive 7. Executive Vice President	1. Chairman of CSBC Coating Solutions Co., Ltd. 2.Director of CSBC Power Technology Co., Ltd 3. Managing Director of Ship and Ocean Industries R&D Center	None	None	None	
Executive Vice President	Zhou, Zhi-Ming	M	R.O.C	August 2, 2017	45, 000	0. 00353%	0	0%	0	0%	1. Master of Shipbuilding Engineering, University of Michigan 2. Section Manager of Hull Design Section, Department of Design 3. Deputy Director of Department of Design 4. Director of Department of Sales 5. Director of Department of Design	Director of CR CLASSIFICATION SOCIETY	None	None	None	
Executive Vice President	Yan, Cong-Hui	M	R.O.C	May 11, 2022	0	0%	0	0%	0	0%	1. Department of Marine Engineering, National Kaohsiung Marine University. 2.Senior Engineer of Qinye Factory. 3.Senior Engineer and Director of Department of Quality Assurance 4. Deputy General Manager of Outfitting Works 5. General Manager of Outfitting Works	None	None	None	None	
Executive Vice President	Yu, Mao-Hua	M	R.O.C	October 29, 2024	25, 749	0. 00202%	0	0%	0	0%	1. Master of Industrial Engineering and Innovation Management, Kaohsiung University of Applied Sciences 2. Shop Master of Hull Works Primary Manufacturing Shop/Erecting Shop/ Super Structure Shop 3. Deputy General Manager of Hull Works 4. Director and Deputy Director of Department of Planning 5. General Manager of Hull Works 6. General Manager of Outfitting Works 7.Director of Department of Human Resources and Administration 8.Director of Department of Planning 9.Director of Department of Design 10.Chief Executive of Project Management Office 11.Director of Department of Combat System	1. Director of CSBC Power Technology Co., Ltd 2.Director of CDWE Green Jade Shipowner Co., Ltd.	None	None	None	
Chief Supervisor	Kao, Chien-I	M	R.O.C	May 11,2022	0	0%	0	0%	0	0%	1.Department of Marine Engineering, National Taiwan Ocean University 2.Senior Engineer of Outfitting Works 3.Shop Master of Outfitting Works 4.Deputy General Manager of Outfitting Works 5.General Manager of Outfitting Works 6. General Manager of Hull Works 7. Executive Vice President	Director of CSBC Power Technology Co., Ltd	None	None	None	
Secretary General of Secretariat Office of the Board	Wang,Shu-Ching	F	R.O.C	March 9, 2024	0	0%	0	0%	0	0%	1.Department of International Business, Tunghai University 2. Senior Officer and Section Manager of Procurement Section, Department of Material 3. Section Manager of Coordination Section of Department of Material 4. Deputy Director of Department of HR and Administration 5. Deputy Director of Department of Material	Director of TAIWAN OFFSHORE WIND FARM SERVICES CORPORATION	None	None	None	
Auditor General of Audit Office	Hung, Chung-Ching	M	R.O.C	March 9, 2024	0	0%	0	0%	0	0%	1.Shu-Te University 2.Senior Technician of Qinye Factory. 3.Senior Engineer of Ship Repair Works. 4.Section Manager of Business Section, Ship Repair Works. 5.Deputy General Manager of Ship Repair Works.	None	None	None	None	

Title	Name	Gender	Nationality/ Place of Incorporation	Date of election	Current Shareholding (Note 11)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other position in the company or other company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Re-marks
					Share	%	Share	%	Share	%			Title	Name	Relation	
											6. Director of Department of Human Resources and Administration. 7. Secretary General of Board of Director and concurrently serves as Corporate Governance Officer.					
Director of Department of Finance and Accounting	Ku, Pei-Hsien	F	R.O.C	March 11, 2025	15,701	0.00123%	0	0%	0	0%	1. Master of Business Administration, National Cheng Kung University 2. Senior Officer of Bookkeeping and Audit Section, Department of Accounting 3. Senior Officer of Accounting Section, Department of Accounting 4. Section Manager of Accounting Section, Department of Finance and Accounting 5. Deputy Director of Department of Finance and Accounting	None	None	None	None	Note4
Director of Department of Sales	Yuan, Guo-Long	M	R.O.C	August 8, 2024	865	0.00007%	0	0%	0	0%	1. National Taiwan Ocean University 2. Senior Engineer of Design Department 3. Senior Engineer and Section Manager of Merchant Shipping Section, Department of Sales 4. Deputy Director and Director of Department of Sales 5. Deputy Director of Department of Design	None	None	None	None	
Director of Department of Design	Lin, Ching-Huang	M	R.O.C	March 11, 2025	38,361	0.00301%	0	0%	0	0%	1. Master of Department of Mechanical and Automation Engineering, Kaohsiung University of Science and Technology 2. Senior Engineer and Section Manager of Hull Design Section, Department of Design 3. Shop Master of Accommodation Shop of Hull Works 4. Deputy Director of Department of Design 5.Director of Department of Sales 6.Director of Department of Quality Assurance	None	None	None	None	Note5
Director of Department of Combat System	Teng, Ching-Szu	M	R.O.C	November 11, 2025	10,000	0.00078%	0	0%	0	0%	1.Department of Marine Engineering, R.O.C. Naval Academy 2.Master of Business Administration (MBA), I-Shou University 3.Deputy Director of Department of Combat System	None	None	None	None	Note6
Director of Department of Material	Wang, Jian-Sheng	M	R.O.C	November 11, 2023	4,120	0.00032%	0	0%	0	0%	1. Department of Shipbuilding Engineering, National Taiwan Ocean University 2. Senior Engineer of Hull Works. 3. Shop Master of Hull Repair Shop of Ship Repair Works 4.Section Manager of Department of Quality Assurance, Department of Material 5. Deputy Director and Director of Department of Material	None	None	None	None	
Director of Department of Planning	Li, Yan-Qiang	M	R.O.C	August 8, 2024	46,214	0.00363%	0	0%	0	0%	1. Master of Naval Engineering, National Taiwan University 2. Master of Department of Business Management, National Sun Yat-sen University 3. Senior Engineer of Department of Design 4. Section Manager of Enterprise Research Section, Department of Planning 5.Director and Deputy Director of Department of Planning 6. Deputy Director of Department of Human Resources and Administration 7. Director of Department of Environmental Protection and Public Utilities 8. Director of Department of Human Resources and Administration 9.Secretary General of Secretariat Office of the Board 10.Project Manager 11.Director of Department of Planning and concurrently serves as Corporate Governance Officer.	None	None	None	None	Note7
General Manager of Outfitting Works	Chen, Shi-Ming	M	R.O.C	August 8, 2024	0	0%	0	0%	0	0%	1. Department of Mechanical Engineering, National Taipei University of Technology. 2. Senior Engineer of Accommodation Fitting Shop / Machinery Fitting Shop, Outfitting Works.	None	None	None	None	

Title	Name	Gender	Nationality/ Place of Incorporation	Date of election	Current Shareholding (Note 11)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other position in the company or other company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Re-marks
					Share	%	Share	%	Share	%			Title	Name	Relation	
											3. Shop Master of Accommodation Fitting Shop / Machinery Fitting Shop, Outfitting Works. 4. Section Manager of Production Control Section, Outfitting Works. 5. Deputy General Manager of Outfitting Works.					
General Manager of Hull Works	Tseng, Ray-I	M	R.O.C	March 13, 2023	0	0%	0	0%	0	0%	1.Senior Engineer of Hull Works. 2.Shop Master of Erecting Shop of Hull Works.	None	None	None	None	
General Manager of Ship Repair Works	Yue, Jiann-Been	M	R.O.C	August 8, 2024	31,675	0.00249%	0	0%	0	0%	1.Senior Engineer of Qinye Factory 2.Senior Engineer of Department of Design 3.Section Manager of Keelung Design Section 4.Shop Master of Machinery and Electrical Fitting Shop 5.Director of President officeproject 6.Section Manager of Business Section,Machinery Works 7.Section Manager of Business Section of Department of Ship Management 8.Deputy Director of Project Management Office 9.eputy Director of Department of Design 10.Director of Department of Ship Management	None	None	None	None	
General Manager of IDS Works	Liu, Si-Wei	M	R.O.C	November 12, 2020	11,125	0.00087%	0	0%	0	0%	1. Department of Voyage, R.O.C. Naval Academy 2. Master of Strategy of U.S. Naval War College	None	None	None	None	
Director of Department of Information Technology	Huang, Fu-Hsiang	M	R.O.C	March 18, 2019	3,729	0.00029%	0	0%	0	0%	1. Master of Department of Electrical Engineering, Kaohsiung University of Science and Technology 2. Senior Engineer of Network Section, Department of Information Technology 3. Section Manager of Network Section, Department of Information Technology	None	None	None	None	
Director of Department of Quality Assurance	Ting,An-Chun	M	R.O.C	March 11, 2025	36,630	0.00287%	0	0%	0	0%	1.Department of Marine Engineering, National Taiwan Ocean University 2.Senior Engineer of Department of Design 3.Section Manager of Department of Design 4. Section Manager of Department of Material 5.Deputy Director of Department of Material 6. Deputy Director of Department of Design	Director of the Society for Nondestructive Testing & Certification of Taiwan	None	Noen	None	Note8
Director of Department of Human Resources and Administration	Wang, Shu-Ching	F	R.O.C	March 9, 2024	0	0%	0	0%	0	0%	1.Deparment of International Business, Tunghai University 2. Senior Officer and Section Manager of Procurement Section, Department of Material 3. Section Manager of Coordination Section of Department of Material 4. Deputy Director of Department of Human Resources and Administration 5. Deputy Director of Department of Material 6. Concurrently serves as the Secretary General of Secretariat Office of the Board	Director of TAIWAN OFFSHORE WIND FARM SERVICES CORPORATION	None	None	None	
Director of Department of Occupational Safety and Health	Hou, Ya-Wen	M	R.O.C	March 13, 2023	0	0%	0	0%	0	0%	1. Department of Mechanical Engineering, National Taiwan University of Science and Technology 2. Section Manager of Production Control Section, Department of Planning 3. Shop Master of Accommodation Shop of Hull Works 4. Deputy General Manager of Hull Works 5. Director of Department of Environmental Protection and Public Utilities 6.General Manager of Hull Works	None	None	None	None	
Director of Department of Environmental Protection	Tsai, Jiann-Yuh	M	R.O.C	March 11, 2025	0	0%	0	0%	0	0%	1.Master of Science in Industrial Engineering and Management, National Kaohsiung University of Applied Sciences 2.Senior Engineer of Department of Design 3.Senior Engineer of Qinye Factory 4.Senior Engineer of Production Control Section, Department of Planning	None	None	None	None	Note9

Title	Name	Gender	Nationality/ Place of Incorporation	Date of election	Current Shareholding (Note 11)		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other position in the company or other company	Executives, Directors or Supervisors Who are Spouses or within Two Degrees of Kinship			Re-marks
					Share	%	Share	%	Share	%			Title	Name	Relation	
and Public Utilities											5.Section Manager of Purchasing Section of Department of Material 6.Team leader and Section Manager of Submarine Development Center. 7.Master and Deputy Director and Chief Executive of Project Management Office. 8. Director of Department of Planning and concurrently serves as Corporate Governance Officer. 9.Director of Department of Design					
Director of Department of Ship Management	Zhan, Yi-Gui	M	R.O.C	August 8, 2024	23,264	0.00183%	0	0%	0	0%	1.Department of Marine Engineering, National Taiwan Ocean University 2.Master of Department of Business Management, National Sun Yat-sen University 3. Senior Engineer of Ship Repair Works 4. Section Manager of Business Section, Ship Repair Works 5. Deputy General Manager of Ship Repair Works 6.General Manager of Ship Repair Works	None	None	None	None	
General Manager of Keelung Yard	Shih, Yen-Hui	M	R.O.C	November 12, 2022	0	0%	0	0%	0	0%	1. Department of Shipbuilding Engineering, National Taiwan Ocean University 2. Senior Engineer of Coating Shop , Hull Works 3.Senior Engineer of Coating Shop/Hull Outfitting Shop/ Primary Manufacturing Shop, Keelung Yard. 4.Section Manager of Keelung Design Section. 5.Shop Master of Hull Outfitting Shop, Keelung Yard. 6. Shop Master of Machinery and Electrical Fitting Shop	None	None	None	None	
Chief Executive of Project Management Office	Hu, Chia-Sheng	M	R.O.C	June 1, 2025	0	0%	0	0%	0	0%	1.Master of Public Affairs Management, Kainan University 2.Project Manager 3. Vice Chief Executive of Project Management Office	None	None	None	None	Note10

Note1: Information about the President, Executive Vice President, heads of departments and branches should be included, and any position equivalent to President, Executive Vice President or Associate Manager, regardless of job title, should also be disclosed.

Note2: The experience relates to the current position. If someone has worked in a certification audit firm or affiliated company during the previous disclosure period, he/she should state the job title and the responsible position.

Note3: When the general manager or a person with equivalent positions (the top manager) and the chairman of the board are the same person, each other's spouse or relatives, the related information such as the reason, rationality, necessity and corresponding measures shall be disclosed (such as increasing the number of independent directors and should have more than half of the directors are not part-time employees or managers, etc.).

Note4:March 10, 2025, the meeting of Board of Directors approved the proposal of Ku, Pei-Hsien as Director of Department of Finance and Accounting.

Note5:March 10, 2025, the meeting of Board of Directors approved the transfer of Tsai, Jiann-Yuh; Lin,Ching-Huang was appointed as Director of Department of Design, effective March 11, 2025.

Note 6: November 10, 2025, the meeting of Board of Directors approved the proposal of Teng,Ching-Szu as Director of Department of Combat System.

Note7:August 8,2024, the meeting of Board of director approved the proposal of Li, Yan-Qiang the director of Department of Planning to concurrently serve as the director of corporate governance.

Note 8: March 10, 2025, the meeting of Board of Directors approved the transfer of Lin, Ching-Huang; Ting,An-Chun was appointed as Director of Department of Quality Assurance, effective March 11, 2025.

Note 9: March 10, 2025, the meeting of Board of Directors approved the transfer of Lin, Hung-Chang; Tsai,Jiann-Yuh was appointed as Director of Department of Environmental Protection and Public Utilities, effective March 11, 2025.

Note 10: June 1, 2025, Hu, Chia-Sheng was promoted to Chief Executive of Project Management Office.

Note 11: Accourding to Register of Shareholders on April 27,2026.

(1) Remuneration paid to General Directors and Independent Director in 2025 (Individual disclosure of Name and remuneration method)

December 31, 2025; Unit: NT$ thousands

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (Note 10)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (Note 10)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary. (Note 11)
		Base Compensation (A) (Note 2)		Retirement pension (B)		Directors Compensation (C) (Note 3)		Business execution costs (D) (Note 4)				Salaries, bonuses and special expenses, etc. (E) (Note 5)		Retirement pension (F)		Employee compensation (G) (Note 6) (Accual Amount in 2022)						
																The company		All companies in the consolidated financial statements (Note 7)				
		The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	Cash	Stock	Cash	Stock	The company	All companies in the consolidated financial statements	
Chairman	Ministry of Economic Affairs Representative CHEN,JENG-HORNG	967	982	0	0	0	0	0	0	-0.043%	-0.043%	0	0	0	0	0	0	0	0	-0.043%	-0.043%	None
Director	Former Ministry of Economic Affairs Representative HUANG,CHENG-HUNG (August 27,2025 Dismissal)	2,174	2,237	0	0	0	0	0	0	-0.096%	-0.099%	0	0	0	0	0	0	0	0	-0.096%	-0.099%	None
Director	Ministry of Economic Affairs Representative: LAI,CHIEN-HSIN(March 24,2025 reassign)	0	0	0	0	0	0	0	0	0.000%	0.000%	0	0	0	0	0	0	0	0	0.000%	0.000%	None

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (Note 10)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (Note 10)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary. (Note 11)
		Base Compensation (A) (Note 2)		Retirement pension (B)		Directors Compensation (C) (Note 3)		Business execution costs (D) (Note 4)				Salaries, bonuses and special expenses, etc. (E) (Note 5)		Retirement pension (F)		Employee compensation (G) (Note 6) (Accual Amount in 2022)						
																The company		All companies in the consolidated financial statements (Note 7)				
																Cash	Stock	Cash	Stock			
		The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)					The company	All companies in the consolidated financial statements	
Director	Former Ministry of Economic Affairs Representative: Ho,Chin-Tsang(March 24,2025 Dismissal)	29	29	0	0	0	0	0	0	-0.001%	-0.001%	0	0	0	0	0	0	0	0	-0.001%	-0.001%	None
Director	Ministry of Economic Affairs Representative: JHANG, YI-DE	0	0	0	0	0	0	0	0	0.000%	0.000%	1,179	1,179	0	0	0	0	0	0	-0.052%	-0.052%	None
Director	Former Ministry of Economic Affairs Representative: LI, GUO-JI(June 25, 2025 Expiration of term)	0	0	0	0	0	0	0	0	0.000%	0.000%	842	842	0	0	0	0	0	0	-0.037%	-0.037%	None

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (Note 10)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (Note 10)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary. (Note 11)
		Base Compensation (A) (Note 2)		Retirement pension (B)		Directors Compensation (C) (Note 3)		Business execution costs (D) (Note 4)				Salaries, bonuses and special expenses, etc. (E) (Note 5)		Retirement pension (F)		Employee compensation (G) (Note 6) (Accual Amount in 2022)						
																The company		All companies in the consolidated financial statements (Note 7)				
		The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	Cash	Stock	Cash	Stock	The company	All companies in the consolidated financial statements	
Director	Ministry of National Development Fund, Executive Yuan Representative: WU, WEN-KUEI	125	125	0	0	0	0	0	0	-0.006%	-0.006%	0	0	0	0	0	0	0	0	-0.006%	-0.006%	None
Director	Former Ministry of National Development Fund, Executive Yuan Representative: LIN, CHIH-LUNG(June 25, 2025 Expiration of term)	61	61	0	0	0	0	0	0	-0.003%	-0.003%	0	0	0	0	0	0	0	0	-0.003%	-0.003%	None
Director	Ministry of National Development Fund, Executive Yuan Representative: WANG, CHAU-CHANG	125	125	0	0	0	0	0	0	-0.006%	-0.006%	0	0	0	0	0	0	0	0	-0.006%	-0.006%	None
Director	Ministry of National Development Fund, Executive Yuan Representative: MAO, ZHEN-TAI	125	125	0	0	0	0	0	0	-0.006%	-0.006%	0	0	0	0	0	0	0	0	-0.006%	-0.006%	None
Director	Former Ministry of Yao-Hwa Co., Ltd Management Commission Representative: Lu, Wen-Tsan(June 25, 2025 Expiration of term)	61	61	0	0	0	0	0	0	-0.003%	-0.003%	0	0	0	0	0	0	0	0	-0.003%	-0.003%	None

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (Note 10)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (Note 10)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary. (Note 11)
		Base Compensation (A) (Note 2)		Retirement pension (B)		Directors Compensation (C) (Note 3)		Business execution costs (D) (Note 4)				Salaries, bonuses and special expenses, etc. (E) (Note 5)		Retirement pension (F)		Employee compensation (G) (Note 6) (Accual Amount in 2022)						
																The company		All companies in the consolidated financial statements (Note 7)				
																Cash	Stock	Cash	Stock			
		The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)					The company	All companies in the consolidated financial statements	
Director	Former Foundation National Defense Industrial Development Foundation Representative/ Ministry of Yao-Hwa Co., Ltd Management Commission Representative: YANG JI-RONG	115	115	0	0	0	0	0	0	-0.005%	-0.005%	0	0	0	0	0	0	0	0	-0.005%	-0.005%	None
Director	CPC Corporation, Taiwan (Representative Director) Representative YIN,LING-YING (June 25, 2025 Expiration of term)	61	61	0	0	0	0	0	0	-0.003%	-0.003%	0	0	0	0	0	0	0	0	-0.003%	-0.003%	None
Director	Former Industrial Labor Union of CSBC Kaohsiung Representative: LEE,CHIH-CHUNG (June 25, 2025 Expiration of term)	61	61	0	0	0	0	0	0	-0.003%	-0.003%	498	498	0	0	0	0	0	0	-0.025	-0.025%	None
Former Independent Director	LIEU, DER-MING (June 25, 2025 Expiration of term)	350	350	0	0	0	0	0	0	-0.015%	-0.015%	0	0	0	0	0	0	0	0	-0.015%	-0.015%	None
Former Independent Director	CHEN, CHIH-YANG (June 25, 2025 Expiration of term)	350	350	0	0	0	0	0	0	-0.015%	-0.015%	0	0	0	0	0	0	0	0	-0.015%	-0.015%	None
Former Independent Director	LIN, HUI-JENG (June 25, 2025 Expiration of term)	350	350	0	0	0	0	0	0	-0.015%	-0.015%	0	0	0	0	0	0	0	0	-0.015%	-0.015%	None

Title	Name	Remuneration								Ratio of Total Remuneration (A+B+C+D) to Net Income (Note 10)		Relevant Remuneration Received by Directors Who are Also Employees								Ratio of Total Compensation (A+B+C+D+E+F+G) to Net Income (Note 10)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary. (Note 11)
		Base Compensation (A) (Note 2)		Retirement pension (B)		Directors Compensation (C) (Note 3)		Business execution costs (D) (Note 4)				Salaries, bonuses and special expenses, etc. (E) (Note 5)		Retirement pension (F)		Employee compensation (G) (Note 6) (Accual Amount in 2022)						
																The company		All companies in the consolidated financial statements (Note 7)				
		The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements	The company	All companies in the consolidated financial statements (Note 7)	The company	All companies in the consolidated financial statements (Note 7)	Cash	Stock	Cash	Stock	The company	All companies in the consolidated financial statements	
Independent Director	CHIOU WEN-TSONG	372	372	0	0	0	0	0	0	-0.016%	-0.016%	0	0	0	0	0	0	0	0	-0.016%	-0.016%	None
Independent Director	CHEN LI-HSUI	372	372	0	0	0	0	0	0	-0.016%	-0.016%	0	0	0	0	0	0	0	0	-0.016%	-0.016%	None
Independent Director	SONG MENG-YANG	372	372	0	0	0	0	0	0	-0.016%	-0.016%	0	0	0	0	0	0	0	0	-0.016%	-0.016%	None
Former Independent Director	CHEN JENG-HORNG (August 27,2025 Resignation)	124	124	0	0	0	0	0	0	-0.005%	-0.005%	0	0	0	0	0	0	0	0	-0.005%	-0.005%	None
Remarks	1. Please state the policy, system, standard and structure of the Independent Director's remuneration payment, and state the correlation with the amount of remuneration based on the responsibilities, risks, investment time and other factors.: The company has set "Key points of remuneration of Director and Independent Director of CSBC Corporation Taiwan", expressly stipulating that the Independent Director shall have a monthly remuneration of NT$60,000, and shall not receive additional director remuneration. The Independent Director also serves as a member of the Audit Committee and the Remuneration Committee. Director's payment policy is related to factors such as responsibilities, risks, and investment time. 2. Except as disclosed in the above table, the remuneration received by company directors for services in the most recent year (such as serving as a consultant for non-employees of the parent company / all companies listed in the financial report / reinvestment enterprises, etc.) : None																					

Note1: The names of directors should be listed separately (institutional shareholders should list the names and representatives of legal person shareholders separately), and general directors and independent directors should be listed separately, and the payment amounts should be disclosed in a summary manner. If the director is also the president or VP, please fill in this form and the second section.

Note2: Refers to the remuneration of directors in the most recent year (including directors' salaries, position bonuses, severance pay, various bonuses, incentives, etc.).

Note3: Fill in the amount of directors' remuneration approved by the board of directors in the most recent year.

Note4: Refers to directors' relevant business execution expenses in the most recent year (including carriage fees, special expenses, various allowances, dormitories, car allocation, etc.). When providing housing, cars and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, the actual or fair market price rent, gas and other payments should be disclosed. In addition, if there is a driver, please note that the company pays the relevant remuneration to the driver, but it will not be included in the remuneration.

Note5: Refers to the recent years that directors and concurrently employees (including concurrently serving as President, Executive Vice President, other managers and employees) received including salary, job bonus, severance payment, various bonuses, incentives, carriage fees, special expenses, various allowances, dormitories, Provision of physical goods such as car distribution, etc. When providing housing, cars and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, the actual or fair market price rent, gas and other payments should be disclosed. In addition, if there is a driver, please note the relevant remuneration paid by the company to the driver, but it will not be included in the remuneration. In addition, salary

expenses recognized in accordance with IFRS 2 "Share Based Payment", including obtaining employee stock options, restricting employee rights, new shares, and participating in cash capital increase subscription for shares, should also be included in remuneration.

Note6: Refers to those who have received employee remuneration (including stocks and cash) for concurrent directors and employees (including concurrent President, Executive Vice President, other managers and employees) in the most recent year, and the amount of employee compensation approved by the board of directors in the most recent year shall be disclosed. If it is not possible to estimate, the proposed distribution amount for this year shall be calculated based on the actual distribution amount last year, and the section 4 shall be filled in.

Note7: The total amount of remuneration paid to the directors of the company by all companies (including the company) in the consolidated report shall be disclosed.

Note8: The company pays each director the total amount of remuneration and reveals the name of the director in the attribution level.

Note9: The total amount of remuneration paid to each director of the company by all companies (including the company) in the consolidated report shall be disclosed, and the names of the directors shall be disclosed in the attribution level.

Note10: Net profit after tax refers to the net profit after tax of the individual or individual financial report in the most recent year.

Note11: a. This column should clearly state the amount of relevant remuneration received by the directors of the company from the non-subsidiary investment business or the parent company (if none, please fill in "none").

b. If the directors of the company receive remuneration from the non-subsidiary reinvestment business or the parent company, the remuneration received by the company directors from the non-subsidiary reinvestment business, or the parent company shall be included in column I of the remuneration scale table The field name was changed to "Parent Company and All Reinvested Businesses".

c. Remuneration refers to the remuneration, remuneration (including the remuneration of employees, directors and supervisors) and business execution expenses received by the directors of the company as directors, supervisors or managers of non-subsidiary investment enterprises or parent companies.

＊The content of the remuneration disclosed in this table is different from the income concept of the income tax law, so the purpose of this table is for information disclosure and not for taxation.

(2) Remuneration paid to President and Executive Vice President in 2025 (Individual disclosure of Name and remuneration method)

December 31, 2025; Unit: NT$ thousands

Title (Note1)	Name	Base Compensation (A) (Note2)		Retirement pension (B)		Bonuses and Allowances (C) (Note3)		Employee Compensation (D) (Note4) (Actual amount in 2023)				Ratio of total compensation (A+B+C+D) to net income (%) (Note8)		Compensation Paid to the GM and DEPUTY GENERAL MANAGERs from an Invested Company Other than the Company's Subsidiary (Note9)
		The company	All companies in the consolidated financial statements (Note5)	The company	All companies in the consolidated financial statements (Note5)	The company	All companies in the consolidated financial statements (Note5)	The company		All companies in the consolidated financial statements (Note5)		The company	All companies in the consolidated financial statements (Note5)	
								Cash	Stock	Cash	Stock			
President	Cai, Kun-Zong	2,408	2,504	0	0	293	299	0	0	0	0	-0.120%	-0.124%	None
Executive Vice President	Zhou, Zhi-Ming	1,993	1,993	0	0	267	267	0	0	0	0	-0.100%	-0.100%	None
Executive Vice President	Yan, Cong-Hui	1,985	1,985	0	0	267	267	0	0	0	0	-0.100%	-0.100%	None
Executive Vice President	Yu, Mao-Hua	2,246	2,246	0	0	255	255	0	0	0	0	-0.111%	-0.111%	None
Chief Supervisor	Gao, Jian-Yi	1,928	1,928	0	0	261	261	0	0	0	0	-0.097%	-0.097%	None

Remarks	＊Regardless of job title, anyone whose position is equivalent to general manager or deputy general manager (for example: president, chief executive, director... etc.) should be disclosed. 1.Cai, Kun-Zong: President as well as Chairman of CSBC Coating Solutions Co., Ltd.

Note1: The names of President and VP should be listed separately, and the payment amounts should be disclosed in a summary manner. If the director is also the president or VP, please fill in this form and the first section.

Note2: Fill in the most recent annual president and VP's salaries, position bonuses, and severance pay.

Note3: Fill in the recent annual president and VP's various bonuses, incentives, carriage fees, special expenses, various allowances, dormitories, car distribution, etc., and other remuneration amounts. When providing housing, cars and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, the actual or fair market price rent, gas and other payments should be disclosed. If there is a driver, please indicate the relevant remuneration paid by the company to the driver, but it will not be included in the remuneration. In addition, salary expenses recognized in accordance with IFRS 2 "Share Based Payment", including obtaining employee stock options, restricting employee rights, new shares, and participating in cash capital increase subscription for shares, should also be included in remuneration.

Note4: Fill in the amount of employee compensation (including stocks and cash) approved by the board of directors for the distribution of the president and VP in the most recent year. If it is not possible to estimate, calculate the proposed distribution of this year based on the proportion of the actual distribution of last year, and fill the info in the schedule 1-3.

Note5: The total amount of remuneration paid to the president and VP of the company by all companies (including the company) in the consolidated report shall be disclosed.

Note6: The company pays the total amount of remuneration to each president and VP and reveals the names of the president and VP in the hierarchy to which they belong.

Note7: The total amount of remuneration paid to each president and VP of the company by all companies (including the company) in the consolidated report shall be disclosed, and the names of the president and VP shall be disclosed in the attribution level.

Note8: Net profit after tax refers to the net profit after tax in the most recent year; if IFRS has been adopted, net profit after tax refers to the net profit after tax of the individual or individual financial report in the most recent year.

Note9: a. This column should clearly indicate the amount of remuneration related to the reinvestment business received by the president and VP of the company from non-subsidiaries. (If none, please fill in "None")

b. If the president and VP of the company receive remuneration related to the reinvestment business outside of the subsidiary, the remuneration received by the president and VP of the reinvestment business outside the subsidiary shall be incorporated into the remuneration scale E Column and change the name of the column to "all reinvested businesses".

c. Remuneration refers to the remuneration, remuneration (including remuneration for employees, directors and supervisors) and business execution expenses received by the president and VP of the company as directors, supervisors or managers of non-subsidiary investment businesses remuneration.

＊The content of the remuneration disclosed in this table is different from the income concept of the income tax law, so the purpose of this table is for information disclosure and not for taxation.

(3) The remuneration of the top 5 managers of the company (individual disclosure of names and remuneration methods)

（Note1）

December 31, 2025; Unit: NT$ thousands

Title	Name	Base Compensation (A) (Note2)		Retirement pension (B)		Bonuses and Allowances (C) (Note3)		Employee Compensation (D) (Note4)				Ratio of total compensation (A+B+C+D) to net income (%) (Note 6)		Compensation Paid to the management from an Invested Company Other than the Company's Subsidiary (Note7)
		The Company	All companies in the consolidated financial statements (Note5)	The Company	All companies in the consolidated financial statements (Note5)	The Company	All companies in the consolidated financial statements (Note5)	The Company		All companies in the consolidated financial statements (Note5)		The Company	All companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
President	Cai, Kun-Zong	2,408	2,504	0	0	293	299	0	0	0	0	-0.120%	-0.124%	None
Executive Vice President	Zhou, Zhi-Ming	1,993	1,993	0	0	267	267	0	0	0	0	-0.100%	-0.100%	None
Executive Vice President	Yan, Cong-Hui	1,985	1,985	0	0	267	267	0	0	0	0	-0.100%	-0.100%	None
Executive Vice President	Yu, Mao-Hua	2,246	2,246	0	0	255	255	0	0	0	0	-0.111%	-0.111%	None
Chief Supervisor	Gao, Jian-Yi	1,928	1,928	0	0	261	261	0	0	0	0	-0.097%	-0.097%	None

Note1: The so-called "Top Five Remuneration Managers" refer to the managers of the company and the standards for the identification of relevant managers, based on the former 27 March 2003 No. Taiwan-Finance-Securities-III-0920001301 to stipulate the scope of application of the "manager". As for the calculation and determination principle of the "Top Five Remuneration Managers", it is based on the sum of the salaries, retirement pensions, bonuses and special expenses received by the company managers from all companies in the consolidated financial report, as well as the total amount of employee remuneration (i.e., total of (A+B+C+D)), and it is determined by the top five highest remuneration after ranking. If the director concurrently serves as the former chief executive, this table and the 2nd section should be filled in.

Note2: Fill in the salary, job bonus, and severance pay of the top five top compensation managers in the most recent year.

Note3: Fill in the various bonuses, incentives, carriage fees, special expenses, various allowances, dormitories, car allocation and other remuneration amounts for the top five top managers in the most recent year. When providing housing, cars and other means of transportation or exclusive personal expenses, the nature and cost of the assets provided, the actual or fair market price rent, gas and other payments should be disclosed. In addition, if there is a driver, please note that the company pays the relevant remuneration to the driver, but it will not be included in the remuneration. In addition, salary expenses recognized in accordance with IFRS2 "share-based payment", including obtaining employee stock option certificates, restricting employee rights, new shares, meals and cash capital increase subscription for shares, etc., should also be included in the remuneration.

Note4: The amount of compensation (including stocks and cash) of the top five management employees approved by the board of directors for the most recent year is filled in. If it is not possible to

estimate, the proposed distribution amount for this year will be calculated based on the actual distribution amount last year.

Note5: The total amount of remuneration paid to the top five top managers of the company by all companies (including the company) in the consolidated report shall be disclosed.

Note6: Net profit after tax refers to the net profit after tax of the individual or individual financial report in the most recent year.

Note7: a. This column should clearly indicate the amount of the top five remuneration executives of the company that received the relevant remuneration from the subsidiary company or the parent company (if none, fill in "none").

b. Remuneration refers to the remuneration, remuneration (including remuneration for employees, directors and supervisors) and business execution expenses received by the top five top managers of the company as directors, supervisors or managers of non-subsidiary investment businesses remuneration.

＊The content of the remuneration disclosed in this table is different from the income concept of the income tax law, so the purpose of this table is for information disclosure and not for taxation.

(4) The manager who distributes the employee compensation and the distribution situation in 2025:

The manager who did not distribute the employee compensation in 2025:

December 31, 2025 (Unit: NT$ thousands)

	Title (Note1)	Name (Note1)	Stock	Cash	Total	The ratio of the total to the net profit after tax (%)
Manager	President	Cai, Kun-Zong	0	0	0	0%
	Executive Vice President	Zhou, Zhi-Ming				
	Executive Vice President	Yan, Cong-Hui				
	Executive Vice President	Yu, Mao-Hua				
	Chief Supervisor	Gao, Jian-Yi				
	Director of Department of Finance and Accounting	Ku,Pei-Hsien				

Note1: Individual names and titles should be disclosed, but the profit distribution can be disclosed in summary.

Note2: Fill in the amount of employee compensation (including stocks and cash) approved by the board of directors for the distribution of managers in the most recent year. If it is impossible to estimate, calculate the proposed distribution amount this year based on the actual distribution amount last year. Net profit after tax refers to the net profit after tax in the most recent year. For those who have adopted the International Financial Reporting Standards, the net profit after tax refers to the net profit after tax of the individual or individual financial report in the most recent year.

Note3: According to 27 March 2003 No. Taiwan-Finance-Securities-III-0920001301, the scope of application of managers is as follows:

(1) President and equivalent

(2) Executive Vice President and equivalent

(3) Associate and equivalent

(4) Head of Finance Department

(5) Head of Accounting Department

(6) Others who have the right to manage affairs and sign for the company

Note4: If the director, president and VP receive employee compensation (including stocks and cash), in addition to filling in the above-mentioned section 2, this form should be filled.

(5) The total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, president, and executive vice prsident, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

1. The total remuneration paid by this company and by each other company included in the consolidated financial statements during the past 2 fiscal years to directors, president, and executive vice president:

Unit: %

Year	2024 (The company)	2024 (Including subsidiaries)	2025 (The company)	2025 (Including subsidiaries)
Remuneration of Director, President, Executive Vice President Total/Net profit (%)	-0.796%	-0.803%	-0.912%	-0.920%

2. Remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure:

(1)The policies of the directors' remuneration: The Article 35 of the Articles of Association of the Company as amended in accordance with Article 235-1 of the Company Act: "If the company makes a profit during the year, it shall allocate no less than 1%, and no more than 5% as employee compensation, of which no less than 30% of the total amount shall be distributed to entry-level employees, and employee compensation can be stocks or cash; No more than 1% is the director's remuneration. But if the company still has accumulated losses, it shall reserve the compensation amount in advance. The profit status of the current year as mentioned in the first paragraph refers to the profit before taxation of the current year before the distribution of employee remuneration and directors' remuneration." Directors' remuneration and employee remuneration are calculated based on the current year's pre-tax benefits minus the distribution of employee's remuneration and director's remuneration. In 2025, due to annual losses, directors' remuneration (variation remuneration) will not be paid in accordance with the regulations of the articles of association. Directors' remuneration (variation remuneration) and director performance evaluation (operating profit and loss) are related to each other, and future risks can be adjusted.

(2)The company's remuneration to directors is also based on the "Key points of remuneration of Director and Independent Director of CSBC Corporation Taiwan". Directors' monthly remuneration (fixed remuneration) is as follows:

Difference	Monthly remuneration
Director	NT$10,400
Independent Director	NT$60,000

(3)The remuneration of the chairman and president refers to the salary level of the privatized public equity business, and considers the company's operating performance or pre-tax earnings, and formulates "the remuneration of the chairman and president of the company and the president 's performance evaluation points". In 2025, due to annual losses, there is no performance bonus for the chairman and president. The remuneration of the chairman and president is related to operating performance or surplus (loss).

(6) Performance evaluation of directors and managers:

1. The performance evaluation of the directors of the company, the formulation of "The company's board of directors' performance evaluation method" and the directors' performance evaluation standards.
2. The company's managers (including President, Executive Vice President and Director of Finance and Accounting), including Executive Vice President and Director of Finance and Accounting Manager's performance evaluation standards and evaluation procedures, are handled in accordance with the "Key Points for the Implementation of the Annual Evaluation and Bonus of the Company's Practitioners".
3. President performance appraisal, adding and revising "The remuneration of the chairman and president of the company and president performance appraisal points", proposed to the board of directors on March 15, 2019 for approval, stipulating president performance appraisal standards, evaluation procedures and

performance appraisal bonuses. President's performance evaluation standards include short-term financial performance indicators and long-term performance indicators. Short-term financial performance indicators include three items: operating income achievement rate, gross profit achievement rate, and after-tax profit and loss achievement rate. Long-term performance indicators include performance of business and system reforms, R&D innovation performance, future business growth performance and corporate social responsibility execution performance.

4. Based on the manager's performance evaluation results, bonuses (variable salary) are issued, so the manager's performance evaluation is linked to the bonus.

2.2 Implementation of Corporate Governance

2.2.1 Implementation of the Board of Director

1.A total of 9 (A) meetings of the Board of Directors were held in 2025. The attendance of director was as follows:

Title	Name (Note1)	Attendance in Person (B)	By Proxy	Attendance Rate (%)【B/A】(Note 2)	Remarks
Chairman	Representative of Ministry of Economic Affairs HUANG, CHENG-HUNG	6	0	67%	Resigned on 2025/8/28
	Ministry of Economic Affairs Representative: CHEN JENG-HORNG	3	0	33%	Take office on 2025/8/28
Director	Representative of Ministry of Economic Affairs HO, CHIN-TSANG	0	1	0%	Resigned on 2025/3/24
	Ministry of Economic Affairs Representative: LAI,CHIEN-HSIN	7	0	78%	Take office on 2025/3/24
Director	Representative of Ministry of Economic Affairs JHANG,YI-DE	7	2	78%	Re-election
Director	Representative of Ministry of Economic Affairs LI, GUO-JI	3	0	100%	18th Board of Directors
Director	National Development Fund Representative: WU, WEN-KUEI	8	1	89%	Re-election
Director	National Development Fund Representative: WANG, CHAU-CHANG	9	0	100%	Re-election
Director	National Development Fund Representative:LIN, CHIH-LUNG	2	1	67%	18th Board of Directors
Director	National Development Fund Representative: MAO, ZHEN-TAI	7	2	78%	Re-election
Director	National Defense Industrial Development FoundationRepresentative YANG JI-RONG	1	1	33%	18th Board of Directors，ask for leave 1 time
Director	Yaohua Glass Co., Ltd. Management Committee(18)	2	1	67%	18th Board of Directors

Title	Name (Note1)	Attendance in Person (B)	By Proxy	Attendance Rate (%)【B/A】(Note 2)	Remarks
	Yaohua Glass Co., Ltd. Management Committee(19)	1	3	17%	19th Board of Directors，ask for leave 2 time
Director	CPC Corporation, Taiwan	1	2	33%	18th Board of Directors
Director	Industrial Labor Union of CSBC Kaohsiung	3	0	100%	18th Board of Directors
Independent Director	LIEU, DER-MING	3	0	100%	18th Board of Directors
	CHEN, LI-HSUI	6	0	100%	
Independent Director	LIN, HUI-JENG	3	0	100%	18th Board of Directors
	CHIOU WEN-TSONG	4	2	67%	
Independent Director	CHEN, CHIH-YANG	2	1	67%	18th Board of Directors
	SONG MENG-YANG	6	0	100%	
Independent Director	CHEN,JENG-HORNG	3	0	100%	Resigned on 2025.8.27, and became a director.

Other mentionable items:

1. If any of the following circumstances occur, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified:
   (1) Matters referred to in Article 14-3 of the Securities and Exchange Act: Details of other matters to be recorded on page 29 of this annual report on the implementation of the audit committee 1. (1).
   (2) Besides the previous issues, other records or written statements of board meeting decisions that have been opposed or reserved by independent directors: None
2. The implementation of directors' avoidance of interest proposals:
(1)Board of Directors at 2025/8/8 deliberates on Plan "1st Sustainable Development Committee members and remuneration",Independent Director CHEN, LI-HSUI and Independent Director CHIOU WEN-TSONG leaving the meeting according to law.
(2)Board of Directors at 2025/8/8 deliberates on Plan "6st Remuneration Committee members and remuneration",Independent Director CHEN, LI-HSUI、CHIOU WEN-TSONG、SONG MENG-YANG and CHEN,JENG-HORNG leaving the meeting according to law.
3. The listed company should disclose the info such as evaluation cycles, evaluation periods, scope, method and content of self-evaluation (or by peer).
Evaluation cycle: One per year.
Evaluation perioud: From January 1, 2025 to December 31, 2025.
Evaluation scope: Performance evaluation of the board of directors and individual directors.
Evaluation method: Internal evaluation of the board, self-evaluation by individual board members,Functional Committee Evaluation .
Evaluation content:
   (1) Performance evaluation of the Board of Directors: Comply with relevant laws and regulations, and participate in company operations.
   (2) Performance evaluation of the individual board members: The company's tasks and objectives, the company's internal control and risks, the management of internal relationships, the management of external relationships, the composition and capabilities of the board of directors, the culture of the board, and the operations of the board of directors
4. The goal of strengthening the functions of the board of directors in the current and recent years (For example, setting up an audit committee, enhancing information transparency, etc.) and implementation assessment:
   (1) The company has an audit committee and a remuneration committee composed of three independent directors. Please refer to the third point of "Corporate Governance Operation and Its Differences from and

Title	Name (Note1)	Attendance in Person (B)	By Proxy	Attendance Rate (%)【B/A】(Note 2)	Remarks
Reasons for the Corporate Governance Best Practice Principles for TWSE/TPEx " on page 34 and for implementation details. In addition, major resolutions of the board of directors are revealed on the company website: the Investor Area/Corporate Governance (Website: http://www.csbcnet.com.tw/csbc/07/01_new.aspx). (2) In order to diversify the risks of directors' legal liabilities, the company may obtain directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship and reviews the contents of the insurance policy every year to ensure complete renewal conditions.					

Note1: If the director is a representative of an Institutional Shareholder, the name of the Institutional Shareholder shall be disclosed.

Note2: (1) If a director or supervisor resigns before the end of the year, the date of resignation shall be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of board meetings during the term of office and the actual number of attendance.

(2) Before the end of the year, if any director is re-elected, the new and previous directors shall be listed, and the remarks column shall indicate whether the director is the previous, new or re-elected and the date of re-election. The actual attendance rate (%) is calculated based on the number of meetings of the board of current year directors and the actual number of attendances during the term of office.

2. The attendance of Independent Director in 2024 was as follows:

Board Meeting/Name of independent director	1st Time	2nd Time	3rd Time	4th Time	5th Time	6th Time	7th Time	8th Time	9th Time	Remarks
LIEU, DER-MING	✓	✓	✓							
LIN, HUI-JENG	✓	✓	✓							
CHEN, CHIH-YANG	✓	✓	✡							
CHEN, LI-HSUI				✓	✓	✓	✓	✓	✓	
CHIOU WEN-TSONG				✓	✡	✓	✓	✓	✓	
SONG MENG-YANG				✓	✓	✓	✓	✓	✓	
CHEN,JENG-HORNG				✓	✓					

Note：✓: Attend in person;✡: Delegated to attend;×:Not attend

2.2.2 Implementation of the Audit Committee:

A total of 4 (A) Audit Committee meetings were held in 2024. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person（B）	By Proxy	Attendance Rate (%)【B/A】(Note)	Remarks
Independent Director	LIEU, DER-MING	2	0	33.3%	18th Board of Directors
	CHEN, LI-HSUI	4	0	66.7%	
Independent Director	LIN, HUI-JENG	2	0	33.3%	18th Board of Directors
	CHIOU WEN-TSONG	3	1	50%	
Independent Director	CHEN, CHIH-YANG	2	0	33.3%	18th Board of Directors

	SONG MENG-YANG	4	0	66.7%	
Independent Director	CHEN,JENG-HORNG	2	0	100%	Resigned on 2025.8.27, and became a director.

Other items to be recorded:

1. If the operation of the audit committee is in one of the following situations, the date, period, resolution of the proposal, Audit Committee Resolution Results, and the company's handling of the audit committee's opinions shall be stated.

(1) The matters listed in Article 14-5 of the Securities Exchange Act are as follows:

Date (Session)	Content of motion	Audit Committee Resolution Results	Follow-up processing by the company	Board of Director Resolution Results
March 10, 2025 (The 23th of the 18th)	Discussion Matters Case 2: The company's 2024 individual financial report and consolidated financial report.	March 03, 2025(The 14th Audit Committee of the 4th Session) All present members agreed to pass the proposal. And supplementary Resolution mandate Management Team reply that 1.Continued significant financial losses and 2.The implementation status of the various improvement projects proposed by the renovation team should be reviewed.	Submitted to the 23th of the 18th Board of Directors on March 8, 2025 for approval.	All the attending directors passed the proposal
	Discussion Matters Case 13: Submit the company's 2024 "Internal Control System Statement".	March 03, 2025(The 14th Audit Committee of the 4th Session) All present members agreed to pass the proposal.	Submitted to the 23th of the 18th Board of Directors on March 8, 2025 for approval.	All the attending directors passed the proposal
	Discussion Matters Case 20: CSBC Power application for extend Endorsement/Guarantee for Working Capital Loan period	March 03, 2025(The 14th Audit Committee of the 4th Session) All present members agreed to pass the proposal.	Submitted to the 23th of the 18th Board of Directors on March 8, 2025 for approval.	All the attending directors passed the proposal
May 14, 2025 (The 25th of the 18th special)	Discussion. Matters Case 1: Amendment to the"Guidelines Governing Management of Endorsement or Guarantee for Others"。	April 30, 2025(The 14th Audit Committee of the 4th Session) All present members agreed to pass the proposal.	Submitted to the 25th of the 18th special Board of Directors on May 14, 2025 for approval.	All the attending directors passed the proposal
August 8, 2025 (The 3th of the 19th)	Discussion. Matters Case 1: Consolidated financial report for 2025 Q2。	August 8, 2025 (The 2th Audit Committee of the 5th Session) All present members agreed to pass the proposal.	Submitted to the 3th of the 19th Board of Directors on August 8, 2025 for approval.	All the attending directors passed the proposal

Spe 5, 2025 (The 5th of the 19th) special	Discussion. Matters Case 1: CSBC-DEME Wind Engineering Co. Ltd. application for Endorsement/Guarantee of Formosa 4 Offshore Wind Farm(200.3 million euros)	Spe 5, 2025 (The 3th Audit Committee (special) of the 5th Session) All present members agreed to pass the proposal.	Submitted to the 5th of the 19th special Board of Directors on Spe 5, 2025 for approval.	All the attending directors passed the proposal

(2) Other matters which were not approved by the Audit Committee but were approved by two-thirds or more of all directors: None.

2. If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None.
3. Communications between the independent directors, the Company's chief internal auditor and CPAs (e.g. Matters, methods and results of the company's financial and business status communication).

Date	Method	Communication with	Communication matters	Communication results
March 3, 2025	Audit Committee	Auditor General	1.2024 Internal Control System Statement. 2.Internal audit business report.	1. Agreed to issue the 2024 Internal Control System Statement. 2. After discussion and communication, the audit committee learned about the report on the results of the audit business.
		CPA	2024 individual financial report and consolidated financial report.	The audit committee approved the 2024 financial report and submitted it to the board of directors for approval, and announced and reported to the competent authority as scheduled.
April 30, 2025	Audit Committee	Auditor General	Internal audit business report.	After discussion and communication, the audit committee learned about the report on the results of the audit business.
		CPA	Review the consolidated financial statements for 2025 Q1.	The audit committee approved the 2025 Q1 financial report and submitted it to the board of directors for approval and announced and reported to the competent authority as scheduled.
Augest 5, 2025	Audit Committee	Auditor General	Internal audit business report.	After discussion and communication, the audit committee learned about the report on the results of the audit business.
		CPA	Review the consolidated financial statements for 2025 Q2.	The audit committee approved the 2025 Q2 financial report and submitted it to the board of directors for approval and announced and reported to the competent authority as scheduled.
Novem ber 3, 2025	Audit Committee	Auditor General	Independent directors communicate with internal audit supervisors in front of the audit committee	Consensus on everything
			Internal audit business report.	After discussion and communication, the audit committee learned about the report on the results of the audit business.
		CPA	Communicate before the Audit Committee on the 2025 financial report audit objectives, audit scope and audit procedures.	Consensus on everything
			Review the consolidated financial statements for 2025 Q3.	The audit committee approved the 2025 Q3 financial report and submitted it to the board of directors for approval and announced and reported to the competent authority as scheduled.

Note:

1. If an independent director resigns before the end of the year, the date of resignation should be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of meetings of the audit committee during the term of office and the actual number of attendances.
2. Before the end of the year, if the independent director is re-elected, the new and previous independent directors should be listed, and the independent director should be marked as previous, new or re-elected and the date of re-election in the remarks column. The actual attendance rate (%) is calculated on the basis of the number of meetings of the audit committee during his tenure and the actual number of attendances.

2.2.3 Corporate Governance Implementation Status and Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies"?	√		CSBC has Codex on Corporate Governance and has been disclosed on the CSBC website and the MOPs. Company website: http: // www. Csbcnet.com.tw investor and investor relations area.	Established with reference to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the company characteristics.

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
2. Shareholding structure & shareholders' rights (1) Does the company establish an internal operating procedure to deal with shareholders, suggestions, doubts, disputes and litigations, and implement based on the procedure?	√		(1)On CSBC website, there is "Investor Area" (http://www.csbcnet.com.tw/Service/Investor). It discloses the contact information for shareholders to respond to and give suggestions.	Established with reference to the Corporate Governance Best Practice Principles for TWSE /TPEx Listed Companies and the company characteristics.
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	√		(2) CSBC collects the updates information of major shareholders and the list of ultimate owners of those shares.	Established with reference to the Corporate Governance Best Practice Principles for TWSE /TPEx Listed Companies and the company characteristics.
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	√		(3) CSBC has set up specific management points and operating procedures for the financial and business-related operating methods of the related enterprise companies and implemented them. In addition, in order to implement a comprehensive risk control of subsidiaries, set the "subsidiary supervision and management points" of the internal control mechanism standards.	Established with reference to the Corporate Governance Best Practice Principles for TWSE /TPEx Listed Companies and the company characteristics.
(4) Does the company establish internal rules against insiders trading with undisclosed information?	√		(4) CSBC has established "Directions Governing the Processing of Material Information and Prevention of Insider Trading" to regulate the directors, managers and employees of the company when they actually know that the company has a major impact on the stock price of the company, after the news is clear, before the disclosure or within 18 hours after the disclosure, shall not be listed or business in a securities firm The premises buy or sell the company's stocks or other securities of the nature of equity, buying or selling by themselves or in the name of others. Measures include, those prohibiting a director from trading its shares during the closed period of 30 days prior to the publication of the annual financial reports and 15 days prior to the publication of the quarterly financial reports. The main points can be inquired on the company's website: （http://www.csbcnet.com.tw/Service/Investor/CorporateGovernance/InternalRegulations.htm）	Established with reference to the Corporate Governance Best Practice Principles for TWSE /TPEx Listed Companies and the company characteristics.

3. Composition and Responsibilities of the Board of Directors （1）Does the Board develop and implement a diversified policy for the composition of its members?	√		(1) The company has a multi-pronged policy for directors in the Corporate Governance Code. The nominated directors and independent directors have included a wide range of backgrounds such as economics, management, technology, finance and society, and announced the implementation of multiple policies for directors on the company's external website. (http://www.csbcnet.com.tw/uploads/ Implementation of CSBC Taiwan Director Diversification Policy.pdf)	Established with reference to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the company characteristics.
（2）Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	√		(2) The company has established a sustainable development committee, a remuneration committee and an audit committee in accordance with the law, and currently has not established other functional committees.	Established with reference to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the company characteristics.
（3）Does the company establish a standard to measure the performance of the Board, and implement it annually? Does the company report the results of the performance evaluation to the board of directors, and use them as a reference for individual directors' remuneration and nomination for renewal?	√		(3) The performance evaluation results of the company's board of directors are uploaded and reported in accordance with regulations and posted simultaneously on the company's external webpage. (https://www.csbcnet.com.tw/Service/Investor/CorporateGovernance/DirectorsPerforReport.htm)。	Established with reference to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the company characteristics.
（4）Does the company regularly evaluate the independence of CPAs?	√		(4) The audit committee of the company not only requires CPAs to provide "statement of independence" and "Audit Quality Indicators (AQIs)", but also evaluates the independence and competency of CPAs according to the company's independence assessment standards (Note 1) and 13 AQI indicators annually. It has been confirmed that CPA Wang, Chun-Kai and CPA Wu, Chien-Chih from PwC have no other financial interests or business relationship with the company except for the fees of audit and non-audit services, and the family members of the CPAs do not violate the independence requirements. With evaluation accoriding to AQI indicators, PwC is superior to the industry average in auditing experience and training hours, and excellent in the quality and efficiency of assurance and tax services. Therefore, the company evaluates that CPA Wang, Chun-Kai and CPA Wu, Chien-Chih from PwC are qualified to serve as the company's CPAs.There is no need to change CPAs. The evaluation results of the most recent year have been discussed and approved by the Audit Committee on March 4, 2026, and submitted to the Board of Directors on March 9, 2026 for review and approval.	Established with reference to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the company characteristics.

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
4. Whether the company has allocated a suitable and appropriate number of corporate governance personnel, and designate a corporate governance director to be responsible for corporate governance related matters (including but not limited to providing directors and supervisors with necessary information for performing business, assisting directors and supervisors in complying with laws and regulations, handling the board of directors in accordance with the law, and matters related to the meeting of shareholders, preparation of minutes of the board of directors and shareholders meetings, etc.)?	√		(1) The director of corporate governanc was served by Director of Department of Planning) to be responsible for handling affairs as detailed in the company's "Corporate Governance Code" (http://www. csbcnet.com.tw/Uploads/Corporate Governance Code _1080408.pdf) and announced at the MOPs of the Stock Exchange on Aug. 7, 2024. (2) The relevant units to cooperate in handling corporate governance affairs are as follows: 1. The Planning Department is the dedicated unit for corporate governance. It is responsible for handling the proceedings and recording of the Sustainable Development Committee, and designates specific personnel to be responsible for related corporate governance matters, such as the registration of amendments to the articles of association and related matters for cooperation and improvement in corporate governance assessment. 2. The Secretariat Office of the Board handles the agenda of the board of directors, the shareholders meeting, the functional committee, the audit committee's proceedings and records and legal compliance matters. 3. The Department of Human Resources and Administration handles the proceedings and records of the remuneration committee, the training of directors and the head of corporate governance and legal compliance matters. 4. Other managerial departments cooperate in handling matters related to corporate governance.	Established with reference to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the company characteristics.
5. Whether the company has established a channel of communication with interested parties (Including but not limited to shareholders, employees, customers and suppliers, etc.) and set up stakeholder areas on the company's website and properly respond to important corporate social responsibility issues that are of interest to stakeholders?	√		On CSBC website, there is "Stakeholder Area" (Website: http://www.csbc-net .com.tw/Service/InterestedArea.htm) and CSR Area (Website: http://www2.csbcnet.com.tw/csr/)，As a channel of communication with stakeholders, this section organizes the information disclosed on the company's website and categorizes them according to the issues that may be of concern to each stakeholder, making it easier for stakeholders to find the information they need. This section also provides contact mailboxes to provide feedback from stakeholders.	Established with reference to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the company characteristics.
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	√		CSBC designates Fubon Securities Co., Ltd. to deal with shareholder affairs.	Established with reference to the

Evaluation Item	Implementation Status			Deviations from "the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
				Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the company characteristics.
7. Information Disclosure (1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	√		(1) The company declares various financial and business information in MOPs in accordance with regulations and sets up an investor service page on the company's website to disclose financial, stock affairs, products and corporate governance related information (the company's website is: http://www.csbcnet. com.tw).	Established with reference to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the company characteristics.
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	√		The company's website also has an English version of the webpage (http://www.csbcnet. com.tw/English/) and has set up "Key points for setting up a spokesperson" and establish a spokesperson system in accordance with regulations to handle related matters; Feb. 25, 2025, the investor conference was held at the invitation of KGI Securities. Relevant information can be found on the company's website (http://www.csbcnet.com.tw/Service/Investor/StockInforma-tion.htm).	Established with reference to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the company characteristics.
(3) Does the company announce and report annual financial reports within two months after the end of the fiscal year, and announce and report the financial reports for the first, second and third quarters and the operating conditions of each month before the prescribed deadline?		√	The company submits the financial report to the audit committee and the board of directors for review and approval according to a scheduled schedule and announces and declares the financial report and monthly operating conditions within the time limit specified by the Securities and Exchange Act.	Established with reference to the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies and the company characteristics.

Note1: Criteria for CPA Independence Evaluation

Evaluation Items		Factors affecting accountants' independence	Evaluation Results	Does it violate independence?	
				Yes	No
1. Assessment of the interest relationship between CPA and company	(1)	Have a direct or significant indirect financial interest relationship with the company (holding the company's equity securities or other securities, corporate bonds, loans or other debt instruments, including its rights and derivative interests)	None		ˇ
	(2)	There are financing or guarantees with the company or the company's directors and independent directors	None		ˇ
	(3)	Have a close business relationship with the company or its directors, independent directors, and managers	None		ˇ
	(4)	Members of the audit team have a potential employment relationship with the company (determined to serve as a director, independent director, manager of the company in the future, or a position that has a significant impact on the audit case)	None		ˇ
	(5)	Entering into a contingent fee arrangement relating to an audit engagement.	None		ˇ
2. Assessment of whether the CPA have dual identity	(1)	A member of the audit team of an accounting firm has served as a director, independent director, manager of the company or a position that has a significant influence on the audit case in the last two years	None		ˇ
	(2)	Non-audit services provided by accounting firms to the company	None		ˇ
3. Assessment of whether the CPA have a position to defend the company	(1)	Members of the audit team of an accounting firm publicize or mediate the stocks or other securities issued by the company	None		ˇ
	(2)	Members of the audit team of an accounting firm act as defenders of the company or coordinate conflicts with other third parties on behalf of the company.	None		ˇ
4. Assessment of the familiarity between CPA and company personnel	(1)	Members of the audit team of the accounting firm have relatives with the company's directors, independent directors, managers, or personnel who have a significant influence on the audit case	None		ˇ
	(2)	A CPA within one year of resignation from an accounting firm serves as the director, independent director, manager of the company or a position that has a significant influence on the audit case.	None		ˇ
	(3)	Members of the audit team receive valuable gifts or gifts from the company or its directors, independent directors, and managers.	None		ˇ
5. Assessment of whether the CPA has been coerced by the company	(1)	The company requires members of the audit team to accept improper choices made by management in accounting policies or improper disclosures in financial statements.	None		ˇ
	(2)	In order to reduce public expenses, pressure is placed on the members of the audit service team to improperly reduce the inspection work that should be performed.	None		ˇ
6. Assessment of the practice period of a CPA	(1)	Whether the same CPA has performed visa business for more than seven years	None		ˇ

8. Other important information that helps to understand the operation of corporate governance (Including but not limited to employee rights, employee care, investor relations, supplier relations, the rights of interested parties, directors and supervisors, the implementation of risk management policies and risk measurement standards, the implementation of customer policies, the situation where the company purchases liability insurance for directors and supervisors, etc.):

(1) Status of employee rights and employee wellness:

a. In order to protect the rights and interests of employees, After preparation and negotiation with the enterprise union, the group agreement was renewed on 2025.03.24 and submitted to the Labor Bureau for review; the validity period of the agreement is set to 3 years, and the current group agreement coverage rate is 100%.The agreement includes labor union activities, working hours, vacations, wages, bonuses, benefits, safety and health, labor relations, human development, retirement pensions, etc. Conditions, and in accordance with labor-related laws and regulations, formulate work rules and various management regulations, which clearly specify the rights and obligations of employees and welfare items, and review them regularly to protect the rights and interests of employees.

b. The company provides considerable welfare measures, in addition to labor insurance, health insurance, and for staff mutual assistance insurance, the other for employees to insure 5 million group accident insurance, foreign travel safety insurance, employee health checks, and cultural and recreational, Activities and other subsidies, the current labor relations are quite harmonious.

(2) Employee Concern:

CSBC express its concern for the sincere condolences of the practitioners who has hospitalized due to illness or injury. CSBC has set “Practitioner’s injury and illness condolence clause " and sent Consolation money to the hospital practitioner colleagues at the Spring Festival, Dragon Boat Festival, the Mid-Autumn Festival.

(3) Investor Relations:

CSBC has set up a spokesperson to communicate with investors. CSBC website has also set up the Investors area service website to expose corporate governance, financial information, shareholder information, contacts and product-related information to provide investors with timely service information. (Company website: http://www. csbcnet.com.tw).

(4) supplier relationship:

CSBC manage suppliers based on supplier management regulation and material supplier selection regulation. CSBC value the supplier who can meet the production schedule and provide good quality products. In order to keep the good long term relationship with them, CSBC will provide long-term contract.

For the environmental protection, safety sanitation subjects…etc, CSBC set up in supplier management regulation and material supplier selection regulation.

(5) Stakeholders rights:

CSBC has set up a Spokesman system. There is also a “Stakeholder Area” on the website (http://www.csbcnet.com.tw/Service/InterestedArea.htm). It sorts the topics for each stakeholder to collect the information they want. It also provides the email address for various interested parties to send the feedback from stakeholders.

(6) Directors and managers and staff training records:

a. Director about corporate governance training

	Title	Name of Institutional Shareholders	Institutional Shareholders' Representative Name	Sponsoring Organization	Name of Course	Date of Training	Hours	Total time
1	Chairman	Ministry of Economic Affairs	CHEN JENG-HORNG	Securities & Futures Institute	Financial Report Review for Non-Financial Directors, Supervisors, and Corporate Governance Officers	August 13, 2025	3	12
				Taiwan Academy of Banking and Finance	Corporate Governance Forum (No. 243): Corporate Strategies in Response to New Geopolitics	September 2, 2025	3	
				Taiwan Corporate Governance Association	Board of Directors and Corporate Governance Practices	October 28,2025	3	
				Taiwan Corporate Governance Association	Board Supervision of Enterprise Risk Management and Crisis Management	November 10, 2025	3	
2	Director	Ministry of Economic Affairs	LAI,CHIEN-HSIN	Independent Director Association Taiwan	Trump's Tariff Policies, Global Economic and Trade Order, and Response Strategies for Taiwanese Businesses	June 25, 2025	3	12
				Taiwan Stock Exchange	2025 Cathay Sustainable Finance and Climate Change Summit	July 9,2025	6	
				Taiwan Investor Relations Institute	Exploring the Legal Liabilities of Business Decisions Through the Business Judgment Rule	November 11, 2025	3	
3	Director	Ministry of Economic Affairs	JHANG,YI-DE	Ministry of Labor	2025 Labor Education Promotion Seminar: Program for Unions and Labor Directors	September 4-5, 2025	7	7
4	Director	National Development Fund, Executive Yuan	WU, WEN-KUEI	ESG World Citizen & Digital Governance Foundation	How the Board of Directors Responds to ESG Risk Issues	July 17,2025	3	3
5	Director	National Development Fund, Executive Yuan	WANG, CHAU-CHANG	Taiwan Corporate Governance Association	[Professional Course for CGOs] Corporate Governance Officers and Sustainable Governance	October 17,2025	3	9
				Taiwan Corporate Governance Association	Board Supervision of Enterprise Risk Management and Crisis Management	November 10, 2025	3	
				ESG World Citizen & Digital Governance Foundation	Sexual Harassment Prevention Responsibilities for Organizations in the Wake of the "Me Too" Movement	October 15,2025	3	

	Title	Name of Institutional Shareholders	Institutional Shareholders' Representative Name	Sponsoring Organization	Name of Course	Date of Training	Hours	Total time
6	Director	National Development Fund, Executive Yuan	MAO, ZHEN-TAI	Securities and Futures Institute	2025 Seminar on Legal Compliance for Insider Shareholding Transactions	July 25,2025	3	6
				Taiwan Corporate Governance Association	Board Supervision of Enterprise Risk Management and Crisis Management	November 10, 2025	3	
7	Director	Yaohua Glass Co., Ltd. Management Committee	YANG JI-RONG	Taiwan Corporate Governance Association	Corporate Innovation Growth and Artificial Intelligence	March 10,2026	3	3
8	Independent Director		CHEN LI-HSUI	Taiwan Corporate Governance Association	Corporate Governance and Securities Regulations	March 18,2025	3	3
9	Independent Director		SONG MENG-YANG	Securities and Futures Institute	Practical Seminar for Directors, Supervisors (including Independents), and Corporate Governance Officers — Taipei Session	August 26-27, 2025	12	15
				Taiwan Corporate Governance Association	Board Supervision of Enterprise Risk Management and Crisis Management	November 10, 2025	3	
10	Independent Director		CHIOU WEN-TSONG	Securities and Futures Institute	2025 Seminar on Legal Compliance for Insider Shareholding Transactions	July 25,2025	3	12
				Taiwan Corporate Governance Association	Board of Directors and Corporate Governance Practices	October 28,2025	3	
				Taiwan Corporate Governance Association	Board Supervision of Enterprise Risk Management and Crisis Management	November 10, 2025	3	
				Taiwan Academy of Banking and Finance	Corporate Governance Forum: Financial Statement Review and Analysis for Directors and Supervisors	December 2,2025	3	

b. Managers about corporate governance training

Title	Name	Sponsoring Organization	Name of Course	Date of Training	Hours	Total time
Auditor General	Hung,Chung-Ching	The Institute of Internal Auditors-Chinese Taiwan	Audit Practice Seminar on Annual Operating Plans and Budget Preparation	June 27, 2025	6	12

		The Institute of Internal Auditors-Chinese Taiwan	Audit Practices for "Materials Management Systems" in the Manufacturing Industry	July 22,2025	6	
Corporate governance officer	Li, Yan-Qiang	Chinese National Association of Industry and Commerce, Taiwan	Seminar for Directors and Supervisors — 2025 Taishin Shin Kong Net Zero Summit	August 22, 2025	3	12
		Taiwan Corporate Governance Association	Board Supervision of Enterprise Risk Management and Crisis Management	November 10, 2025	3	
		Securities and Futures Institute	2025 Seminar on Legal Compliance for Insider Shareholding Transactions	November 21, 2025	3	
		Taiwan Corporate Governance Association	Legal Liability Analysis for False Sustainability Disclosures (Greenwashing)	December 5,2025	3	
Director of Department of Finance and Accounting	Ku, Pei-Hsien	Accounting Research and Development Foundation	Initial Training Program for Chief Accounting Officers of Issuers, Securities Firms, and Stock Exchanges	March 12-21,2025	30	30

c. Personnel related to financial information transparency obtain relevant licenses specified by the competent authority:

(1) One person from the Audit Office of our company obtained the Institute of Internal Auditors-Chinese Taiwan internal auditor license.

(2) Two people from the Department of Finance and Accounting of our company have passed the Certificate of Advanced Examination for Professional Accountants and Technical Staff of the Examination Institute.

（7）Implementation of risk management policies and risk measurement standards（Note: If it is a securities firm, a securities investment trust business, a securities investment consulting business, and a futures business, the implementation of the risk management policy, risk measurement standards, and consumer or customer protection policy）:

The company has formulated and issued the "Risk Management Code" and disclosed the "Risk Management Policy" and established a risk management committee to promote risk management operations. The company follows the "Risk and Opportunity Management Procedures" as the highest guidance document and continues to use the "Risk and opportunity management" and "Stakeholder" thinking to identify, evaluate and control risks and opportunities. The risk and opportunity management operations performed by each verification management system (the four major management systems of quality, environment, occupational safety and health, and intellectual property) follow the characteristics of the management system, and carry out risk and opportunity identification, analysis, evaluation, and processing procedures. According to the identified risk and opportunity levels, formulate risk and opportunity countermeasures/strategies, or follow daily management to effectively grasp operational opportunities or reduce operational risks. The

company's risk management policies/strategies, organization, management/operation procedures are simultaneously included in the "Sustainability Report" and the "Sustainable Development Area" (Website: http://www2.csbcnet.com.tw/csr/) They are disclosed on the corporate governance risk management webpage.

（8）Implementation of customer policy: The company is a qualified company with a quality management system (ISO 9001). The quality policy is "Customer Satisfaction. Quality First.", and with the core values of "Team, Commitment, Safety, and Service", we provide customers with satisfactory products and services.

（9）The company buys liability insurance for directors: In 2025, the company has purchased liability insurance for directors, insured for USD 3 million, and reported to the 7th of the 19th Board of Directors on March 9, 2026.

9. Please explain the improved situation regarding the corporate governance evaluation results released by the TWSE "Corporate Governance Center" in the most recent year and propose priority enhancements and measures for those who have not improved.

(1) The company's 2025 year (12th session) application for the self-assessment of corporate governance on the corporate governance self-assessment platform of the Securities Foundation in accordance with the regulations of the stock exchange, the evaluation and re-evaluation results are listed as 66% to 80% (11th session) the evaluation grades will be reduced by one grade from 51% to 65%.

(2) Every year, the company invites relevant authorities and responsible units to explain and discuss the additions and deletions of corporate governance evaluation indicators and matters that do not meet the requirements of the indicators, so as to improve and strengthen the transparency of corporate governance systems and corporate governance management.

2.2.4 Composition, Responsibilities and Operations of the Remuneration Committee:

CSBC has established the Remuneration Committee's Organizational Rules in accordance with the provisions of Article 14 of the Securities Exchange Act and the “Measures for the Listing of the Stock Exchange or the Administration of the Salary and Remuneration of the Companies in the Securities and Futures Businesses promulgated by the Executive Yuan” After approved by the 6th meeting of the 14th Board of Directors, a remuneration committee was established according to the letter of July 6, 2011 CSBC-Management-No. 1000001518. The members of this committee shall be appointed by resolution of the board of directors, and shall consist of no fewer than three members, with more than half of the members being independent directors, whose powers are to determine and regularly review the performance of directors and managers Evaluation and remuneration policies, systems, standards and structures, and setting the remuneration of directors and managers.

On August 12, 2022, the board of directors approved two independent directors and one director:Lieu, Der-Ming, Lin, Hui-Jeng, Lu, Wen-Tsan, etc., as the company's 5th remuneration committee, and the term of office is from August 12, 2022 to June 25, 2025.

On August 8, 2025, the board of directors approved three independent directors:Chen, Li-Hsui, Chiou, Wen-Tsong, Song, Meng-Yang, etc., as the company's 6th remuneration committee, and the term of office is from August 8, 2025 to June 24, 2028.

The 2025 Remuneration Committee held two meetings on March 3, 2025 and November 3, 2025.

1. Information of Remuneration Committee Members

Title (Note1)	Criteria / Name	Professional qualifications and experience(Note2)	Independence Criteria (Note3)	Number of Other Public Companies in Which the Individual is concurrently serving as a remuneration committee member	Remarks
Independent Director (convener)	LIEU, DER-MING	Please refer to chapter two of this annual report "Disclosure of information on the professional qualifications of directors and supervisors and the independence of independent directors".	I, my spouse, and relatives within the second degree are not directors, supervisors or employees of the company or its affiliated companies	1	5th remuneration committee convener
Independent Director	LIN, HUI-JENG			None	5th remuneration committee member
Director	LU, WEN-TSAN			None	5th remuneration committee member
Independent Director (convener)	CHEN, LI-HSUI			1	6th remuneration committee convener
Independent Director	CHIOU, WEN-TSONG			None	6th remuneration committee member
Independent Director	SONG, MENG-YANG			1	6th remuneration committee member

Note1: Please specify in the form the relevant working years, professional qualifications and experience and independence of the members of the Compensation Committee. If they are independent directors, please refer to Appendix 1 on page 20 for information on directors and supervisors (1).)related information. Please fill in the series as independent directors or others respectively (if it is the convener, please add a note).

Note 2: Professional qualifications and experience: describe the professional qualifications and experience of individual compensation committee members.

Note 3: Independence: State the independence of the members of the Compensation Committee, including but not limited to whether I, my spouse, or relatives within the second degree of kinship serve as directors, supervisors or employees of the company or its affiliated companies; I, spouse, The number and proportion of the company's shares held by relatives within the second degree (or in the name of others); whether they are a company that has a specific relationship with the company (refer to Article 6 of the Measures for the Establishment and Exercise of Powers of the Compensation and Remuneration Committee of Companies Listed on Stocks or Trading at the Business Office of a Securities Firm) The director, supervisor or employee of Paragraph 1, Subparagraphs 5 to 8); the amount of remuneration received for providing business, legal, financial, accounting and other services to the company or its affiliates in the last two years.

2. Attendance of Members at Remuneration Committee Meetings

(1) There are 3 members in the Remuneration Committee.

(2) The term of the 5th session members: The term of the members: August 12, 2022 to June 25, 2025. The term of the 6th session members: The term of the members: August 8, 2025 to June 24, 2028. A total of 2 (A) Remuneration Committee meetings were held in the previous period. The attendance record of the Remuneration Committee members was as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%)【B/A】(Note)	Remarks
Convener	LIEU, DER-MING	1	0	100%	5th remuneration committee convener
Member	LIN, HUI-JENG	1	0	100%	5th remuneration committee member
Member	LU, WEN-TSAN	1	0	100%	5th remuneration committee member
Convener	CHEN, LI-HSUI	1	0	100%	6th remuneration committee convener
Member	CHIOU, WEN-TSONG	1	0	100%	6th remuneration committee member
Member	SONG, MENG-YANG	1	0	100%	6th remuneration committee member
Other mentionable items: 1. If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (eg., 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. Resolutions of the remuneration committee objected to by members or expressed reservations and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified: None.					

Note：(1) If a member of the Remuneration Committee resigns before the end of the year, the date of resignation should be indicated in the remarks column. The actual attendance rate (%) is calculated based on the number of meetings of the Remuneration Committee during the term of service and the actual number of attendances.

(2) Before the end of the year, if the salary committee is re-elected, the new and previous Remuneration Committee members should be listed, and the remarks column should indicate whether the member is previous, new or re-elected and the date of reelection. The actual attendance rate (%) is calculated based on the number of meetings of the Remuneration Committee during their employment and their actual attendance.

3. The 2025 Remuneration Committee discussed proposals and resolutions:

Previous meetings	Date of Meeting	Discussed Proposals	Resolutions
The 7th remuneration committee meeting of the 5th session	March 3, 2025	1. The allocation of employee's and director's 2025 remuneration of the company.	The case was revised and approved by all members of the remuneration committee and submitted it to the March 10, 2025 Board of Directors for approval before submitting the report of the June, 2025 General shareholders meeting.
		2. The salary structure review of the company.	The case was approved by all members of the remuneration committee and request a preliminary plan for the salary scale system from Department of Human Resources and Administration and submitted it to the May 7, 2025 Board of Directors.
The 1st remuneration committee meeting of the	November	No cases for discussion (three report	

6th session	3, 2025	cases).	

2.2.5 Implementation of promotion of sustainable development and the differences and reasons for the implementation of the sustainable development codes of listed OTC companies:

Evaluation Item	Implementation Status (Note1)			
	Yes	No	Abstract Illustration (Note2)	
1. Has the company established a governance structure to promote sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, and has the board of directors authorized senior management to handle it, and has the board of directors supervised the situation?	√		1. The company's full-time (part-time) unit for promoting sustainable development is the Planning Department. In order to strengthen the promotion of sustainability-related actions, the "Corporate Social Responsibility and Sustainability Management Committee" was established in 2012. In addition, in 2021, the "Corporate Social Responsibility and Sustainability Management Committee" was renamed in response to changes in regulations of the Financial Supervisory Commission and the Stock Exchange. It is the "Sustainable Development Committee". It was upgraded to a functional committee in 2025, which is chaired by the general manager, with two independent directors as members, and the deputy general manager serving as the chief sustainability officer and executive secretary, to jointly review the company's core operational capabilities and formulate medium- and long-term sustainable development plans. 2. The " Sustainable Development Committee " has six promotion groups to identify sustainability issues of concern to the company's operations and stakeholders, formulate action plans for sustainability, environment, finance, risk management, and society, and review and	Established with reference to ESG practices code of TWSE/Listed Companies and the company characteristics..

Evaluation Item	Implementation Status (Note1)			
	Yes	No	Abstract Illustration (Note2)	
			track the implementation of each action plan during the meeting, and review whether the information disclosed in the "Sustainability Report" is accurate. 3. The "Sustainable Development Committee" appoints the executive secretary to regularly report to the board of directors on the results of sustainable development implementation and future work plans every year, and holds a total of 1 meeting in 114 years, with resolutions including: (1) 113 stakeholder communication performance (2) 114th annual risk assessment report (3) Revision of the Code of Practice on Sustainable Development (4) 114th Annual Sustainable Development Action Plan Implementation Report (5) Implementation of the IFRS implementation plan in the third quarter of 114 (6) 115th Annual Sustainable Development Action Plan 4. The company's board of directors hears regular reports from the management team every year. The management must propose company strategies to the board of directors. The board of directors must evaluate the likelihood of success of these strategies. It must also frequently review the progress of the strategies and urge the management team to make adjustments when necessary.	

Evaluation Item	Implementation Status (Note1)			
	Yes	No	Abstract Illustration (Note2)	
			The "Sustainable Development Committee" also reports on the implementation of the previous year's sustainable development action plan and the content of the current year's sustainable development action plan in regular shareholders' meetings, so that investors can understand the future direction of the company's sustainable development.	
2. Does the company follow the principle of materiality to conduct risk assessments on environmental, social and corporate governance issues related to the company's operations, and formulate relevant risk management policies or strategies? (Note2)	√		1. This disclosure information and risk assessment boundary cover the company's sustainable development performance from January 2013 to December 2013. 2. The company distributes questionnaires on issues of concern to stakeholders every year, covering a total of 31 issues including economic, environmental, and social issues. At the same time, the company conducts questionnaires to managers at all levels within the company to investigate the impact of each issue on the company's operations, in order to identify the significance of each issue. 3. Based on the assessed risks, relevant risk management policies or strategies are formulated and detailed in the "Sustainability Report" and the company's website.	Established with reference to ESG practices code of TWSE/Listed Companies and the company characteristics.

Evaluation Item	Implementation Status (Note1)			
	Yes	No	Abstract Illustration (Note2)	
3. Environmental issues (1) Does the company establish an appropriate environmental management system based on its industrial characteristics?	√		(1) The company adheres to the concept of complying with laws and regulations, formulates an appropriate environmental management system, and has passed the verification of the ISO 14001:2015 environmental management system, applying the P-D-C-A method to implement various environmental management measures.	There is no significant difference from the code of practice for sustainable development of listed companies.
(2) Is the company committed to improving the utilization efficiency of various resources and using recycled materials that have a low impact on the environment?	√		(2) The company is committed to improving the utilization efficiency of various resources, investing in energy-saving and high-efficiency equipment, and is also committed to the management and control of the use of oil, water resources, air kinetic energy, and electric energy, and is also focusing on waste classification and waste (sewage) water recycling reuse.	There is no significant difference from the code of practice for sustainable development of listed companies.
(3) Does the company assess the potential risks and opportunities of climate change to the company now and in the future, and take measures to respond to climate-related issues?	√		(3) In accordance with the TCFD (Task Force on Climate-related Financial Disclosures) framework announced by the Financial Stability Board, the company assesses the risks and opportunities of climate change to the company, and plans response strategies and measures to reduce the various impacts of climate change impact.	There is no significant difference from the code of practice for sustainable development of listed companies.
(4) Does the company make statistics on greenhouse gas emissions, water consumption, and total waste weight in the past two years, and formulate policies for energy onservation and carbon reduction, greenhouse gas reduction, water reduction, or other waste management?	√		(4) The company's environmental policies are Carbon reduction, Sustainable economy, Bylaw compliance and Contamination control. And environmental goals are set every year for continuous improvement. The factory's greenhouse gas emissions, water consumption and total waste weight in the past two years are disclosed in the sustainability report for public review. The statistical information is as follows.	There is no significant difference from the code of practice for sustainable development of listed companies.

Evaluation Item	Implementation Status (Note1)			
	Yes	No	Abstract Illustration (Note2)	

Annual water consumption statistics of the company：

Water consumption				
Year / Item	2024		2025	
	Kaohsiung Yard	Keelung Yard	Kaohsiung Yard	Keelung Yard
Cubic Meter	345,523	80,047	338,091	98,206

Total waste weight：

Amount of domestic waste－Kaohsiung Yard		
Year / Item	2024	2025
Total Amount of domestic waste (kg)	1,437,670	1,234,780
Production Value (thousand NTD)	15,162,293	21,443,801
Domestic waste density (kg/thousand NTD)	0.095	0.058

Amount of domestic waste－Keelung Yard		
Year / Item	2024	2025
Total Amount of domestic waste (kg)	279,550	303,490
Production Value (thousand NTD)	1,742,528	1,469,748
Domestic waste density (Kg/thousand NTD)	0.160	0.201

<table>
<tr><th rowspan="2">Evaluation Item</th><th colspan="3">Implementation Status (Note1)</th><th rowspan="2"></th></tr>
<tr><th>Yes</th><th>No</th><th>Abstract Illustration (Note2)</th></tr>
<tr><td></td><td></td><td></td><td>Greenhouse Gas Emissions：

2024 Summary Table of Total GHG Emissions
<table><tr><th rowspan="2">Emissions by Scope</th><th>Scope 1</th><th>Scope 2</th><th>Scope 3</th><th rowspan="2">Total (tCO_2e/year)</th></tr><tr><th>Direct Emissions</th><th>Energy Indirect Emissions</th><th>Other Indirect Emissions</th></tr><tr><td>CSBC Kaohsiung Yard</td><td>5,376.8828</td><td>16,415.5680</td><td>584,360.9451</td><td>606,153.3959</td></tr><tr><td>CSBC Keelung Yard</td><td>1,207.7748</td><td>5,272.2189</td><td>610,416.7093</td><td>616,896.7030</td></tr><tr><td>CSBC Coating</td><td>349.6935</td><td>0.0000</td><td>420.0489</td><td>769.7424</td></tr><tr><td>CPTC</td><td>19.0192</td><td>0.0000</td><td>4,589.4481</td><td>4,608.4673</td></tr><tr><td>Total (tCO_2e/year)</td><td>6,953.3703</td><td>21,687.7869</td><td>1,199,787.1514</td><td>1,228,428.309</td></tr></table>
2025 Summary Table of Total GHG Emissions
<table><tr><th rowspan="2">Emissions by Scope</th><th>Scope 1</th><th>Scope 2</th><th>Scope 3</th><th rowspan="2">Total (tCO_2e/year)</th></tr><tr><th>Direct Emissions</th><th>Energy Indirect Emissions</th><th>Other Indirect Emissions</th></tr><tr><td>CSBC Kaohsiung Yard</td><td colspan="4" rowspan="5">Status Update: The company's GHG emissions for the most recent year are currently undergoing inventory, calculation, and external verification. Once the data is finalized, it will be reported and disclosed on the designated platforms according to the schedule regulated by the competent authorities.</td></tr><tr><td>CSBC Keelung Yard</td></tr><tr><td>CSBC Coating</td></tr><tr><td>CPTC</td></tr><tr><td>Total (tCO_2e/year)</td></tr></table>
Note: Full assurance supporting documents are disclosed in the Sustainability Report.</td><td></td></tr>
<tr><td>4. Social Issue
(1) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</td><td>√</td><td></td><td>(1) The company has formulated appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights.The company is committed to protecting the human rights of employees, regards employees as the most important asset, abides by labor laws and regulations, freedom of employment, prohibits child labor and improper discrimination, opposes sexual harassment and workplace bullying, protects humane treatment, etc., and continuously improves the working environment and conditions of employees. Welfare; in the future, we will continue to</td><td>CSBC(Department of Human Resources and Administration) human rights management policies and specific plans are summarized as follows:
<table><tr><td>Human rights management policie</td><td>Specific plans</td></tr><tr><td>Provide a safe and</td><td>Provide parental leave and</td></tr></table></td></tr>
</table>

Evaluation Item	Implementation Status (Note1)				
	Yes	No	Abstract Illustration (Note2)		
			follow the [United Nations Guiding Principles on Business and Human Rights (UNGPs)] and [RBA Responsible Business Alliance Code of Conduct] to practice the company's human rights concept.	healthy working environment	guarantee employees the right to stay and work. In **2025**, **22** people (**16** males, **6** female) should be reinstated, **17** people (**12** males, **5** female) were actually reinstated, and the reinstatement rate was **77.27**%
				Diverse staff	In 2025, the company should hire 28 aboriginal employees, and actually employed 30 people. Persons with disabilities should employ 28 people, but actually employed 42 people. The employment rate of people with disabilities reached150%, which is 14 more than the legal requirement.
				Prohibition of forced labor and compliance with local	It is expressly stipulated that child labor and forced labor will be eliminated, and

Evaluation Item	Implementation Status (Note1)			
	Yes	No	Abstract Illustration (Note2)	
				government labor laws: race, gender, age, political affiliation or religious belief will not be used as criteria for employee appointment, assessment and promotion. In addition, in 2025, a total of 9,742 hours of training related to human rights protection were implemented for colleagues, and a total of 5,327 people completed the training. To promote workplace equality and prevent unlawful infringement, the Company has integrated core modules—including Workplace Sexual Harassment Prevention, Harassment through Abuse of Power, and Anti-Bullying—into its orientation for new hires. This ensures that employees understand legal standards and the Company's stance from the start of their tenure, while providing access to support resources to fully safeguard their labor rights. In the future, we will continue to pay attention to issues of human rights protection and promote relevant education and training to increase awareness of human rights protection and reduce the possibility of related risks.

Evaluation Item	Implementation Status (Note1)			
	Yes	No	Abstract Illustration (Note2)	
(2) Does the company formulate and implement reasonable employee welfare measures (including salary, vacation and other benefits, etc.), and appropriately reflect operating performance or results in employee compensation?	√		(2) The company has established a group agreement with the enterprise labor union, and in accordance with labor-related laws and regulations, sets working rules and various management regulations, which clearly specify the rights and obligations of employees and welfare items, and establishes enterprise labor unions and holds regularly labor-management meetings in accordance with the law to fully protect legal rights of employees; Recruitment and selection, promotion, salary, leave, retirement and various welfare measures for employees of both sexes not only meet the legal requirements and are equal, but even exceed the legal standards. Women's and men's basic salary and remuneration are the same, regardless of gender, position and work area. Women also have menstrual leave, 60-minute feeding/gathering time per day, and childcare leave without pay. The company has formulated the "Key Points for Issuing Performance Bonuses", which will issue performance bonuses and employee compensation based on pre-tax earnings, and appropriately reflect operating performance or results in employee compensation.For details on employee compensation measures, please refer to Chapter 4 of this annual report. The main purpose of the "Employee Stock Trust" scheme is to retain talent, reward employees, and strengthen their loyalty to the company. For employees, it allows them to save regularly, accumulate retirement funds, and secure their future life. For details regarding employee benefit measures, such as the retirement system, please refer to 'Labor-Management Relations' under Section V, Operational Highlights, of this annual report.	Established with reference to ESG practices code of TWSE/Listed Companies and the company characteristics.
(3) Does the company provide employees with a safe	√		(3) The company's group agreement regulates safety and	Established with reference to

Evaluation Item	Implementation Status (Note1)			
	Yes	No	Abstract Illustration (Note2)	
and healthy working environment, and provide employees with regular safety and health education?			health related matters as follows, and is handled in accordance with the relevant provisions of the labor law to provide employees with a healthy and safe working environment: a. Regularly general health check for employees and annual health check for workers in special environments. b. Set up medical clinics and hire qualified medical personnel to facilitate medical treatment of practitioners and their spouses' immediate family members and provide medical consultation. c. Professional training and safety and hygiene training for employees. d. Provide safety protective gear and equipment, and regularly check to protect the safety of employees at work. e. Set up Occupational safety and health committee and labor safety and health department to implement employee safety, health and health management. f. When workplaces and production equipment affect the health and safety of employees, improvements are proposed through Occupational safety and health committee meetings or Labor-management meetings. g. The Frequency-Severity Indicator(FSI) in 2025 was 0.91, which was more than the 0.11 in 2024, not achieved the FSI goal of 0.54; there were 9 occupational incidents involving 9 people [(6 employees + 3 contractors(one person died)) (Lost working hours (48424 hours)/Total working hours(8091731 hours)=loss rate(0.59844%)). 】. In the future, we would continue to implement the occupational safety and health management plan, improve related matters, and reduce the overall working environment risks. h. All of factories have obtained ISO 45001	ESG practices code of TWSE/Listed Companies and the company characteristics.

Evaluation Item	Implementation Status (Note1)			
	Yes	No	Abstract Illustration (Note2)	
			certification. I. In 2025, there were a total of 6 fires (4 near miss + 2 non-injury incident), 0 casualties, and the ratio of casualties to the total number of employees was 0.0000%. In order to reduce the damage caused by fires, safety measures to control hot work will be strengthened and site storage management of dangerous goods. J. Number of temporarily totally disabled employees: 9 [including 1 death (contractor)]. Mortality rate: 0.59320(%) = Hours of death / Total annual working hours. K. Total number of employees: 2757. L. Occupational injury rate: 0.32644%.	
(4) Does the company establish an effective career development training program for employees?	√		(4) The company has planned training courses for "common knowledge", "management skills", and "professional skills" according to employee categories, including new recruits, industrial management, technology, and various levels of supervisors. Common knowledge includes pre-employment training for newcomers, project management courses, information security training, supervisors' annual outlook meeting, etc. Management skills include reserve training for foremen and monitors, reserve training for mid-level supervisors, management seminars, etc. Professional skills include professional skills related courses in line with each business development direction. In addition, in order to encourage employees to learn and develop independently, it also provides remedial assistance fees for spare time. In 2025 , these subsidies benefited 289 individuals, totaling NT$1,326,627. For further details on training implementation, please refer to the 'Labor-Management Relations' section in Chapter 4, Operational Highlights, of this annual report.	Established with reference to ESG practices code of TWSE/Listed Companies and the company characteristics.

Evaluation Item	Implementation Status (Note1)			
	Yes	No	Abstract Illustration (Note2)	
(5) Regarding customer health and safety, customer privacy, marketing and labeling of products and services, does the company follow relevant laws and international standards, and formulate relevant policies and appeal procedures for protecting customer rights?	√		(5) a. To provide products that meet customer needs and safety, the company conducts strict control from product development, design, production and sales stages. In addition, CSBC Taiwan lists the performance, specifications and precautions of each product in the manual in detail and provides customer service hotline numbers and product warranty certificates to ensure that customers' rights and interests are protected to the greatest extent. b. The products and services provided by the company completely follow or exceed the International Maritime Organization (IMO) specifications. In all stages of the product cycle, all processes and functions that may affect health and safety are improved after evaluation. CSBC Taiwan did not violate any laws and regulations related to products and services in 2022.	Established with reference to ESG practices code of TWSE/Listed Companies and the company characteristics.
(6) Does the company set up supplier management Policy which request supplier to comply with Environmental protection and safety sanitation or labor human rights subjects? How about the situation of implementation?	√		(6) CSBC request supplier to comply with environmental protection and safety sanitation or labor human rights subjects in Supplier management policy. The detail of implementation as indicated in ESG report and CSBC web site	Established with reference to ESG practices code of TWSE/Listed Companies and the company characteristics.
5. Does the company refer to the internationally accepted standards or guidelines for preparing reports to prepare reports that disclose the company's non-financial information, such as the Corporate Social Responsibility Report? Has the disclosure report obtained the assurance or assurance opinion of the third-party verification unit?		√	The company's Corporate Social Responsibility Report is compiled voluntarily, and without compulsory verification by a third party, the company adopts the core options to declare that it complies with the GRI standards.	Established with reference to ESG practices code of TWSE/Listed Companies and the company characteristics.
6. If a company has its own corporate social responsibility code based on the "Corporate Social Responsibility Best Practice Principles for	√		According to the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies", the company has established a "Corporate Social	Established with reference to ESG practices code of TWSE/Listed Companies and

Evaluation Item	Implementation Status (Note1)			
	Yes	No	Abstract Illustration (Note2)	
TWSE/GTSM Listed Companies", please state the difference between its operation and the established code.			Responsibility Code" and announced it on the company website (URL http://www2.csbcnet.com.tw/csr/), according to promote the implementation, there is no difference with the stipulated code.	the company characteristics.
7. Other important information that helps to understand the operation of corporate social responsibility: ▲The details are as follows.				

Note1: If you check "Yes" for the Implementation Status, please describe the important policies, strategies, measures and implementation conditions adopted; If you check "No" for the Implementation Status, please explain the reason and explain the plan for adopting relevant policies, strategies and measures in the future. However, regarding promotion projects 1 and 2, listed OTC companies should describe the governance and supervision structure of sustainable development, including but not limited to management guidelines, strategies and goal formulation, review measures, etc. It also describes the company's risk management policies or strategies for environmental, social and corporate governance issues related to operations, and its assessment status

Note2: If the company has compiled a Corporate Social Responsibility Report, the Implementation Status must indicate the method of accessing the Corporate Social Responsibility Report and the index page to replace it.

Note3: The materiality principle refers to those who have a significant impact on the company’s investors and other interested parties regarding environmental, social and corporate governance issues.

Description:

The company is committed to promoting (1) Environmental protection, energy saving and carbon reduction (2) Social and community services (3) Occupational Safety and health (4) Handling industry-university cooperation and talent cultivation, in addition to considering the internal interests of the company’s operations, At the same time, it also takes into account the external benefits to the society, so as to take the society and use it in the business philosophy of the society, and fulfill the corporate responsibility to the society.，The following is an explanation of the systems and measures adopted and the implementation status of the above four main activity respectively as follows:

（1） Environmental protection, energy saving and carbon reduction: As shown in Table 3 above, Environmental Issues.

（2） Social and community services: The company has always been enthusiastic about participating in social and community activities and has issued good-neighborly budget use and assessment points. It prepares budgets for good-neighborly activities every year. In **2025**, it sponsors neighborly funds for Kaohsiung City's Siaogang District and Keelung Yard and Hoping Island. (Including government and school sports and recreation, village, community self-improvement activities, Zhongyuan Purdue, volunteer networking, energy conservation and environmental protection, club activities) and other activities total NT$**2,000,100**. (The company Kaohsiung Yard partially sponsored NT$**1,605,800**, and the Keelung Yard partially sponsored NT$**394,300**). The main activities to promote humanities and social care in **2025** are listed as follows:

- Blood donation

  During the year, there were 6 blood donation activities initiated by companies and societies, with **1,081** person-times.

- Good-neighborly activities

  During the year, companies and societies initiated **86** good-neighborly activities.

- Community care and social welfare activities

  During the year, companies and societies initiated **81** community care and social welfare activities.

- Public participation activities

  During the year, companies and societies initiated **51** public participation activities.

- Coastal Clean-Up activities

  During the year, the company promoted and cooperated with the government and public welfare organizations to handle 3 Coastal Clean-Up activities. (Remarks: For details of the event, please contact our company Senior Officer Lin, Shi-Fa; ext. 2309)

(3) Occupational safety and health aspect:

All levels of the company have a strong determination to maintain occupational safety and health. The Occupational Safety and Health Department is set up as a dedicated unit to supervise the safety and health work of the entire company, and sufficient safety and health Senior Engineers and safety team personnel are deployed in each factory to perform on-site safety and health work. On the internal website, set up "Occupational Disaster Bulletin", "Safety Bulletin", "Industrial Safety Publicity Information" and other web pages for employees to read and use, so as to enhance employees' awareness, experience and ability to respond to industrial safety information.

In order to prevent the occurrence of industrial safety accidents, provide a friendly working environment, and ensure the safety of employees and contractors, the company has introduced an occupational safety and health management system since 2007. For the current occupational safety and health management system (ISO 45001), the detailed "Sustainablity Report" and " Sustainablity Development Zone" of qualified manufacturers are verified on the company website (URL http://www2.csbcnet.com.tw/csr/).

（4） Industry-academia collaboration and talent training:

1. Training for talent in engineering and management

In order to cultivate talents related to shipbuilding and recruit outstanding students interested in the shipbuilding industry, the company offers scholarships to

third-year (inclusive) and above, master's, and doctoral students from science and technology departments of national (technical) universities. To encourage students' entrepreneurial spirit and research development, scholarships were offered in 2025 to 3 students from science and engineering-related departments, with a total scholarship amount of NT$330,000. The scholarship recipients may join the company after graduation.

For the long-term cultivation of national defense technology R&D talents, Chung Cheng Institute of Technology, NDU is specially entrusted to train self-financed students, provide students with tuition and miscellaneous fees during the four-year study period and graduate education, and provide a monthly living allowance of NT$17,000 to NT$20,000 per person. A total of NT$5.79 million was spent on the training program, and 23 professionals have been trained. The students' future research topics will be combined with the company's development direction.

Through the industry-academia collaboration and industrial internship with the schools, the company can attract and encourage the investment of talents as early as possible to create the company's continuous innovation and progress.

2. Training for talent in technology

In order to deepen and improve the technology and cultivate the exquisite skills of personnel, the cooperation situation of the industry-university cooperation project so far this year is as follows:

(1) Cooperate with Taiwan Steel University of Science and Technology "CSBC Taiwan Shipbuilding Class". This cooperation model is already the 2st session. The current number of interns is 13 people.
(2) Cooperating with National Pingtung University of Science and Technology(NPUST) to conduct 'Off-campus Internships.' This is the first time collaborating under this model, with 2 trainees participating."

2.2.6 Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons

Evaluation Item	Implementation Status (Note)			Deviations from “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies” and Reasons
	Yes	No	Abstract Illustration	
1. Establishment of ethical corporate management policies and programs (1) Does the company declare its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its board to implement the policies?	√		(1) The company issued the "Code of Ethics", clearly established the integrity management policy, and established "Procedures for Ethical Management and Guidelines for Conduct", "Conduct for Directors and First-Level or Higher Management" and "Code of Ethics for Employees of CSBC" (he query website is available at: http://www.csbcnet.com.tw Investor Area.), sent to the board of directors for approval, "Code of Ethics" and "Procedures for Ethical Management and Guidelines for Conduct", and submit the report of the shareholders meeting, requiring directors, managers and practitioners to not directly or indirectly provide, promise, request or accept any improper benefits, or commit other dishonest acts that violate integrity, lawlessness, or breach of fiduciary duty in order to obtain or maintain benefits.	Established with reference to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the company characteristics.
(2) Does the company establish appropriate precautions against high-potential unethical conducts or listed activities stated in Article 2, Paragraph 7 of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies?	√		(2) The company’s "Code of Ethics" point 7 and "Procedures for Ethical Management and Guidelines for Conduct" specify the risk assessment mechanism for dishonest conduct, and regularly analyze and evaluate business activities within the business scope that have a higher risk of dishonest conduct. Based on this, the prevention plan is formulated, and the appropriateness and effectiveness of the prevention plan are regularly reviewed.	Established with reference to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the company characteristics.
(3) Does the company establish policies to prevent unethical conduct with clear statements regarding relevant procedures, guidelines of conduct, punishment for violation, rules of appeal, and the commitment to implement the policies?	√		(3) The company’s "Code of Ethics" and "Procedures for Ethical Management and Guidelines for Conduct" clearly set out the principles and operating procedures of the plan to prevent dishonest behavior, and clearly specify the disciplinary and appeal system for violations of the integrity management regulations, and in the company The website exposes information such as the job title, name, date of violation, violation content, and handling of	Established with reference to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the company characteristics.

Evaluation Item	Implementation Status (Note)			Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			the violating personnel, and regularly reviews and corrects them. (The query URL is: http://www.csbcnet.com.tw Investor Area)	
2. Fulfill operations integrity policy (1) Does the company evaluate business partners'ethical records and include ethics-related clauses in business contracts?	√		(1) The 9th point of the company's Code of Ethics clearly stipulates that before commercial dealings, it considers the legality of its agents, suppliers, customers or other business dealings and whether there is a record of dishonest behavior, so as to avoid dealing with people with records of dishonest behavior. Signing a contract with others, if the trader is involved in dishonest behavior, the company has provisions that can terminate or rescind the contract at any time.	Established with reference to the Ethical Corporate Manage -ment Best Practice Principles for TWSE/GTSM Listed Companies and the company characteristics.
(2) Does the company establish an exclusively (or concurrently) dedicated unit supervised by the Board to be in charge of corporate integrity and submits quarterly (at least once a year) reports the integrity management policy and prevention of dishonest behavior plan and supervision of implementation to the Board of Directors?	√		(2) The Company's Department of Human Resources and Administration is a dedicated unit for promoting corporate integrity management. It has issued the "Code of Ethics" standard and related cooperation promotion units and their rights and responsibilities (Website: http://www.csbc-net.com.tw Investor Area). The implementation of the integrity management policy and the prevention of dishonest behavior plan and supervision will be presented in the 6th report of the 19th board of directors on November 10, 2025.	Established with reference to the Ethical Corporate Manage -ment Best Practice Principles for TWSE/GTSM Listed Companies and the company characteristics.
(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	√		(3) The directors of the company uphold a high degree of self-discipline. If they have an interest in board meeting proposals, themselves or the legal person they represent, and may be harmful to the interests of the company, they may state their opinions and answer inquiries, and shall not participate in discussions and voting and shall not act for other directors to exercise their voting rights.	Established with reference to the Ethical Corporate Manage -ment Best Practice Principles for TWSE/GTSM Listed Companies and the company characteristics
(4) Has the company established effective systems for both accounting and internal control to facilitate ethical corporate management, and are they audited	√		(4) The company has established an internal control and accounting system, and the company's financial report is verified by CPA. In addition, the audit unit formulates an	Established with reference to the Ethical Corporate Manage -ment Best Practice Principles for

Evaluation Item	Implementation Status (Note)			Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
by either internal auditors or CPAs, to formulate relevant audit plans and check compliance with the plan to prevent dishonest behaviors based on the results of the risk assessment of dishonest behaviors?			audit plan every year, conducts internal control system audits, and regularly submits audit reports to the board of directors and various improvement follow-ups. At the end of the year, an Internal Control System Statement will be issued based on the self-inspection results and sent to the board of directors for approval to ensure the effectiveness of the internal control system.	TWSE/GTSM Listed Companies and the company characteristics.
(5) Does the company regularly hold internal and external educational trainings on operational integrity?	√		(5) The Company conducts annual education and training programs on ethical management. In 2025, the Company completed the orientation on the "Code of Ethical Management" for 227 new employees,(including Senior Engineers, Senior Officers, and Technicians), to reinforce our commitment to anti-bribery and corporate integrity. (Half hours).	Established with reference to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the company characteristics.
3. The operation of the company whistleblowing system (1) Does the company establish both a reward/punishment system and an integrity hotline for whistleblowing? Does the company assign an appropriate person responsible for the report to the object?	√		(1) The company's "Code of Ethics" point 23 and "Procedures for Ethical Management and Guidelines for Conduct" point 21 specify that the company's reporting unit is the Audit Office, and reporting matters involving directors or senior executives should be reported to the Independent Director and set up reporting channels and systems.	Established with reference to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the company characteristics.
(2) Does the company establish standard operating procedures for confidential reporting on investigating accusation cases?	√		(2) The company's "Code of Ethics" point 23 and "Procedures for Ethical Management and Guidelines for Conduct" point 21, set out the standard operating procedures for the investigation of the reported matter and the confidentiality of the identity of the reporter and the content of the report shall be kept confidential, and after the investigation is completed follow-up measures should be taken.	Established with reference to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the company characteristics.
(3) Does the company provide proper whistleblower protection?	√		(3) The company's "Code of Ethics" 23 points and "Procedures for Ethical Management and Guidelines for Conduct" 21 point 3, clearly stipulate that the relevant personnel handling reports shall make a written statement that the identity of the reporter and the content of the report shall be kept confidential. The company also promises to protect	Established with reference to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the company characteristics.

Evaluation Item	Implementation Status (Note)			Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons
	Yes	No	Abstract Illustration	
			whistleblowers from being improperly dealt with due to reports.	
4. Strengthen information disclosure Does the company disclose the content of its Code of Ethics and promote its effectiveness on its website and public information observatory?	√		The company has set up an Investor Area on MOPs and external web pages (http://www.csbcnet.com.tw Investor Area) to expose the company's Code of Ethics, ethical code of conduct and related information.	Established with reference to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and the company characteristics.
5. If a company has its own Code of Ethics of CSBC based on "Code of Ethics for TWSE/TPEx Listed Companies", please state the difference between its operation and the established code:Based on the "Code of Ethics for TWSE/TPEx Listed Companies", the company has ordered and issued "Code of Ethics of CSBC" and "Procedures for Ethical Management and Guidelines for Conduct". There is no difference between "Listed Companies" (URL http://www.csbcnet.com.tw Investor Area).				
6. Other important information that helps to understand the company's integrity management operations (such as the company's review and revision of its Code of Ethics, etc.):The company abides by the Company Law, Securities Exchange Law, Commercial Accounting Law, Government Procurement Law, Political Contribution Law, Conflict of Interest Law and relevant regulations of listed companies or other business conduct laws as the basic prerequisite for the implementation of integrity management "Code of Ethics of CSBC" and "Procedures for Ethical Management and Guidelines for Conduct" are revised in line with "Code of Ethics for TWSE/TPEx Listed Companies".				

Note: Regardless of whether you answer is "Yes" or "No", the operating conditions should be described in the summary description field.

2.2.7 Other important information that is sufficient to enhance the understanding of corporate governance and operation conditions must be disclosed together:

For details, please refer to the seventh and description of "Deviations from "the Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies" and Reasons".

2.2.8 The implementation status of the internal control system shall disclose the following matters:

1. Internal Control System Statement:

CSBC Corporation, Taiwan
Internal Control System Statement

Date: March 9, 2026

The company's internal control system for 2024, based on the results of self-assessment, hereby declared as follows:

1. The company is sure that the establishment, implementation and maintenance of the internal control system is the responsibility of the company's board of directors and managers, and the company has established this system. Its purpose is to achieve the objectives of operation effectiveness and efficiency (including profit, performance, and asset safety protection, etc.), reporting reliability, timeliness, transparency, and compliance with relevant regulations and compliance with relevant laws and regulations, and provide reasonable ensurance.
2. The internal control system has its inherent limitations. No matter how perfect the design is, an effective internal control system can only provide reasonable assurance for the achievement of the above three objectives. Moreover, due to changes in the environment and circumstances, the effectiveness of the internal control system may change accordingly. However, the company's internal control system has a self-monitoring mechanism. Once the defect is identified, the company will take corrective action.
3. The company judges whether the design and implementation of the internal control system are effective in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the " Governing Regulations ") to determine the effectiveness of the internal control system. The internal control system judgment item adopted by the "Governing Regulations" is based on the process of management control, which divides the internal control system into five components: a. Environment Control, b. Risk Assessment, c. Operations Control, d. Information and Communication, and e. Supervision Operations. Each component includes several items. For the aforementioned items, please refer to the "Governing Regulations".
4. The company has adopted the above-mentioned internal control system judgment items to evaluate the effectiveness of the design and implementation of the internal control system.
5. Based on the evaluation results of the preceding paragraph, the company believes that the company's internal control system (including supervision and management of subsidiaries) as of December 31, 2024, including understanding the effectiveness of operations and the extent to which efficiency goals are achieved, and reporting systems are reliable and timely , he design and implementation of the internal control system, etc., that are transparent and comply with relevant regulations and relevant laws and regulations are effective, which can reasonably ensure the achievement of the above objectives.
6. This statement will become the main content of the company's annual report and public brochure, and will be made public. If there is any falsehood or concealment in the above-mentioned public content, it will involve legal liabilities under Article 20, Article 32, Article 171 and Article 174 of the Securities Exchange Law.
7. This statement was approved by the board of directors of the company on March 9, 2025. All 9 directors present agreed with the content of this statement and made this statement.

CSBC Corporation, Taiwan

Chairman: CHEN, JENG-HORNG

President: TSAI , KUN-TSUNG

2. When entrusting an accountant to review the internal control system, the accountant's review report should be disclosed: None.

2.2.9 Important Resolutions of the Shareholders' Meeting and the Board of Directors in the most recent year and as of the printing date of the annual report:

1. Important resolutions and Implementation status of the 2024 shareholders meeting:

(1)Meeting Minutes, III. Matters for Ratification, 1.

Proposal: The 2024 business report and financial report, please acknowledge.

Resolution: The voting result of the proposal proposal was 799, 946, 015 rights in favor (including 514, 920, 150 for electronically exercised voting rights), 960, 995 for against (including 960, 995 for electronically exercised voting rights), 0 invalid votes, and 18, 659, 260 rights for abstentions/non-voting (including 13, 030, 935 for electronically exercised voting rights). The approval rights accounted for 97. 60% of the voting rights of the shareholders present, and the case was passed as per the case.

Implementation status: The company's 2024 financial report was announced in MOPs on March 10, 2025, and the declaration was completed on March 11, 2025.

(2)Meeting Minutes, III. Matters for Ratification, 2.

Proposal: The 2024 loss allocation proposal, please acknowledge it.

Resolution: The voting result of this proposal is that 799, 905, 835 rights are in favor of (514, 879, 970 rights are exercised electronically), 989, 184 rights are opposed (989, 184 rights are exercised electronically), invalid votes are 0, abstentions/non-voting 18, 671, 251rights (of which13, 042, 926 voting rights are exercised electronically). The approval rights accounted for 97. 60% of the voting rights of the shareholders present.

Implementation status:

The company did not pay dividends in 2024, and has completed the declaration and announcement on March 10, 2025.

(3)Meeting Minutes, IV. Matters for Discussion, 1

Proposal: Amendments to the "the Articles of Incorporation " , please resolve.

Resolution: The voting result of this proposal is that 799, 924, 628 rights are in favor of (514, 898, 763 rights are exercised electronically), 948, 230 rights are opposed (948, 230 rights are exercised electronically), invalid votes are 0, abstentions/non-voting 18, 693, 412rights (of which13, 065, 087 voting rights are exercised electronically). The approval rights accounted for 97. 60% of the voting rights of the shareholders present.

Implementation status:

The company has amended its articles of association and applied for registration of the change with the administration of Commerce, Ministry of Economic Affairs on July 9.

(4)Meeting Minutes, IV. Matters for Discussion, 2

Proposal: Revise the Company's " Guidelines Governing Management of Endorsement or Guarantee for Others ".

Resolution: The voting result of this proposal is that777, 673, 301 rights are in favor of

(492, 647, 436 rights are exercised electronically), 23, 208, 341 rights are opposed (23, 208, 341 rights are exercised electronically), invalid votes are 0, abstentions/non-voting 18, 684, 628 rights (of which 13, 056, 303 voting rights are exercised electronically). The approval rights accounted for 94. 88% of the voting rights of the shareholders present.

Implementation status:

Amended under the Document of Chuan-Cai-Zih-Di No. 1147250151 dated Jul. 4, 2025.

(5)Meeting Minutes, V. Matters for Election

Proposal: Elected 11 directors (including 4 independent directors) for the 19th session, please vote.

Election results: The voting results of the election of directors were announced by the chairman of the following 11 seats (including 4 independent directors) elected as directors.

	Shareholder Account	Elected Person	Elected Rights
director	1	Representative of Ministry of Economyic Affairs: Huang, Cheng-Hung	1,165,028,819 rights
director	1	Representative of Ministry of Economyic Affairs Lai, Chien-Hsin	1,029,470,262 rights
director	1	Representative of Ministry of Economyic Affairs：JHANG, YI-DE	1,000,997,314 rights
director	174964	Representative of the National Development Fund Management Committee of the Executive Yuan：WU, WEN-KUEI	976,581,651 rights
director	174964	Representative of the National Development Fund Management Committee of the Executive Yuan：： MAO, ZHEN-TAI	976,246,613 rights
director	174964	Representative of the National Development Fund Management Committee of the Executive Yuan：： WANG, CHAU-CHANG	976,246,564 rights
director	174963	Representative of Yaohua Glass Co., Ltd. Management Committee	576,089,765 rights
independent director	A122******	CHEN JENG-HORNG	514,046,229 rights
independent director	E121******	CHIOU WEN-TSONG	514,144,174 rights
independent director	K220******	CHEN LI-HSUI	514,160,277 rights

	Shareholder Account	Elected Person	Elected Rights
independent director	K122******	SONG MENG-YANG	514,189,255 rights

Implementation status: The company uploaded important information on June 25, 2025 and completed the declaration of director information.

(6) Meeting Minutes, VI. Matters for Other.

Proposal: The case of lifting the non-compete behavior of directors and their representatives, please resolve.

Resolution: The voting result of this proposal was 768, 829, 840 rights in favor (including 483, 803, 975 voting rights electronically), 31, 022, 835 rights against (31, 022, 83 voting rights electronically exercised), 0 invalid votes, and 19, 713, 595 rights abstaining/non-voting (including electronic voting rights). Way to exercise 14, 085, 270 voting rights). Approval rights accounted for 93. 80% of the voting rights of the shareholders present, and the case was passed as per the case.

Implementation status: The company uploaded a major message on June 25, 2025 to lift the noncompete prohibition on directors and their representatives of the "National Development Fund Management Committee of the Executive Yuan."

2. Major Resolutions of Board Meetings

Item	Date	Major resolutions	Remarks
Board Meeting	March 10,2025	1. Approved "revised plan of 2025". 2. Approved 2024 Individual financial report and consolidated financial report. 3. Approved 2024 annual business report. 4. Approved Since there are no pre-tax benefits, directors' remuneration and employee remuneration will not be issued in 2024. 5. Approved the company's 2024 loss appropriation case. 6. Approved the Company's "Sustainable Development Policy". 7. Approved amended the Company's "Sustainable Development Committee Organization Rules". 8. Approved amended the Company's "Risk and Opportunity Management Procedure" 9. Approved the Company's "Sustainability Action Plan t(2025)" 10. Approved the company's "Implementation Schedule of IFRS Sustainability Disclosure Standards (Q4 2024) 11. Approved for election of the 19th Board of Directors. 12. Approved The 2025 shareholders meeting will be held on June 26, 2025. 13. Approved announces acceptance of written proposals from shareholders. 14. Approved 2024 "Internal Control System Statement". 15. Approved the proposal of the hiring of PwC for the company's 2025 financial statements (including consolidated statements) and tax declaration visa case. 16. Approved participate in an urban renewal project of Taiwan Television Enterprise, Ltd. 17. Approved the job transfer of 7 managers and deputy managers	The 23th of the 18th

		18. Approved cancel the company's "three warehouse reconstruction projects" and "wind power temporary shed turnkey project" expected to be contracted by (CSBC Coating Solutions Co., Ltd.) 19. Approved SAPURA Taiwan branch's outstanding rental payments for its own vessels can be converted into bad debts. 20. Approved the ship Huawei repair costs outstanding balance can be turned into bad debt 21. Approved CSBC Power application for extend Endorsement/Guarantee for Working Capital Loan period 22. Approved amended the Company's "Nine Cycles of Internal Control System - Sales and Collection Cycle Process" 23. Approved amended the Company's "Key Management Points for Applying International Financial Reporting Standards" 24. Approved the collective bargaining agreement revised by our company in consultation with the enterprise labor union	
Board Meeting	May 7, 2025	1. Approved the first Quarter 2025 Consolidated Financial Report 2. Approved Update rplace old with new 350 tons GOC Poject Investment Plan 3. Approved loss amounts to one-half of the paid-in capital 4. Pass the qualification review of shareholders nominated directors and independent director candidates. 5. Approved the proposal of Release the Prohibition on Directors from Participation in Competitive Business. 6. Approved proposal of Release the Prohibition on Directors from Participation in Competitive Business. 7. Approved to update the content of the 2025 shareholders' regular meeting. 8. Approved the company's "Implementation Schedule of IFRS Sustainability Disclosure Standards (Q1 2025)	The 24th of the 18th
Board Meeting (Special)	May 14, 2025	1. Approved amendment to the"Guidelines Governing Management of Endorsement or Guarantee for Others" 2. Approved to update the content of the 2025 shareholders' regular meeting.	The 25th of the 18th
Board Meeting (Special)	June,25, 2025	Elected as the 19th chairman of the company through HUANG, CHENG-HUNG , the representative of the corporate director of the Ministry of Economic Affairs.	The 1st of the 19th
Board Meeting (Special)	July,11, 2025	1. Approved the company Syndicated Lending NT$16 billion and Increase/decrease by 30% 2. Approved amended "Management Policy on Transactions with Related Parties".	The 2nd of the 19th
Board Meeting	August 8, 2025	1. Approved the second Quarter 2025 Consolidated Financial Report. 2. Approved medium and long term financing for 350 tons GOC Poject 3. Agreed to a 3-5 year loan requirement 4. Approved the "Sustainability Report" of 2025 5. Approved the company's "Implementation Schedule of IFRS Sustainability Disclosure Standards (Q2 2025) 6. Approved members of the 1st Sustainable Development Committee 7. Approved members of the 6th Remuneration Committee 8. Approved Budgeted Personnel Quota of 2025 9. Approved Chief Information Security Officer reassignment 10. Approved project manager reassignment 11. Approved participate in an urban renewal project of Taiwan Television Enterprise, Ltd.	The 3th of the 19th

Board Meeting (Special)	August 28, 2025	Approved authorized acting chairman.	The 4th of the 19th
Board Meeting (Special)	September 5, 2025	1. Director CHEN JENG-HORNG was elected as the chairman of CSBC Corporation Taiwan. 2. Approved CDWE applies to the company for company guarantee and advance payment guarantee. 3. Approved members of the 1st Sustainable Development Committee .	The 5th of the 19th
Board Meeting	November 10, 2025	1. Approved the improvement plan of Endorsements and Guarantees 2. Approved the third Quarter 2025 Consolidated Financial Report 3. Approved "2026 Operating Plan". 4. Approved "2026 Audit Plan". 5. Approved amended the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies ". 6. Approved the Sustainability Action Plan of 2026 7. Approved the company's "Implementation Schedule of IFRS Sustainability Disclosure Standards (Q3 2025) 8. Approved sell our own ship (CSBC No. 1). 9. Approved Budgeted Personnel Quota of 2026 10. Approved CSBC Power's Directors and Chairman reassignment 11. Approved CSBC Coating Solutions Co., Ltd. Chairman reassignment 12. Approved the job transfer of 6 managers and deputy managers 13. Approved public urban renewal of the company's Keelung Harbor Coastal	The 6th of the 19th
Board Meeting	March 9, 2026	1. Approved the revision of the Company's "Sustainability Information Management Guidelines" 2. Approved the Company's "Operational Guidelines for Sustainability Report Preparation and Assurance" 3. Approved the company's "Implementation Schedule of IFRS Sustainability Disclosure Standards (Q4 114)" 4. Approved the company's "Implementation of Intellectual Property Management Objectives in 114" and "Intellectual Property Management Plan in 115"	The 7th of the 19th

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

2.2.11 Intellectual property management plan and implementation

The company's original validity period for passing the Taiwan Intellectual Property Management System (TIPS) certification was until December 31, 115, but after completing the external verification review on October 22, 114, it was confirmed that the company's intellectual property management system continued to comply with relevant regulatory requirements, so the validity period was extended to December 31, 116.

The company's intellectual property management policies and annual goals are formulated in accordance with the "implementation of intellectual property management" policy under the framework of "global economic challenges and supply chain management" in the 114th annual development strategy, and after the board of directors reviewed the implementation results of the

113th annual intellectual property policy goals and the acquisition of intellectual property rights on March 10, 114, the 114th annual intellectual property management policy and goals were developed accordingly, covering key directions such as intellectual property protection, strengthening of management systems, and application of R&D results.

In order to ensure the concrete implementation of policies and objectives and improve overall management efficiency, the Company has established an annual intellectual property management plan, clearly planning various action plans, division of responsibilities, and tracking management mechanisms as a basis for reviewing the implementation of policies and objectives, so as to continuously improve the intellectual property management system.

2.3 Information of Fees to CPA

2.2.1 Information on certifying accountant's professional fees:

Unit: NT$ thousands

Name of Accounting Firm	Name of CPA	Audit Period	Audit Fee	Non-audit Fee	Total	Remarks
PwC Taiwan	Wang, Chun-Kai Wu, Chien-Chih	January 1, 2025-December 31, 2025	1,920	300	2,220	Non-audit services includes tax audit.

2.2.2 Change of accounting firm and the audit fee paid is less than previous year before the change of accounting firm: Not applicable.

2.2.3 Audit fee is 10% or more less than the previous year: Not applicable.

2.4 Information of Changing CPAs: None.

2.5 The Chairman, President and Financial or Accounting Manager of the Company who had Worked for the Independent Auditor or the Related Party in the Past Year, shall Indicate the Name, the Title and Term of Contract: None.

2.6 Transfer of equity interests and/or pledge of or change in equity interests by directors, supervisors, managers, or shareholders with a stake of more than 10% during the most recent fiscal year or during the current fiscal year up to the date of publication of the annual report:

2.6.1 Changes in equity of directors, supervisors, managers, or major shareholders

Title	Name	2025		As of Mar. 31, 2026	
		Shareholding Increase (decrease)	Pledged share Increase (decrease)	Shareholding Increase (decrease)	Pledged share Increase (decrease)
Director	Ministry of Economic Affairs	0	0	0	0
Representative	HUANG, CHENG HUNG (Note 1) (Note 2)	0	0	0	0
Representative	CHEN, JENG HORNG (Note 1)	0	0	0	0
Director	Ministry of Economic Affairs	0	0	0	0
Representative	HO, CHIN TSANG(Note3)	0	0	0	0
Representative	LAI,CHIEN HSIN (Note2) (Note3)	0	0	0	0
Director	Ministry of Economic Affairs	0	0	0	0
Representative	CHANG, I TE	(45,268)	0	27,699	0
Director	Ministry of Economic Affairs	0	0	0	0
Representative	LEE, KOU GE (Note2)	0	0	0	0
Director	Yaohua Glass Co., Ltd. Management Committee	0	0	0	0
Representative	LU, WEN TSAN (Note2)	0	0	0	0
Representative	YANG, JI-LON (Note2)	0	0	0	0
Director	National Development Fund, Executive Yuan	0	0	0	0
Representative	WU, WEN KUEI	0	0	0	0
Representative	LIN, CHIH LUNG (Note2)	0	0	0	0
Representative	MAO, ZHEN TAI	0	0	0	0
Representative	WANG, CHAU CHANG	0	0	0	0
Director	National Defense Industrial Development Foundation(Note2)	0	0	0	0
Representative	YANG, JI LON (Note2)	0	0	0	0
Director	CPC Corporation, Taiwan(Note2)	0	0	0	0
Representative	YIN, LING-YING(Note2)	0	0	0	0
Director	Industrial Labor Union of CSBC Kaohsiung(Note2)	0	0	0	0
Representative	LEE, CHIH CHUNG(Note2)	0	0	0	0
Independent Director	LIN, HUI- ENG(Note2)	0	0	0	0
Independent Director	LIEU, DER MING(Note2)	0	0	0	0

Title	Name	2025		As of Mar. 31, 2026	
		Shareholding Increase (decrease)	Pledged share Increase (decrease)	Shareholding Increase (decrease)	Pledged share Increase (decrease)
Independent Director	CHEN, CHIH YANG(Note2)	0	0	0	0
Independent Director	CHEN, JENG HORNG(Note2)	0	0	0	0
Independent Director	SONG MENG YANG(Note2)	0	0	0	0
Independent Director	CHEN LI HSUI(Note2)	0	0	0	0
Independent Director	CHIOU WEN TSONG(Note2)	0	0	0	0
Chairman	HUANG, CHENG HUNG (Note 4)	0	0	0	0
Chairman	CHEN, JENG HORNG (Note 4)	0	0	0	0
Manager	TSAI, KUN-TSUNG	0	0	0	0
Manager	YEN, TSUNG-HUI	(23,798)	0	0	0
Manager	ZHOU, ZHI-MING	(118,525)	0	0	0
Manager	YU, MAO-HUA	(51,675)	0	0	0
Manager	KU, PEI-HSIEN	(1,000)	0	0	0
Manager	LEE, YEN-CHIANG	0	0	0	0
Major shareholder	Ministry of Economic Affairs	0	0	0	0

Note1: On August 27, 2025, the director, Ministry of Economic Affairs, reassigned its Representative.
Note2: On June 25, 2025, the whole board be elexted.
Note3: On March 24, 2025, the director, Ministry of Economic Affairs, reassigned its Representative.
Note4: On September 5, 2025, the chairman, Appointed by the board of directors.

2.6.2 Equity transfer information: There is no situation where the counterparty of the equity transfer is a related party.

2.6.3 Equity pledge information: The situation where the counterparty without equity pledge is a related party.

2.7 Information Disclosing the Spouse, Kinship Within the Second Degree and Relationship between and any of the Top Ten Shareholders

April. 27, 2026

Name（Note1）	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement（Note2）		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees（Note3）		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
National Development Fund, Executive Yuan	213,046,523	16.72%	0	0	0	0	None	None	
Representative: Yeh, Chun-Hsien	The Shareholder did not provide the shareholder info								
Ministry of Economic Affairs	105,070,366	8.24%	0	0	0	0	1. CPC Corporation, Taiwan 2. Yaohua Glass Co., Ltd. Management Committee	1. 100% CPC Corporation, Taiwan 2. The major shareholder of Yaohua Glass Co., Ltd. Management Committee	
Yaohua Glass Co., Ltd. Management Committee	103,614,396	8.13%	0	0	0	0	Ministry of Economic Affairs	Ministry of Economic Affairs is a major shareholder	
Representative: Lai,Chien-Hsin	The Shareholder did not provide								
National Defense Industrial Development Foundation	53,571,428	4.20%	0	0	0	0	None	None	
Representative: Koo, Li-Hsiung	The Shareholder did not provide								
CPC Corporation, Taiwan	23,777,487	1.87%	0	0	0	0	Ministry of Economic Affairs	Ministry of Economic Affairs is the sole shareholder	
Person in charge: Fang,Jeng-Zen	The Shareholder did not provide								
Taiwan Cooperative Bank Trust Account	21,535,886	1.69%	0	0	0	0	None	None	
i Shares Defense Industrials Active ETF	15,026,000	1.18%	0	0	0	0	None	None	
LUX MULTIMANAGER SICAV - FINSERVE GLOBAL SECURITY FUND I	14,055,190	1.10%	0	0	0	0	None	None	
GLOBAL X DEFENSE TECH ETF	11,943,000	0.94%	0	0	0	0	None	None	
i Shares Emerging Markets ETF	10,868,541	0.85%	0	0	0	0	None	None	

Note1: All the top ten shareholders should be listed, and those who are institutional shareholders should list the names of institutional shareholders and Representative names separately.

Note2: The calculation of the shareholding ratio refers to the calculation of the shareholding ratio in their own name, spouse, minor children, or in the name of others.

Note3: The shareholders listed in the previous disclosure, including institutional shareholders and natural persons, shall disclose their relationship in accordance with the issuer's financial report preparation standards.

2.8 The Shareholding of the Company, Director, Supervisor, Management and the

Business that is Controlled by the Company Directly or Indirectly on the Invested Company and the consolidated shareholding ratio is calculated:

(Base date: December 31, 2025 the amount of the original currency held by the company in another country is expressed); Unit: Share,%

Invested Company	The company's investment		The business investment which directly or indirectly control by the Directors, supervisors and managers		Comprehensive investment	
	Shares	%	Shares	%	Shares	%
CSBC-DEME Wind Engineering Co. Ltd.	15,651,515	50.0001%	0	0	15,651,515	50.0001%
CSBC Coating Solutions Co., Ltd.	25,950,370	100%	0	0	25,950,370	100%
CSBC Power Technology Co., Ltd	6,500,000	86.67%	0	0	6,500,000	86.67%
Taiwan International Windpower Training Corporation Ltd.	1,200,000	12%	0	0	1,200,000	12%
TAIWAN OFFSHORE WIND FARM SERVICES CORPORATION	40,000	1.38%	0	0	40,000	1.38%
Fuhai Wind Farm Corporation (Note)	36,707	0.93%	0	0	36,707	0.93%
BLUE ACE CORPORATION	(Non-shareholding)	100%	0	0	(Non-shareholding)	100%
CSBC Construction	(Non-shareholding)	100%	0	0	(Non-shareholding)	100%

Note: Long-term investment by the company using the equity method.

III. Capital Overview

3.1 Capital and Shares

3.1.1 Source of Capital

Year	Issuance price (NT$)	Authorized Capital		Paid-in Capital		Remarks		
		Share (thousand shares)	Amount (NT$ thousands)	Share (thousand shares)	Amount (NT$ thousands)	Sources of Capital (NT$ thousands)	Capital Increased by Assets Other than Cash	Other
1976	10	220,000	2,200,000	220,000	2,200,000	Cash establishment equity2,200,000	None	-
1977	10	320,003	3,200,032	320,003	3,200,032	cash capital increase 1,000,032	None	-
1978	10	428,510	4,285,108	428,510	4,285,108	cash capital increase 1,085,076	None	-
1979	10	561,507	5,615,075	561,507	5,615,075	cash capital increase 1,329,967	None	-
1980	10	679,174	6,791,740	679,174	6,791,740	cash capital increase 1,176,665	None	-
1981	10	809,174	8,091,740	809,174	8,091,740	cash capital increase 1,300,000	None	-
1982	10	826,174	8,261,740	826,174	8,261,740	cash capital increase 170,000	None	-
1983	10	866,174	8,661,740	866,174	8,661,740	cash capital increase 400,000	None	-
1984	10	929,174	9,291,740	929,174	9,291,740	cash capital increase 630,000	None	-
1985	10	979,174	9,791,740	979,174	9,791,740	cash capital increase 500,000	None	-
1986	10	1,029,174	10,291,740	1,029,174	10,291,740	cash capital increase 500,000	None	-
1987	10	1,055,174	10,551,740	1,055,174	10,551,740	cash capital increase 260,000	None	-
1988	10	1,105,174	11,051,740	1,105,174	11,051,740	cash capital increase 500,000	None	-
1989	10	1,280,174	12,801,740	1,280,174	12,801,740	cash capital increase 1,750,000	None	-
1990	10	1,695,233	16,952,335	1,695,233	16,952,335	cash capital increase 4,150,595	None	-
1998	10	1,113,900	11,138,997	1,113,900	11,138,997	Capital Reduction to Cover Losses 5,813,338	None	-
2003	10	1,113,900	11,138,997	1,113,900	11,138,997	cash capital increase 5,000,000 Capital Reduction to Cover Losses 5,000,000	None	Note1 Note2 Note3
2007	10	1,113,900	11,138,997	666,133	6,661,326	Capital Reduction to Cover Losses 4,477,671	None	Note4
2009	10	1,113,900	11,138,997	672,793	6,727,939	capitalization of retained earnings66,613	None	Note5
2010	10	1,113,900	11,138,997	721,908	7,219,079	capitalization of retained earnings 491,140	None	Note6
2012	10	1,113,900	11,138,997	743,565	7,435,652	capitalization of retained earnings 216,572	None	Note7
2018	10	1,113,900	11,138,997	372,991	3,729,917	Capital Reduction to Cover Losses 4,305,734 Private placement cash capital increase 600,000	None	Note8
2019	10	1,113,900	11,138,997	472,991	4,729,917	Public offering cash capital increase 1,000,000	None	Note9
2021	10	1,113,900	11,138,997	931,787	9,317,873	Convertible bonds to stocks 87,955 Public offering cash capital increase 4,500,000	None	Note10 Note11

Year	Issuance price (NT$)	Authorized Capital		Paid-in Capital		Remarks		
		Share (thousand shares)	Amount (NT$ thousands)	Share (thousand shares)	Amount (NT$ thousands)	Sources of Capital (NT$ thousands)	Capital Increased by Assets Other than Cash	Other
2023	10	2,000,000	20,000,000	933,515	9,335,146	Convertible bonds to stocks 17,272	None	Note12
2024	10	2,000,000	20,000,000	1,274,539	12,745,394	Public offering cash capital increase 2,250,000 Private placement cash capital increase 1,160,000	None	Note12

Note1: 2003.03.26 JSSZ No. 09201082180(Increase and decrease capital by 2 billion).
Note2: 2003.11.04 JSZZ No. 09201304180(Increase and decrease capital by 1 billion).
Note3: 2004.01.06 JSZZ No. 09301000870(Increase and decrease capital by 2 billion).
Note4: 2008.01.21 JSZZ No. 09701007010(Decrease capital by 4.47767 billion).
Note5: 2009.10.07 JSSZ No. 09801229240(Increased capital by 0.06661 billion).
Note6: 2010.08.19 JSSZ No. 09901187350 (Increased capital by 0.49114 billion).
Note7: 2012.08.13 JSSZ No. 10101163380 (Increased capital by 0.21657 billion).
Note8: 2017.06.25 JSSZ No. 10701062580 (Decrease capital by 4.305734 billion and increased capital by 0.6 billion).
Note9: 2019.03.04JSSZ No. 10801018700 (Increased capital by 1 billion).
Note10: 2021.03.19JSSZ No. 11001041060 (Increased capital by 0.000637 billion).
2021.09.07 JSSZ No.11001153590 (Increased capital by 0.08586349 billion)
2021.12.2 JSSZ No.11001218650 (Increased capital by 0.00145454 billion)
Note11: 2021.05.13 JSSZ No.11001064250 (Increased capital by 4.5 billion).
Note12: 2023.08.1 JSSZ No. 11230130950 (Increased authorized capital by 20,000billion).
2023.09.1 JSSZ No. 11230166000 (Increased capital by 0.01727272 billion).
Note13: 2024.02.7 JSSZ No. 11330013830 (Increased capital by 2.25 billion).
2021.05.13 JSSZ No.11330018650 (Increased capital by 1.160249 billion).

Share Type	Authorized Capital			Remarks
	Issued Shares (Note)	Un-issued Shares (share)	Total(share)	
Common Stock	1,274,539,449	725,460,551	2,000,000,000	—

Note1: The company went public on December 22, 2008.

3.1.2 List of Major Shareholders

The names, number of shares and proportions of shareholders with a shareholding ratio of more than 5% or the shareholding ratio of the top 10 shareholders.

April 27, 2026

Share / Name of Major Shareholders	Shareholding (Shares)	Shareholding ratio (%)
National Development Fund, Executive Yuan	213,046,523	16.72%
Ministry of Economic Affairs	105,070,366	8.24%
Yao-Hwa Glass Co.,Ltd Management Commission	103,614,396	8.13%
National Defense Industrial Development Foundation	53,571,428	4.20%
CPC Corporation, Taiwan	23,777,487	1.87%
Taiwan Cooperative Bank Trust Account	21,535,886	1.69%
iShares Defense Industrials Active ETF	15,026,000	1.18%
LUX MULTIMANAGER SICAV - FINSERVE GLOBAL SECURITY FUND I	14,055,190	1.10%

Share / Name of Major Shareholders	Shareholding (Shares)	Shareholding ratio (%)
GLOBAL X DEFENSE TECH ETF	11,943,000	0.94%
iShares Emerging Markets ETF	10,868,541	0.85%

3.1.3 Dividend Policy and Implementation Status:

A. Dividend policy

According to Article 35-1 of the Articles of Association of the Company: "If the Company has earnings in the current fiscal year after annual audit, it shall first pay the profit-seeking enterprise income tax and cover its accumulated losses in previous years. If there is a balance, the Company shall set aside 10% as legal reserves. However, the provision does not apply when the legal reserves have reached the total amount of capital. Moreover, a special reserve shall be set aside in accordance with Article 41 of the Securities and Exchange Act. If there is still a balance, the Board of Directors shall propose an allocation plan in the shareholders' meeting for resolution before allocation.

The board of directors of the company can present at least two-thirds of the directors, and at the resolutions of more than half of the directors, will distribute all or part of the dividends and bonuses, capital reserve or statutory surplus reserve, in the form of cash distribution and reporting to the shareholders meeting does not apply to the provisions of the preceding paragraph that shall be resolved by the shareholders meeting.

Considering the business environment and growth of the Company, the Company may allocate 10% or more of the distributable earnings referred to in the preceding Paragraph as dividends and bonuses depending on the Company's future demand for funds and its long-term financial planning and satisfying shareholders' demand for cash. Cash dividends shall not be less than 10% of the total dividends."

B. Implementation status

It is proposed that no dividends were distributed in 2024, and the proposal is yet to be approved by the 2025 annual general meeting of shareholders.

3.1.4 The impact of the free allotment proposed by the shareholders meeting on

the company's operating performance and earnings per share: Not applicable。

3.1.5 Employee and Directors' Remuneration:

A. The percentage or scope of remuneration for employees and directors as stated in the articles of association:

a. 1% ~ 5% for employees' remuneration, out of the total employee remuneration pool, no less than 30% shall be allocated to frontline employees.

b. Not exceeding 1% as remuneration for directors.

B. The calculation basis of the estimated amount of remuneration for employees and directors in the current period, the calculation basis for the number of shares of employee remuneration distributed by stocks, and the actual distribution amount, if there is a difference with the estimated amount, the accounting treatment.

a. The estimated basis for employee and director remuneration in 2025 is pre-tax benefits. In 2025, due to annual losses, the estimated number of employee remuneration and director remuneration is NT$0, and the actual amount of employee remuneration and director remuneration is NT$0. The board of directors passed a resolution on March 9, 2026, and there is no difference between the estimated number and the actual number.

b. In 2025, there was no employee remuneration for distribution of stocks.

C. Remuneration distribution approved by the board of directors:

a. The amount of employee remuneration and directors' remuneration paid in cash or stocks. If there is a discrepancy from the annual estimated amount of recognized expenses, the number of discrepancies, reasons and handling circumstances should be disclosed:

In 2025, due to annual losses, there was no distribution of employee remuneration and director remuneration (including cash and stocks). As approved by the board of directors on March 9, 2026, there is no difference with the estimated director remuneration and employee remuneration.

b. The amount of employee remuneration distributed by stocks and the proportion of the total amount of individual or individual financial

report after-tax net income and total employee remuneration for the current period: In 2025, there was no employee remuneration for distribution of stocks.

D. The actual distribution of the remuneration of employees and directors in the previous year (including the number of shares distributed, amount and stock price), and the differences between the remuneration of recognized employees and directors, and the number of differences, reasons and handling circumstances should be stated:

a. In 2024, due to accumulate losses, the recognized amount of employee remuneration and directors' remuneration is NT$0, and the actual distribution of employee remuneration and directors' remuneration is NT$0, which is no difference from the recognized amount.

b. In 2024, there was no employee remuneration for distribution of stocks.

3.1.6 Buyback of Treasury Stock：None.

3.2 Corporate bonds handling situation:

3.2.1 Corporate bonds handling situation

Types of corporate bonds	The first domestic guaranteed conversion of corporate bonds
Issuance (handling) date	February 24, 2020
Denomination	NT$100 thousands
Issuance and trading location	R.O.C
Issue price	Issued at 102% of the denomination
Total amount	NT$2,000,000 thousand
Interest rate	The rate is 0%
Term	5-year term, due on February 24, 2025
Guarantee agency	Chang Hwa Commercial Bank, Ltd.
Consignee	Taipei Fubon Commercial Bank Co., Ltd.
Underwriting institution	KGI Securities
Certified lawyer	Handsome Attorneys-at-Law, Attorney: Qiu, Ya-Wen
CPA	PwC Taiwan, CPA: Wang, Guo-Hua and Tian, Zhong-Yu
Repayment method	In addition to the holders of the converted corporate bonds in accordance with Article 10 of the Issuance and Conversion Measures (hereinafter referred to as the Measures), they shall be converted into common stocks of the company, or they may exercise the right of put back in accordance with Article 19, or the company shall exercise their rights to sell back in accordance with Article 18 of the Measures. In case of early redemption, or the company's purchase and cancellation by the business premises of

	a securities firm, the company will repay the bond in cash based on the face value of the bond upon maturity.
Outstanding principal	NT$0. CSBC redeems the bond in cash on March 6, 2025
Terms of redemption or advance repayment	1. Agreement of the sell-back clause: The bond is issued for four years (February 24, 2024) as the benchmark date for the bondholder to sell back the bond in advance. The company shall send a "Notice of Exercise of the Right of Selling" to the bondholders (with the "Notice of Exercise of the Right of Selling" by registered post) 30 days before the base date of the sale (January 25, 2024). " On the 15th business day before the date of dispatch, the bondholders' register shall prevail. For bondholders who acquire the bond later due to trading or other reasons, it shall be announced by way of announcement), and shall be sent to the counter by letter The Buying Center announces the exercise of the bondholder's right to sell back. The bondholder may notify the company's stock agency in writing within 30 days prior to the date of selling back (it will be effective upon delivery, and the postmark will be used by mail for proof), the company is required to redeem the bonds held by it in cash at 100%~102.0151% of the face value of the bond (with an annual return rate of 0%~0.5%). The company accepts the sale back request and shall redeem the bond in cash on the sell-back base day plus 7 business days before. In the event of the aforementioned date when the Taipei Central Securities Exchange Market ceases to operate, it will be postponed to the next business day. 2. The agreement of the redemption clause: (1) The bond is issued from the day following the issuance of three months (May 25, 2020) to 40 days before the expiration of the issuance period (January 15, 2025), if the closing price of the company's common stock at the OTC buying center exceeds the current bond conversion price by more than 30% (inclusive) for 30 consecutive business days, the company may send to the bondholders a "Bond Callback Notice" with the expiry date of 30 days by registered mail within 30 business days thereafter (Five business days prior to the issuance of the "Bond Callback Notice" are listed on the creditor list, and for investors who subsequently acquire the bond due to trading or other reasons, it will be made by public announcement) (The aforesaid period shall be calculated from the date of dispatch by the company, and the expiry date of the period shall be the reference date for the bond recovery, and the foregoing period shall not be the period of suspension of conversion in Article 9), and the company should ask the OTC to make an announcement, and at the expiration of the period, all the bonds in circulation will be recovered in cash based on the face value of the

		bonds. (2) The bond is issued from the day following the issuance of three months (May 25, 2020) to 40 days before the expiration of the issuance period (January 15, 2025), if the outstanding balance of the bond is less than 10% of the original issuance total, the company can send it to the bondholder by registered mail (the one listed in the creditor list five business days before the issuance of the "Bond Recovery Notice" shall prevail , For investors who subsequently acquire the bonds due to trading or other reasons, it shall be made by way of announcement) a "Bond Recovery Notice" expired on the 30th day (the aforementioned period shall be counted from the date of dispatch by the company, and The expiry date of the period shall be the bond recovery base date), and the OTC shall be requested to announce the exercise of the bondholder's redemption rights, and upon the expiration of the period, the bonds out of circulation shall be recovered in cash at the bond denomination. (3) If the bondholder fails to reply in writing to the company's stock agency before the bond collection date set forth in the "Bond Call Notice" (it will be effective when it is delivered, the postmark date shall be used for the postmark). Within five business days after the bond recovery benchmark date, the convertible corporate bond held by it shall be recovered in cash based on the bond denomination.
Restrictive clause		Not applicable
Name of credit rating agency, rating date, rating of corporate bonds		Not applicable
Other rights attached	As of the printing date of this annual report, converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities	None

	Issuance and conversion (exchange or subscription) method	1. Conversion subject: Ordinary shares of the company 2. During conversion: Bondholders can start from the day after three months after the issuance date of this converted corporate bond (May 25, 2020) and end on the maturity date (February 24, 2025). Except for (1) The period during which the transfer of ordinary shares is suspended according to law, (2) The company's free allotment suspension date, the cash dividend suspension date or the cash capital increase subscription suspension date 15 business days before the transfer date, and until the base date for the distribution of rights period, (3) From the base date of capital reduction for capital reduction to the day before the trading day before the start of the capital reduction and redemption of stocks; (4) From the start date of the suspension of conversion (subscription) for the conversion of the denomination of stocks to the day before the trading day before the start of the trading of new shares for the exchange of shares outer, may at any time inform the Taiwan Centralized Depository & Clearing Corporation (hereinafter referred to as the “D&G Corp.”) through the trading broker to request the company’s stock affairs agency to convert the converted corporate bonds held by the company into the company in accordance with the provisions of these Measures Common stocks shall be handled in accordance with Article 10, Article 11, Article 13, and Article 15 of these Measures. 3. Conversion procedure request: The bondholder fills in the "Application for Conversion/Redemption/Sell-back of Corporate Bond Book Transfer" (specify conversion) to the original trading brokerage firm, and the brokerage company submits an application to D&G Corp. After D&G Corp accepts the application, it electronically The way to notify the company’s stock affairs agency, the conversion will take effect upon delivery, and no application for revocation is allowed and complete the conversion procedures within five business days after delivery, and directly transfer the company's common stock to the bondholder's collective security account.
Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders’ equity		Based on the current conversion price of NT$25.1, if all of the shares are converted into the company’s common stock, the maximum dilution ratio will be 14.42%, which will have limited impact on existing shareholders’ equity. The conversion price was changed to NT21.3 on March 13, 2024.
Transfer agent		Not applicable

3.2.2 Conversion of corporate bond information

Types of corporate bonds (Note1)		The first domestic guaranteed conversion of corporate bonds	
Year / Item		2024	2024 year as of February 24, 2025 (Note4)
Market price of conversion corporate bond (Note 2)	Highest	114.5	100.25
	Lowest	99.55	99.7
	Average	106.04	99.94
Conversion price		NT$21.3	NT$21.3
Issuance (transaction) date and conversion price at the time of issuance		February 24, 2020; NT$25.1	February 24, 2020; NT$25.1
Method of fulfilling the conversion obligation (Note3)		Issue new shares	Issue new shares

Note 1: The number of fields will be adjusted according to the actual number of transactions.

Note 2: If there are multiple trading locations for overseas corporate bonds, they shall be listed separately according to the trading locations.

Note 3: Deliver issued shares or issue new shares.

Note 4: The first domestic guaranteed conversion of corporate bonds issued due on February 24, 2025.

3.3 Preferred Shares handling situation：None.

3.4 Global Depository Receipts：None.

3.5 Employee Stock Options：None.

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

3.7 Financing Plans and Implementation：None.

With respect to each uncompleted public issue or private placement of securities, and to such issues and placements that were completed in the most recent 3 years but have not yet fully yielded the planned benefits：None.

IV.Operation Overview

4.1 Business Activities

4.1.1 Business Scope

A. The main content of the company's business

The business content of the company is as follows:

（1）CA01030 Iron and Steel Casting.

（2）CA02010 Manufacture of Metal Structure and Architectural Components.

（3）CB01010 Machinery and Equipment Manufacturing.

（4）CB01030 Pollution Controlling Equipment Manufacturing.

（5）CD01010 Ships and Parts Manufacturing.

（6）CD01030 Motor Vehicles and Parts Manufacturing.

（7）E599010 Pipe Lines Construction.

（8）E601010 Electric Appliance Construction.

（9）E603120 Sand Blasting Engineering.

（10）E604010 Machinery Installation.

（11）E901010 Painting Engineering.

（12）EZ15010 Warming and Cooling Maintenance Construction.

（13）EZ99990 Other Engineering.

（14）F401021 Restrained Telecom Radio Frequency Equipment and Materials Import.

（15）I599990 Other Designing.

（16）J101040 Waste Treatment.

（17）CD01070 Commercial Port Area Ship-repair.

（18）G302010 Boat Operators.

（19）G403010 Vessel Rental.

（20）G406040 Commercial Port Zone Tugboat And Barge.

（21）G407010 Salvaging.

（22）G408010 Shipwreck Emergency Medical.

（23）G301011 Vessel Carriers.

（24）G402011 Ocean Freight Forwarders.

（25）G406061 Harbor Cargoes Forwarding Services.

（26）ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

B. Operating proportion of main products

Unit：NT$ thousands

Year / Product item	2024		2025	
	Total Sales	(%) of Total Sales	Total Sales	(%) of Total Sales
Commercial ships	1,024,315	7.07%	1,992,257	9.15%
Military ships	8,878,572	61.26%	14,491,744	66.53%
Commercial and military ship maintenance	1,108,557	7.65%	1,236,767	5.68%
Machinery manufacturing	3,005,435	20.73%	3,460,885	15.89%
Other business projects	477,468	3.29%	598,592	2.75%
Total	14,494,347	100.00%	21,780,245	100.00%

C. The company's current products and services

(a) Merchant shipbuilding

In recent years, CSBC has continuously moved towards the development of high value-added ships. In view of the fact that the International Maritime Organization (IMO) has successively issued various environmental regulations—including ballast water and sediment management, ship energy efficiency indicators, and emission standards—CSBC has promoted the research and development of various energy-saving, emission reduction, and environmental protection technologies. These include reducing resistance (wind, fluid, and surface friction), improving track flow uniformity, recovering rotational kinetic energy, and utilizing high-efficiency propellers to enhance overall propulsion efficiency. Furthermore, CSBC actively develops environmental designs such as ballast water treatment systems and emission reduction systems for sulfur oxides (SO_x) and nitrogen oxides (NO_x), giving birth to the "Eco-ship." Following this trend, the ES10 (10% Energy Saving), ES20, and ES30 projects, the Seaway Optimum Design and Operation (SODO) since 2005, and the 4IntShip project launched in 2016, all demonstrate CSBC's determination to improve competitiveness. In response to recent environmental requirements, CSBC also provides dual-fuel ship designs using Methanol or LNG as alternative fuels, further showcasing our commitment to green shipping.

In the past, the environmental focus of the IMO was primarily on energy efficiency. SODO is an innovative design brand and service policy launched by CSBC in response to this focus. Our starting point is to develop the most suitable ship types by staying closest to the actual operational needs of shipowners.

In response to the rise of Industry 4.0, CSBC has proposed green ships while

simultaneously moving towards smart ships and developing a blueprint for smart shipyards. To achieve this vision, CSBC launched the "4IntShip" project, which consists of four main components: "Intranet," "Internet," "Integration," and "Intelligent."

With the advancement of technology, CSBC has completed its phased milestones and is actively promoting the 4IntShip project. By extending the focus from design to actual operations, we apply R&D results to various CSBC products and proactively market them to shipowners. These efforts have received significant recognition and praise from our customers. To date, the "4IntShip" smart ship project has achieved initial success and reached a considerable scale. Our existing core products are listed below, as we gradually integrate internal capabilities with external technical expertise to reach the goal of smart and environmentally friendly shipping.

i. Infrastructure

(i).Ship-specific router (ShipWAP, Patents obtained in Taiwan and the United States)

(ii).Suggestions on ship accommodation network and information security policy(IACS E26/E27 could be dealt with)

(iii).Ship satellite network and backup system

ii. Integrated application

(i).Ship big data collection system

(ii).Suggestions on ECOShipCond

(iii).Intelligent adjustment to ship condition (IntAShipCond)

(iv).Intelligent adjustment to eco ship condition (IntAECOShipCond)

(v).Intelligent alarm monitoring (IntAMoni)

(vi).Multi-party online communicatory platform

(b) Naval and Official Shipbuilding

The current orderbook includes:

(1) ROC Navy: The Indigenous Defense Submarine (prototype) and a floating dock.

(2) Coast Guard Administration: 1,000 ton patrol vessels, 4,000 ton patrol vessels, and high latitude pelagic patrol vessels.

(3) Customs Administration, Ministry of Finance: 100 Tons class revenue cutters.

(4) National Academy of Marine Research: 100 gross tonnage and 300 gross tonnage research vessels.

CSBC is fully equipped with the specialized technical capabilities and infrastructure required to construct a diverse range of vessels. We remain to dedicated to fulfilling the strategic requirements of the ROC Navy, the Coast Guard Administration, and various other government agencies.

(c) Maintenance of Commercial and Naval Vessels

The main business activities include maintenance, annual inspections, special inspections, retrofitting, sea damage repairs, and commercial maintenance for various types of ships, including naval vessels. In recent years, the focus of merchant ship repairs has shifted from labor-intensive services to providing technical services, incorporating automatic or semi-automated operations.

For naval ship maintenance, we align with the government policy of "Armed Forces Refining Program" and "Commercial Maintenance of Naval Ships", focusing on large-scale combat ship and logistics support ship maintenance services. Over the years, CSBC has managed significant ship repair projects, including the Navy's GUPPY-class submarine maintenance, the strategic five-year maintenance of Panshi Fast Combat Support Ship, and the 5-year repair open contract for ROC navy's southern and north regions. Winning these bids demostrate CSBC's established maintenance capabilities. Furthermore, CSBC Kaohsiung yard and Keelung yard have developed naval construction and maintenance expertise to provide integrated solution services.

(d) Offshore Wind Farm Engineering

The main business is divided into two categories: offshore wind turbine foundations and maritime engineering steel structures. These include large-scale steel structure manufacturing, transportation, corrosion protection, installation, and related maritime engineering services.

The offshore wind power sector is developed as part of the company's diversification strategy, leveraging the accumulated engineering expertise and experience from shipbuilding to expand into new business opportunities.

At present, the company and its reinvested companies have completed the development layout of the offshore wind power business and set five major areas to proceed: (1) Manufacturing of offshore wind turbine foundations; (2) Turnkey solutions for maritime engineering; (3) Establishment of a construction fleet; (4) Offshore corrosion protection; (5) Manufacturing of floating wind turbine foundations.

Additionally, the company will continue to evaluate and introduce new business initiatives to meet the evolving needs of business development.

(e) Onshore Machinery Engineering and Petrochemical Infrastructure Construction

The main business is divided into two categories: onshore machinery engineering and petrochemical infrastructure construction; onshore machinery

engineering such as heavy steel structures, large pressure containers, port handling machinery, industrial machinery, industrial piping, environmental protection projects, power plants (including nuclear power plants) and automobiles manufacturing and installation of electric symbiosis plants, self-made LLC cantilever cranes, and ship unloaders; petrochemical infrastructure construction includes oil tank construction, loading and unloading workshops in oil storage and transportation centers, or pipeline manufacturing for transporting oil and gas.

D. New products development

Regarding the innovations of CSBC Corporation, Taiwan's research and development, summarized as follows:

(a). Development of basic design for ships

(b). In response to global climate change, the International Maritime Organization (IMO) has resolved to achieve net-zero emissions by 2050. Emission standards for vessels are becoming stricter, ship design must adapt accordingly. This year, we are developing 8,000 TEU dual-fuel container ships, as well as a 210,000 DWT bulk carrier, all utilizing a tailor-made comprehensive fluid dynamics package. Features such as low-resistance hull shapes, energy-saving rudders, energy-saving rudder bulbs, high-efficiency propellers, and low-resistance paints will effectively enhance propulsion efficiency, save fuel consumption, and reduce carbon emissions.

(c). Adopt localized monitoring system and integrated operating platform

i. Through the 4IntShip program, many equipment manufacturers have been supported and achieved results since 2016. The company will integrate system manufacturers (engine control room alarm system, valve control system and power management system) to improve the maintenance.

ii. We will use an integrated computer control platform to replace the traditional panel to allow for the possibility of future functional improvements and system expansion, such as intelligent remote monitoring, automatic ballast and floating functions, or virtual training and operational applications.

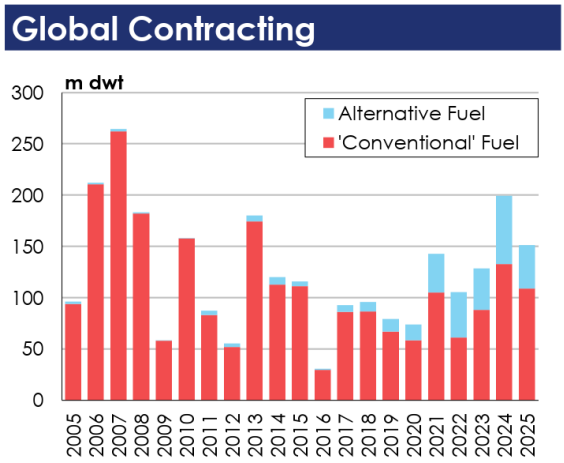
4.1.2 Industry Overview

A. Industry status and development

（a）Global contracting, orderbook and delivery outlook

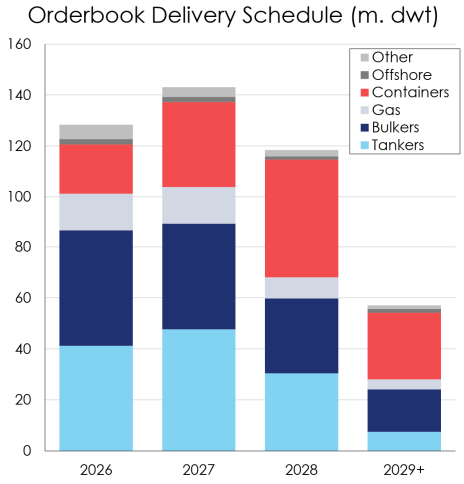
In 2025, global shipbuilding contracts (all vessel types) totaled 151.2 million DWT. While this represents a 24% decrease from the 2024 peak of 199.4 million DWT, the scale of contracting for the full year remained above the 10-year average, supported by a strong surge in market demand during the fourth quarter. Furthermore, the proportion

of contracts for alternative-fuel vessels saw a slight downward adjustment to 27.9%. Annual global contracting trends (all vessel types) from 2005 to 2025 are shown in the figure below:



Resource: Clarksons Research, World Shipyard Monitor, Volume 33, No. 1, January 2026

As of late December 2025, the global orderbook (all vessel types) stood at 332.4 million DWT, representing a 10.7% increase compared to the end of 2024. Regarding the future delivery schedule, 92.1 million, 101.8 million, and 89 million DWT are scheduled for delivery in 2026, 2027, and 2028, respectively. Deliveries for 2029 and beyond currently stand at 49.5 million DWT. The orderbook delivery schedule of each vessel types are shown in the figure below:



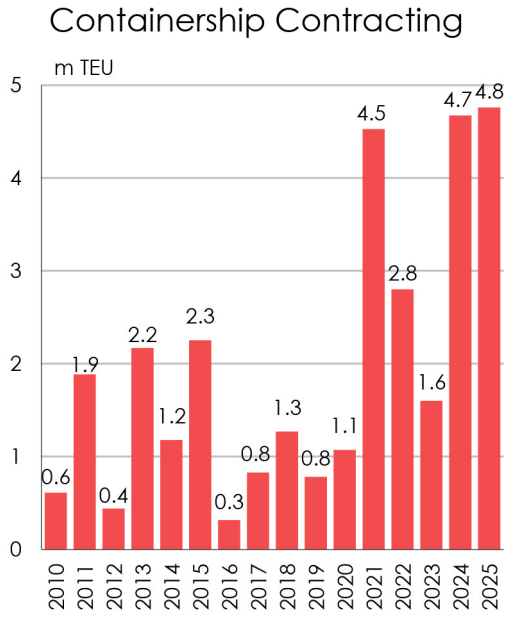
Resource: Clarksons Research, World Shipyard Monitor, Volume 33, No. 1, January 2026

（b）Contracting, orderbook, and delivery outlook of Container Vessel

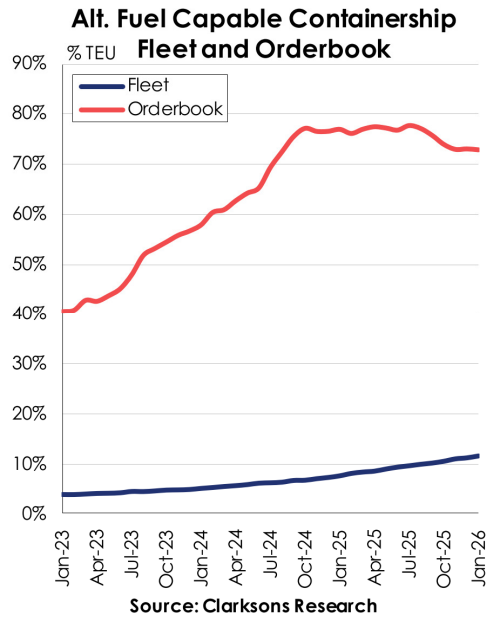
Newbuilding contracts for container ships reached a record high in 2025, totaling 644 vessels (4.8 million TEU). Growth momentum was

primarily driven by a recovery in demand for mid-sized vessels (3,000–6,000 TEU) and feeder vessels (under 3,000 TEU). As these vessel types still adopt conventional fuels, the proportion of alternative fuels in the containership orderbook (by TEU) decreased slightly from 78.6% at the end of 2024 to 73% by the end of 2025.

Regarding alternative fuel configurations within the orderbook, market demand shifted from methanol to Liquefied Natural Gas (LNG) in 2025. By the end of 2025, the share of LNG-powered vessels in the orderbook rose to 55% (up from 53.6% in 2024), while methanol-powered vessels fell to 17.8% (down from 24.9% in 2024). This trend reflects market concerns regarding methanol supply scarcity and practical considerations regarding the maturity of LNG technology.

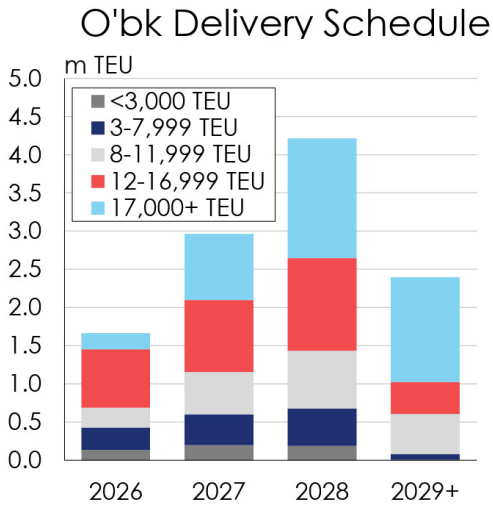


Resource: Clarksons Research, Container Intelligence Monthly, Volume27, No. 1, January 2025



Resource: Clarksons Research, Container Intelligence Quarterly, First Quarter 2026

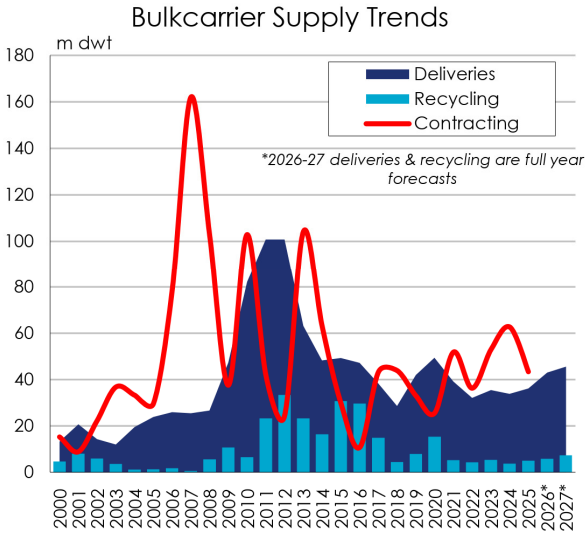
In 2025, a total of 269 container ships were delivered globally, with a total capacity of approximately 2.17 million TEU - a 25% decrease from 2024. Looking ahead, deliveries are projected at 1.66 million TEU for 2026 and 2.96 million TEU for 2027. Remaining capacity to be delivered from 2028 onwards is approximately 6.61 million TEU.



Resource: Clarksons Research, Container Intelligence Monthly, Volume28, No. 1, January 2026

（c）Contracting, orderbook, and delivery outlook of Bulk Carrier

Global contracting of bulk carrier declined by 16% in 2024, with 538 vessels contracted, totaling 44.1 million dwt. As of the end of 2024, the bulk carrier orderbook stands at 109.3 million dwt, with an estimated 37.5 million dwt and 40.7 million dwt expected to be delivered in 2025 and 2026 respectively.



Resource: Clarksons Research, Dry Bulk Trade Outlook, Volume 32, No. 1, January 2026

（d）Core products and business of Merchant ship

In the commercial shipbuilding sector, CSBC focuses on container ships as its core product. Given the fleet-oriented nature of the container

shipping industry, ship owners tend to favor procurement models involving multiple vessels of the same type to optimize scheduling efficiency and reduce logistical maintenance costs. Applying a single design to a series of vessels not only leverages economies of scale but also effectively enhances production efficiency.

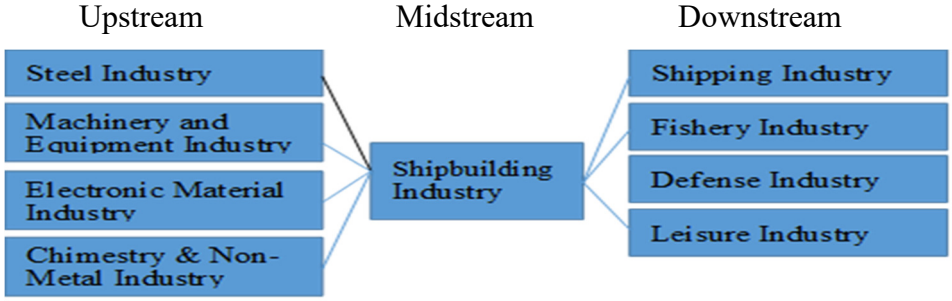
B. The relevance of the industry's upstream, midstream and downstream

The shipbuilding industry has a large number of upstream, midstream and downstream cooperative suppliers. The establishment and efficiency of the shipbuilding supply chain are related to the competitiveness of the shipbuilding industry. For example, the supply of steel plates for upstream shipbuilding, the midstream of main equipment (main engine, auxiliaries, etc.) and paint for the ship, and the end users of downstream ship-owners. The company has independent design, installation, and manufacturing capabilities for various types of ships, as well as professional ship research and development and design talents. It maintains a good supply and marketing relationship with upstream, midstream, and downstream suppliers and ship-owners to ensure product quality and delivery.

As for the supply chain establishment of suppliers in the upper and midstream cooperatives, the company has a strict evaluation, management and examination system for suppliers, and develops supply sources with diversification in order to establish a complete supply chain system. For services to downstream ship-owners, in addition to timely delivery to meet the needs of ship-owners, more attention is paid to after-sales service and satisfaction of the products used by ship-owners.

In order to ensure product quality and delivery time, the shipbuilding industry is closely related to the upstream, midstream and downstream. Any problems in any link will affect the service to downstream ship-owners.

Association Graph about Shipbuilding Industry



C. Competitive situation

Analyze the strategic development of major shipbuilding countries with

competitive strategies. South Korea has achieved low-cost competitive advantages of various ship types through economic scale, technology, management, and related peripheral industry support, and has developed a differentiated strategy to gradually increase the proportion of LNG, Offshore and other products. In the past, Japan has gained advantages in differentiation strategies. In order to maintain its competitive advantage, through industrial structure changes (strategic alliances, mergers or industrial division of labor) and specialization (each shipyard focuses on a certain type of ship), it also moves closer to cost leadership and professional differentiation. The mainland shipyard is currently gaining a competitive advantage with low labor costs. In the future, it will develop toward a cost-leading strategy through capacity expansion, equipment upgrades, technological improvements, and efficiency improvements. Western European countries continue to take the lead in passenger ships and special ships with professional differentiation strategies. CSBC mainly focuses on specialized container shipyards, and matches the business of Bulk Carrier or oil tanker according to market demand in a timely manner.

Considering the key success factors of container ships, comparing them with shipyards in Japan, South Korea and mainland China, CSBC Corporation Taiwan has advantages in quality, design, and specifications. The material cost is mainly imported due to the main equipment, and the industry is small in scale, and the bargaining power is weak, which is at a disadvantage.

Country / Item	CSBC Corporation Taiwan	Japan Shipyard	South Korea Shipyard	Mainland China Shipyard
(i). Salary level	C	D	D	A
(ii). Material costs	D	B	A	A
(iii). Punctual delivery	C	A	A	B
(iv). Length of construction period	C	A	B	B
(v). Construction quality	A	A	B	C
(vi). Design and specification	A	A	B	B
(vii). Achievement	B	A	A	A
(viii). Dock and energy	C	C	A	A

Note: A, B, C, and D represent relatively strong, second strong, second weak,

and weak respectively (Source: CSBC Corporation Taiwan)。

Regardless of the number of new ships or deadweight tonnage, the center of the global shipbuilding industry is still in Asia. At present, the world shipbuilding market presents a situation where China, Japan, and South Korea are in a state of dominance. As of the end of 2023, the three countries' ship handling orders (Order book) accounted for 92% of the world's total in terms of revised gross tonnage (CGT) and holds most of the orders in the world shipbuilding market. In 2024, China's shipbuilding completion volume, handling orders and new ship contracts both surpass South Korea, becoming the world's largest shipbuilding country.

In order to seize the small shipbuilding market, the major shipbuilding countries, Japan and South Korea, keep implement shipbuilding policy to reinforce their technological advantages and foreign expansion strategies to compete with China for the market, especially in green ship technology to increase research and development efforts. The following is an analysis of the development of the major shipbuilding countries in Asia, South Korea, Japan, Mainland China and Taiwan, as follows:

(1)South Korea

South Korea's shipbuilding industry cycle is at a mature stage, with resource advantages, technological advantages and financial advantages, and strong competitiveness. The completion and delivery of ships in 2024 reached 11.3 million modified gross tonnage (MCGT), lower than China's 21.5million modified gross tonnage (MCGT) and the second largest percentage in the world.

However, South Korea's shipbuilding industry also encountered bottlenecks in the development process, mainly due to insufficient domestic production line resources, relative shortage of technical personnel and production workers, and rapid increase in workers' wages, which have brought greater development pressure to the enterprise. At present, the labor cost in South Korea accounts for an average of about 30% of the cost of a new ship, compared to 10% to 15% in China, which is not conducive to competition. Therefore, due to the high cost of domestic shipbuilding and the decline in competitiveness, South Korea has begun to shift the focus of orders to ships with higher added value, especially transferred to VLCC

Large crude oil carrier, Large Container Vessel, chemical tanker, Large LPG tanker and LNG tanker and marine engineering projects high value-added ships. In order to strengthen high-value-added ship types. The Korean government also stated at the second K-Shipbuilding Technology Alliance meeting in 2024 that it will jointly invest 2 trillion won with the private sector in new marine equipment, unmanned automated production equipment and terminal automated logistics systems. It is expected to promote new growth in the shipbuilding industry in the next ten years.

(2) Japan

The Japanese shipbuilding industry cycle is in a post-mature period. I currently ranking third in the world's shipbuilding industry, with completed deliveries accounting for 4.8 million corrected gross tons (MCGT)

Just like the development of South Korea’s shipbuilding industry, Japan’s shipbuilding industry itself has encountered many problems in recent years, mainly due to the lack of successor strength of shipbuilders and high wages. Like South Korea, Japan’s labor costs account for an average of about 30% of the cost of a new ship, and it has been plagued by the further development of the Japanese shipbuilding industry. Many companies have adopted mergers and acquisitions or reorganizations to reduce costs by increasing their scale.

In recent years, in response to the global economic situation has changed and shipbuilding demand, Japan has resumed its suspended production capacity. The government has adopted relevant policies such as low-interest shipbuilding financing, introduction of R&D resources, indefinite residence and family-carrying policies for migrant workers, and plans to encourage companies to expand and update shipbuilding equipment to ensure the shipbuilding market share and the strategic position of the shipbuilding industry.

In order to enhance comprehensive competitiveness, strengthen technological innovation and cultivate talents, the shipbuilding industry must continue to maintain a 100% foothold in Japan’s domestic production to delay the shift of global shipbuilding centers to China.

(3) Mainland China

The shipbuilding industry cycle in mainland China is in the pre-growth period, and the shipbuilding industry has shown strong vitality. Due to the comparative advantage in steel plate and labor cost, the shipbuilding

industry in mainland China has achieved considerable development. Since 2003, the three major indicators of shipbuilding completion, new orders and handling orders in mainland China have surpassed the total of European shipbuilding countries, and it has also widened the gap with Japan and South Korea in 2010.

In addition, British Clarkson Research Company revised the gross tonnage statistics of world shipbuilding in 2024, showing that the completed shipbuilding volume of mainland China accounted for 53.22% of the world market ratio; the volume of new orders accounted for 70.67% of the world market ratio; the volume of handling orders accounted for the world market. With a ratio of 58.14%, the three major indicators are slightly inferior to South Korea, making it the second largest shipbuilding country in the world.

Mainland China now has the ability to develop and build high-tech ships and marine engineering equipment, and has reached the international advanced level. the shipment rate of mainstream localized supporting equipment has almost reached the independent capability.

(4) Taiwan

In recent years, CSBC has actively transformed itself into the three major businesses of shipbuilding, domestic shipbuilding, and offshore wind power. The annual revenue share of the shipbuilding industry has dropped to 7.07%, and the operating strategy is mainly focused on niche ships. In 2024 a total of 7 ships will be completed and delivered, including 3 electric ferry, 1 Coast Guard 4,000-ton frigate, 1 Coast Guard 1,000-ton frigate, 1 Navy auxiliary rescue and salvage ship, and 1 CPC Corporation, Taiwan 50,000-ton oil tanker. Approximately 12,842 CGT have been delivered by 2024.

CSBC has continuously improved the construction quality, enlarged the ship section, strengthened the control of material and labor costs, improved the shipbuilding process, shortened the shipbuilding schedule and other measures to cope with the competition in the global shipbuilding market.

In the face of competition in the global shipbuilding market, Taiwan Shipbuilding will face new challenges in the future: (1) reduce costs, strengthen the management system (2) optimize manpower, technology inheritance (3) adjust product structure, develop new businesses (4) accelerate product development and innovation (5) Innovate the operation

mode and develop business. In response to these new challenges, in order to achieve the goal of sustainable operation, the company will continue to promote the transformation of operating strategies such as shipbuilding industry, domestic shipbuilding and offshore wind power business, and plan to increase revenue and reduce expenditure and EP-10 plan to decentralize company operations Risks, comprehensively and continuously improve the overall competitiveness, and coordinate with organizational transformation and corporate culture optimization, research and develop relevant work priorities and performance management and examination mechanisms, with the strategic goal of "up and down E-centered, reverse the situation", and depending on the market development situation, while cooperating The national policy adopts a rolling adjustment to the direction of operation, and actively moves towards turning losses into profits and creating operating profits.

(5) Summary

Looking ahead, there is no sign or trend of recovery in the global economic prosperity, and the prosperity of the shipbuilding industry is not optimistic. However, under the guidance of the upgrade and transformation plan and EP10, the company will continue to develop steadily towards the three major blocks and move forward with the vision of building an excellent marine business group. In the future, we look forward to strengthening the corporate core culture of "discipline, efficiency, honor, and mission" and "hard work, frugality, pragmatism, and execution" in the business philosophy of "integrity, innovation, and growth." ，It is believed that under the successful transformation of the operation strategy and the corporate culture effect, stable profits and sustainable growth are just around the corner.

4.1.3 Technology and R&D Overview

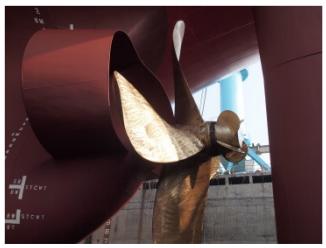
A. Technical level of the business

(a) Shipbuilding

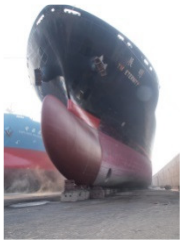
The shipbuilding industry is a technology, capital, and labor-intensive industry. Facing competitor worldwide, innovative research and development is important. CSBC treat these seriously and keep supporting the technologies of energy saving, environmental protection, safety, and searching for the rule-complied design, to create and bring added value to customers.

Significant milestones of ES energy saving project, such as, ES Bow

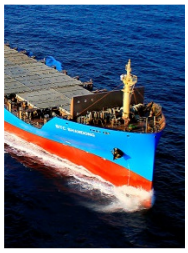
conversions, Sea Sword Bow, ES Rudder (Twisted Leading Edge & Rudder Bulb), Rudder-fin, high efficiency propeller, wake diversion device, Pre- Swirl Vortex Generator, Asymmetric Y-shaped and T-shaped stators, and etc., are with great sales records and high reputations.



ES WED



ES BOW

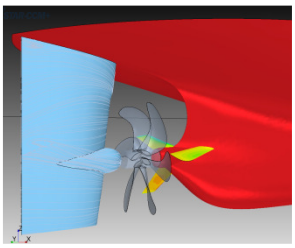


Sea Sword Bow(SSB)

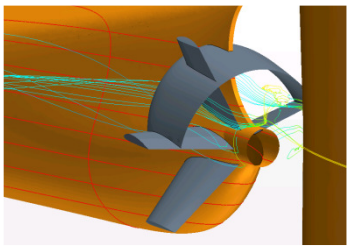
ES Rudder

Rudder-fin

Pre-Swirl Vortex Generator



Asymmetric Y-shaped fin device



Asymmetric T-shaped fin device

(b) Naval and Governmental Vessels construction

CSBC has accumulated many years of technologies and experience in shipbuilding and repair, with the capability to design vessels independently. To further strengthen our capabilities, CSBC plans to introduce the latest shipbuilding technologies and develop integration and testing capabilities on new equipment through strategic alliances, both domestic and internationally.

B. Research Development

Since its establishment in 1973, the company has accumulated many years of engineering experience, and has cooperated with production, learning, and research to cultivate independent design capabilities, and related engineering management and technology for shipbuilding and repair. It has reached the level of world-renowned shipyards and had a certain competitive advantage in the international shipbuilding market.

(a) Shipbuilding

Developments for the concept of “Green Ship” are as follows:

To enhance vessel energy efficiency, CSBC has implemented a twisted rudder design for its 8,000 TEU container ships. This design effectively recovers rotational kinetic energy from the propeller's downstream and converts it into useful thrust, thereby improving propulsion efficiency and achieving carbon reduction goals.

During development, an initial symmetric rudder was first designed based on the stern configuration and required rudder area. Computational Fluid Dynamics (CFD) simulations were then utilized to analyze the impact of propeller rotation on rudder pressure distribution at design speeds. Through iterative adjustments to the rudder's leading-edge position and shape, multiple candidates were established for optimization.

In the evaluation phase, the final design was selected by comparing propeller RPM, torque, and Delivered Horsepower (DHP) at the self-propulsion equilibrium point, while simultaneously accounting for wave-making resistance and cavitation risk.

Aerodynamic Optimization and Performance Study of Bow Windshield for a 8,700 TEU Container Ship

In response to the global green transition in shipping, CSBC has focused on hull optimization and energy-saving devices, specifically targeting wind resistance reduction for container ships. Building on our 2017 research on wind windshields for 14,000 TEU vessels, we have extended this expertise to conduct detailed configuration comparisons and technical evaluations for the 8,000 TEU class.

Using CFD simulations, this study compared wind resistance and total drag across various windshield designs, loading rates, and container height configurations. The results indicate that windshields effectively improve the flow field around the bow and accommodation blocks, significantly reducing drag in headwind conditions regardless of stacking height. With a projected payback period of under six years due to fuel savings, this technology demonstrates clear mid-to-long-term investment value.

High-Efficiency Unmanned Surface Vessels (USVs)

Since 2022, CSBC has been actively engaging in the field of Unmanned Surface Vessels (USVs), conducting extensive data collection and conceptualizing high-potential hull designs. In light of the effective use of unmanned vehicles in the Russia-Ukraine conflict—where "low-cost, high-efficiency" asymmetric warfare has emerged as a dominant strategic trend—CSBC officially relaunched its USV development program in the first half of 2024. The project focuses on four primary mission objectives: Patrol, Escort, Exploration, and Strike. The design philosophy prioritizes the use of Commercial-Off-The-Shelf (COTS) components to ensure the vessels remain uncomplicated, cost-

effective, and expendable. Targeting potential users in national defense, scientific research, and the offshore wind industry, our USVs are engineered with high payload capacity, superior sea-keeping abilities, and high maneuverability to distinguish them from existing market solutions and ensure versatility across diverse mission scenarios.

Regarding structural fabrication, Fiber-Reinforced Plastic (FRP) is utilized as the primary material. Under the current design framework, Satellite and 4G networks serve as the main communication carriers; with satellite connectivity, the operational range is virtually limitless. The Remote Control and Navigation System includes steering wheels (or joysticks), propulsion control units, and Electronic Chart Display and Information Systems (ECDIS). Although the system is bifurcated into ship-side and shore-side components, the overall architecture replicates the ship's onboard interface at the shore station. By integrating situational awareness data—such as vessel positioning and Automatic Identification System (AIS) info—the system significantly minimizes the learning curve and adaptation time for operators.

(b) Naval and Governmental Vessels construction

CSBC actively supports national policies by constructing naval submarines, new rescue vessels, and amphibious transport docks (LPDs). Furthermore, we provide the Coast Guard Administration (CGA) with high-latitude pelagic patrol vessels, and patrol vessels, demonstrating our commitment to fulfilling the government's requirements for advanced official vessels. In the field of unmanned vehicles, CSBC has showcased formidable R&D capabilities. In September 2025, CSBC obtained Approval in Principle (AIP) from the American Bureau of Shipping (ABS), becoming the first unmanned vessel manufacturer in Taiwan to receive certification from an international classification society.

(c) Ship / vessel repair

With shipyards located in both the northern and southern regions of Taiwan, along with ship repair docks, CSBC is able to offer a comprehensive range of services. These include annual repairs, special inspections, modifications, sea damage repairs, construction, and maintenance for various types of vessels, as well as long-term contracts for naval ship maintenance. In addition to its professional ship repair capabilities, CSBC benefits from its strategic location as a hub along major international shipping routes and maintains strong relationships with government agencies and shipping companies.

(d)Offshore Wind Farm engineering, machinery production and petrochemical infrastructure

Through the accumulated rich experience and technology of shipbuilding and heavy industry, combined with ultra-high heavy-duty lifting equipment and a wide and flat plant area, we have a competitive advantage in enhancing environmental protection, air pollution control projects, power plants, rail vehicles and other large-scale related mechanical engineering.

C. Research and development personnel and their academic experience

CSBC Corporation Taiwan has more than 400 employees with a bachelor's degree or above with research and development capabilities, and nearly about 100 researchers participate in research and development every year. The department responsible for the promotion and management of R&D plans is the "Department of Planning". The department responsible for the development and research of the technology application of ships and vessels (water-bearing ships) is the "Department of Design". The department responsible for the development and application research of key technologies for intelligent shipbuilding is "Department of Information Technology". Another department responsible for the development of marine engineering technology is "CSBC-DEME Wind Engineering Co., Ltd.". The educational background of the company's personnel involved in research and development is as follows:

Item \ Year		2022	2023	2024	2025
Education distribution	Ph.D	5	4	1	2
	Master's degree	81	77	49	43
	Bachelor's degree	43	36	33	33
	Other	9	7	6	5
Total		138	124	89	83

D. R&D expenditures invested in each of the last three years and successfully developed technologies or products.

(a) R&D expenses invested: Unit: NT$ thousands

Item \ Year	2023	2024	2025	As of Mar. 31, 2026
R&D expenses (A)	288,960	269,287	317,901	73,371
Turnover(B)	21,476,365	14,494,347	21,780,245	4,731,963
(A)／(B)%	1.35%	1.86%	1.46%	1.55%

(b) Successfully developed products:

CSBC meets the application demand of customers, and continuous innovates designs and improvements by its excellent R&D technical team and business development strategies. The ship type developed in recent years has excellent performance. From 1998 to 2024, 29 new ship designs have been developed, and 238 ships have been selected in the "Significant Ships" published by the Royal Institute of Naval Architecture (RINA). Besides, CSBC has won the cover of "Significant Ships" for eleven consecutive years from 2014 to 2024. Here is a list of the actual performance results of the company's selected ships in recent years:

List of selected CSBC ships of “Significant Ships”

Year	Type of ship	Representative ship number	Total number of ships built (ship)
1998	2,200 TEU Container Vessel	HNO.665	38
1999	57,000 DWT Semi-submersible Deck Cargo Carrier	HNO.725	2
2000	5,714 TEU Container Vessel	HNO.788	2
2001	176,000 DWT Bulk Carrier	HNO.769	8
2002	3,200 TEU Container Vessel	HNO.791	5
2002	17,726M^3 Reefer	HNO.730	2
2003	77,000 DWT Bulk Carrier	HNO.815	9
2004	12,600 DWT Cement Carrier	HNO.800	1
2004	175,100 DWT Bulk Carrier	HNO.821	3
2004	5,500 TEU Container Vessel	HNO.823	6
2005	4,250 TEU Container Vessel	HNO.835	20

Year	Type of ship	Representative ship number	Total number of ships built (ship)
2006	4,050 TEU Container Vessel	HNO.833	6
2006	1,800 TEU Container Vessel	HNO.849	22
2007	202,500 DWT Bulk Carrier	HNO.867	5
2007	6,000 TEU Container Vessel	HNO.870	4
2008	8,240 TEU Container Vessel	HNO.875	10
2009	1,700 TEU Container Vessel	HNO.940	13
2010	6,600 TEU Container Vessel	HNO.896	6
2011	40,000 DWT Oil Tanker	HNO.981	4
2011	93,300 DWT Bulk Carrier	HNO.983	4
2012	4,500 TEU Container Vessel	HNO.950	11
2014	1,800 TEU Container Vessel	HNO.1030	22
2016	14,000 TEU Container Vessel	HNO.1036	5
2017	2,800 TEU Container Vessel	HNO.1065	10
2019	208,000 DWT Bulk Carrier	HNO.1099	4
2020	2,800 TEU Container Vessel	HNO.1113	10
2023	Marine Installation Vessel	HNO.1175	1
2023	3,000 TEU Container Vessel	HNO.1185	4
2024	50,000 DWT Oil/Chemical Tanker	HNO.1193	1
Total		29 types	238

Since 2005, 19 new ship designs and 127 ships have already won awards of the "SHIP OF THE YEAR in Taiwan", organized by Taiwan Society Naval Architects and Marine Engineers. The ships have been recognized by domestic scholars and experts. Here is a list of the actual achievements of the company's award-winning ships in recent years:

List of selected CSBC ships of “SHIP OF THE YEAR in Taiwan”

Year	Type of ship	Representative ship number	Total number of ships built
2005	12,600 DWT Cement Carrier	HNO.800	1
2007	1,800 TEU Container Vessel	HNO.849	22
2008	202,500 DWT Bulk Carrier	HNO.867	5
2009	8,240 TEU Container Vessel	HNO.875	10
2010	1,700 TEU Container Vessel	HNO.938	13
2012	40,000 DWT Oil Tanker	HNO.981	4

2014	8,500 TEU Container Vessel	HNO.1007	10
2015	1,800 TEU Container Vessel	HNO.1030	22
2016	AOE Fast Combat Support Ship	HNO.1025	1
2017	14,000 TEU Container Vessel	HNO.1036	5
2018	65,000 DWT Semi-submersible Deck Cargo Carrier	HNO.1057	4
2019	2,800 TEU Container Vessel	HNO.1073	10
2020	Gross Tonnage 500 class Ocean Research Vessel	HNO.1088	2
2021	Gross Tonnage 1,000 Class Ocean Research Vessel	HNO.1090	1
2022	2,800 TEU Container Vessel	HNO.1113	10
2023	Landing Platform Dock (Yu Shan)	HNO.1103	1
2024	Marine Installation Vessel	HNO.1175	1
2025	4000T OPV	HNO.1154	4
2026	Training ship	HNO.1182	1
Total		19 types	127

From 2016 to 2025, a total of 6 new ship designs and 37 ships won the "Taiwan Excellence Awards" organized by Ministry of Economic Affairs and Taiwan External Trade Development Council. In 2019, 2022, and 2025, CSBC even won the "Gold Award" of Taiwan Excellence Awards.

List of selected CSBC ships of "Taiwan Excellence Awards"

Year	Type of ship	Representative ship number	Total number of ships built
2016	1,800 TEU Container Vessel	HNO.1030	22
2017	14,000 TEU Container Vessel	HNO.1036	5
2019	65,000 DWT Semi-submersible Deck Cargo Carrier	HNO.1057	4
2022	1,000 Gross Tonnage Class Ocean Research Vessel	HNO.1090	1
2024	3,000 TEU Container Vessel	HNO.1185	4
2025	Marine Installation Vessel	HNO.1175	1
Total		6 types	37

We have built numerous outstanding products to enhance Taiwan's international competitiveness. The Marine Installation Vessel (MIV) won the first prize at the "20th National Brand Yushan Award" in 2023.

(c) Successfully developed technology:

Although the maritime industry already consumes less energy than other transportation industries, as the requirement of rules, all member states and the Maritime Organization are willing to cooperate with the world in reducing carbon emissions. Since 2005, Taiwan Ships has launched an energy saving plan (Energy Saving Plan, ES), focusing on hull line shape, propeller refinement, improvement of propulsion efficiency, weight reduction, etc., and is divided into three stages: ES10,

ES20, and ES30 , have reached the energy-saving plan goals as scheduled.

Taking sea sword bow as an example, since the delivery of the 1,808 TEU SITC Shandong by CSBC in 2014, to 23,992 TEU, the world's largest container ship, the anti-wind and wave bow similar to the sea sword bow, which proves the research and development ability of CSBC to lead the world's shipbuilding design trend.

With the development of science and technology, CSBC is promoting the 4IntShip project. From the perspective of design or operation, combined with practice, and actually applying the results to various products of CSBC, actively marketing to shipowners and customers, and has won a lot of awards. Customer affirmation and praise.

ES10 Improve ship emissions and save energy by 10%	Hull lines design	Wave resistance reduction stern
	Propulsion device and performance	High efficiency propeller, ES rudder, rudder fin, pre-swirl stator
ES20 Further energy savings of 10%	Resistance-Reducing by Microbubbles technology	Reduce the frictional resistance of the hull surface
	Resistance-Reducing by Microbubbles technology	Reduce the frictional resistance of the hull surface
	Sea Sword Bow	Reduce the influence of ship trim and sea conditions
ES30 Advanced technology, 10% energy saving	Renewable energy utilization	Solar, wind, waves
	Reduce Weight	Lighter castings and outfits
	Waste Heat Recovery	Improve the efficiency of waste heat from diesel engines
	System improvement	Power management system, hydraulic system, cooling water system
	Operational requirements	Weather Routing analysis and suggestion
4IntShip	Intelligent	Smart ship, saving easily
	ECOShipCond	Using Computational Fluid Dynamics analysis, giving suggestions for more energy-saving ship conditions
	IntAECOShipCond	Using the suggestions fo ECOShipCond and with the functions of IntAShipCond to save more energy.

(d) Progress of ongoing research and development projects:

As of Jan. 31, 2026

R&D project name	Current progress (%)	The more cost that needs to be invested (NT$ thousands)	Estimated finish time / Time to complete mass production	The main factors affecting the success of research and development in the future
1. Smart innovative applications in shipbuilding industry (115)	6	24,300	December 31, 2026 / —	1.Master the signal interface of main engine, propulsion system and related equipment. 2.Familiar with ship classification regulations and system development capabilities. 3. Close cooperation and contact with SOIC, CR and shipowners.
2. Research on the Paperless Transformation of Financial Operations and Electronic Invoicing	10	32.4	December 31, 2026 / —	Gather information, review paperless and electronic invoicing operations, and develop an improvement plan.
3. Shipbuilding Market Research Analysis (115)	8	900	December 31, 2026 / —	1. Accurate information of market conditions. 2. Close cooperation and contact with ship brokers and ship owners. 3. The completeness of the content of the reference materials.
4. Basic design and development of new ships (115)	9	34,245	December 31, 2026 / —	1. The ability to grasp the pulse of future market demand. 2. Total capacity of ship design and business volume of the company.
5.Project of indigenous technology improvement for the light rail vehicle bogie system (4/4)- Project schedule extension	5	4,050	December 31, 2026 / —	1.Close cooperation and contact with National Pingtung University of Science and Technology. 2.Obtain third-party certification.
6.Establishment of an analysis and design program for propellers under	3	1,269	December 31, 2026	1.Apply different calculation tools to calculate the resistance in still water. 2.Apply self-propulsion

unsteady inflow conditions (2/2)			—	simulation method to calculate fuel consumption.
7. Research on Optimizing Performance Appraisal Systems at CSBC Corporation	2	900	December 31, 2026 —	Establish a fair and effective performance evaluation system to implement performance management, and enhance organizational competitiveness.
8. Research on Improving Towing Methods for Ship Model Experiments	2	2,934	December 31, 2026 —	Outsource thrust and torque tests for aluminum and copper propellers. Establish correction criteria to increase the accuracy of ship model experiments.

Note: "-" means not applicable (because the company is an order-based production).

4.1.4 Long-term and short-term business development plans

A. EP-10 project and a task force of increase-revenue and cost-down.

In order to achieve the goal of sustainable operation, and to ensure the successful execution of Merchant ship's business, Indigenous National defense , Petrochemical infrastructure business and offshore wind power, CSBC focuses on improving and strengthening productivity and continue to promote the EP-10 improvement project (Enhance Productivity, Profit, Performance 10%) in 2024. Under the premise of increasing productivity, profitability and performance by 10%, turning losses into profits, profit from new businesses, and reorganization, a total of 61 specific tasks have been set, executed and followed up. In addition, set an increase-revenue target of NT$51 million and a cost-down target of NT$155 million, and the total benefit target of EP10 project in 2024 is NT$206 million. All the EP10 tasks are followed up by monthly meeting chaired by top managers. The achievement rate of EP10 tasks throughout the year was 98.36%, and the cumulative amount of benefit targets reached the target at the same time.

B. Short-term business development plan

(a) Actively strive for new business orders, turn losses into profits, and create profits

Merchant ship's industry will actively strive for domestic and foreign Merchant ship, Official Vessels construction and other businesses. At the same time, Indigenous National defense and offshore wind power will be new businesses that the company will actively strive for. The company has adjusted its organization and established Naval Shipbuilding PMO, CSBC-DEME Wind Engineering Co., Ltd., Department of Ship Management and

CSBC ACADEMY to coordinate the limited resources of the company and make organizational adjustments, put the newly established R&D center under the Department of Planning. Cooperate with the adjustment of the company's operating strategy, dynamically adjust and integrate R&D strategies, develop and research core technologies in line with new business development, and achieve successful transformation, which will help sustain the growth of operations and create profits.

(b) Strengthen production capacity control and reduce costs in an all-round way

The boom in international shipping is still sluggish, which has seriously affected the shipbuilding market. The low ship prices, coupled with the large fluctuations in the exchange rate and raw material prices, and the backward construction progress, have caused operating losses to expand. Except for external uncontrollable factors, control measures have been taken to ensure that the subsequent construction of new ships can be delivered on time within the contract delivery date. In order to increase productivity, the company is currently investing in an 800-ton crane and has completed the enhancement of the carrying capacity of Pier 2 in the Kaohsiung plant. For related project investment plans, please refer to Chapter 7 of the Explanation of Significant Capital Expenditure. At the same time, the company will continue to promote the throttling plan, reduce indirect costs, and strictly control the project schedule and budget. It is expected that with the improvement of production efficiency and equipment updates, and in the absence of accidents, the company will improve production efficiency on schedule, quality and budget to reduce operating costs to create profit and sustainable operation.

(c) Continuously carry out internal transformation of the company to enhance competitiveness

According to the upgrade and transformation plan, the company has set 1) Merchant ship's main business, 2) Indigenous National defense, 3) offshore wind power and 4) petrochemical infrastructure as the mainstay of diversified operation. ，The company’s internal organization was adjusted at the same time and actively promoted the upgrade and transformation plan. ，The management system is reviewed and revised at the same time to strengthen the staff's usual assessment, combined with the annual assessment, to reward the superior and eliminate the inferior with performance orientation, and to create a corporate culture that emphasizes both discipline and efficiency. In addition, in order to ensure the success of the operation transformation, the training center was upgraded to CSBC ACADEMY, and manpower cultivation, development and inheritance were listed as key items and tasks. At the same time, it combines industry-academic cooperation to effectively enhance the company's research and development capabilities and the establishment of core competitiveness, making the company a competitive marine business group.

(d) Improve design energy and accelerate the development of new ship types

In response to the development trend of global energy saving and carbon reduction, the company develops energy-saving ships based on the

principles of environmental protection, economy, energy saving, and safety. And in response to the needs of the shipbuilding market, develop new ship types to meet customer needs and create customer value. The company has started the Energy Saving Plan (ES; Energy Saving Plan) since 2005, and achieved the energy saving target of 30%. Energy-saving design results include energy-saving ship bow (with high sea-condition adaptability), energy saving bow (saving fuel consumption by 12%), energy-saving rudder (energy-saving 2~4% horsepower), vortex generator (a patented design, reducing propeller excitation force, noise and vibration, save 1% horsepower). At present, it has also launched the service policy of SODO (the most suitable ship design and operation technology in the real sea) innovative design brand and the smart ship development of the 4IntShip whole ship network construction plan brand. In order to enhance the design capacity, the company conducts industry-university cooperation at the same time, and actively recruits design talents from various universities and departments to invest in the design and development of new ship types, in order to strengthen the company's competitive advantage and competitiveness in the highly competitive international shipbuilding market.

C. Long-term development plan

(a) To strengthen the corporate governance system and sustainability Development.

In order to enhance the company’s performance in the capital market and the transparency of company operations, the company’s corporate governance aspects include safeguarding the rights and interests of shareholders and treating shareholders equally, strengthening the structure and operation of the board of directors, enhancing information transparency, and implementing sustainability Development, etc. Accept the "Corporate Governance Evaluation" every year to continuously improve the transparency of corporate governance. In addition, in order to expose the company’s management and achievements in promoting sustainability Development, the company written "sustainability Report" in accordance with GRI standards every year and establishes "Area of sustainability Development " on the company website, and uploads the report to MOPs to provide interested parties with access and understanding. In response to the concerns of stakeholders, the company will continue to optimize its corporate governance system and Pursue the company's sustainable development

(b) Implement the transformation plan and diversify operations

The company has set 1) Construction and maintenance of Merchant ship, 2) Construction and maintenance of ships, 3) Offshore wind power and marine engineering, and 4) Petrochemical infrastructure as the diversified business main axis and business transformation strategy to reduce the concentration of products and the

operational risk of being affected by the global economic cycle. The company's diversified upgrade and transformation has started in 2017, and the internal organization, manpower and management system will be continuously reviewed and established. In the future, the three major areas of operation will account for 1/3 of the company’s revenue, and the three major areas of operation will all be related to the company’s shipbuilding industry’s core technologies. In the future, the company will work hard on these three major areas of operation and move towards the goal of building a competitive advantage in the marine business group.

(c) Inheritance of knowledge and technology, build human resources

Manpower aging, technology inheritance and talent cultivation for the development of new businesses are challenges and issues that the company cannot avoid and urgently need to face. In response to challenges and issues, the company established "CSBC ACADEMY" in October 2017 to pass on training internally and recruit talents from abroad. It is also necessary to actively cultivate various professional talents for the company's business development, inherit the core technologies of shipbuilding, Indigenous National defense and offshore industry, and develop a high-performance digital and real-field learning environment. The long-term goal will not only provide a consulting platform for talent cultivation, development and technical exchanges in the company's diversified business chain, but also play a key role in the implementation of the government's industrial development localization policy.

4.2.Market and Sales Overview

4.2.1 Market Analysis

A. Sales area of main products

Unit：NT$ thousands

Sales area	2024		2025	
	Amount	%	Amount	%
Domestic sales	14,468,511	99.82	19,495,396	89.51
Export sales	25,836	0.18	2,284,849	10.49
Total	14,494,347	100.00	21,780,245	100.00

B. Market Share

CSBC is positioning as a professional container shipyard. When analyzing the delivery volume of a single shipyard, across all vessel types, CSBC accounts for about 0.02% of the total global delivery volume (calculated by CGT).

CSBC Corporation Taiwan's market share in the past 5 years

Year	2021	2022	2023	2024	2025
Global(MCGT)	46.6	42.8	41.7	65.8	56.4
CSBC CGT	43,302	51,188	66,841	12,842	28,507
Market Share	0.09%	0.12%	0.16%	0.02%	0.05%

C. The future supply and demand situation and growth of the market

The global shipping market is currently shaped by the dual influences of geopolitics and environmental regulations, presenting a landscape where challenges and opportunities coexist. Regarding the external environment, the ongoing Red Sea crisis remains unresolved, and uncertainties surrounding international trade policies (such as U.S. tariff policies) contribute to continued market volatility.

In terms of environmental regulations, although the International Maritime Organization (IMO) resolved during the October 2025 MEPC meeting to postpone the "Net-Zero Framework" vote by one year, the long-term objectives, including the 2030 carbon reduction milestones and the 2050 Net-Zero emissions goal, remain unchanged. This delay effectively grants shipowners a two-year buffer to evaluate technical pathways, but the pressure of tightening regulations ensures a sustained, rigid demand for energy-efficient and low-carbon newbuildings.

The Feeder Vessel market, CSBC's core segment, demonstrates particularly strong growth momentum driven by the following factors:

- Fleet Renewal Pressure: The average age of the global feeder fleet now exceeds 15 years, with nearly 30% of vessels in service for over 20 years. As environmental regulations tighten, these aging vessels struggle to meet efficiency standards, creating significant pressure for fleet replacement.
- Strategic Niche in "Hub and Spoke" Models: With the rise of emerging trade routes and the maturity of "Hub and Spoke" operations, feeder vessels play an increasingly critical role in connecting regional ports with trunk line hubs. Their port adaptability and fuel efficiency provide an irreplaceable niche in regional and medium-haul routes.

In summary, demand for the feeder vessels in which CSBC excels is expected to remain on an upward trend. Looking ahead to 2026, the newbuilding market maintains robust growth potential. CSBC will continue to monitor market pulses and leverage its technical advantages to secure high-quality and niche orders.

D. Competitive niche

(a) R & D design ability

In the Merchant ship business, after the company developed and designed the first Bulk carrier in 1992, of the 29 ship types developed by 2024, 238 ships were listed as “Significant Ships” of the Royal Institution of Naval Architects. As of this year, there are 18 ship types developed, and 126 ships have been selected as "SHIP OF THE YEAR in Taiwan" of Taiwan Society Naval Architects and Marine Engineers. Since 2016, there are 6 models and 37 ships have won the "Taiwan Excellence Awards" for their performance. Among them, 2019, 2022, and 2025 was selected "Gold Award of Taiwan Excellence Awards". In response to the development trend of smart ship technology, the company independently researched and developed the 4IntShip brand through cross-field alliances to develop the 4IntShip brand, actively marketing, creating added value for customers' products, and the benefits of real ship applications have been trusted and affirmed by ship owners and customers.

(b) Manufacturing capacity

Based on years of accumulated experience in shipbuilding engineering, world-class production equipment, and self-cultivation of design and development capabilities, since the establishment of CSBC. Its technology and quality have been confirmed by the international shipping industry and ship owners.

(c) Marketing ability

In domestic market, CSBC adheres to a customer-centric business philosophy. By actively engaging in client visitations and cultivating deep-rooted relationships, we provide comprehensive solutions precisely tailored to meet specific needs. Furthermore, by integrating real-time vessel information sharing, we create customized value and operational efficiency for our clients.

In international markets, we utilize an agency system to establish a global sales network by employing a product strategy centered on "High Quality, Continuous Innovation, and High Value-Add," combined with bespoke services to enhance brand loyalty among our global clients.

(d) Human Resource

Since the establishment of CSBC in 1973, the company has been nearly 50 years and has abundant technical, engineering and management manpower. The company attaches great importance to human capital and has established a sound talent cultivation system and study subsidy. Since the establishment of CSBC ACADEMY, it has actively promoted industry, government, academic, and research cooperation, cultivate professional talents in the marine industry such as shipbuilding, Indigenous National defense and offshore wind

power, and plan to promote the pipeline for the use of diversified talents, carry out human resource inheritance, and ensure the company's sustainable operation. At present, the company's operating strategy has been planned and positioned as 1) shipbuilding industry, 2) Indigenous National defense and 3) offshore wind power and other offshore engineering businesses to transform in order to meet the national defense independence and energy policy and provide the company's core key technologies, build a talent development platform, and fulfill corporate social responsibility for cultivating the development of localized industries. Besides, in the shipbuilding industry and Indigenous National defense operations, it is currently gradually building "construction and maintenance in one" capacity to provide and satisfy ship owners and customers with all-round service quality.

(e) Management system verification and greenhouse gas inventory system

i. 2024 Management system verification

▲The ISO 9001 certificate was obtained on December 17, 2024, and is valid until December 21, 2027.

▲The ISO 14001 certificate was obtained on December 18, 2025, and is valid until December 22, 2028.

▲The ISO 45001 certificate was obtained on December 4, 2023, and it is valid until December 3, 2026.

▲The CNS 45001 certificate was obtained on December 4, 2023, and it is valid until December 3, 2026.

▲The ISO 3834-2 certificate was obtained on May 13, 2024 and is valid until March 26, 2027.

▲The EN 1090-1 certificate will be obtained on April 9, 2025, and will be valid until March 26, 2027.

▲The TIPS/2016 A-level login certificate is obtained, and it is valid until December 31, 2027.

▲The ISO 27001 certificate was obtained on December 10, 2020, and certificate 2022 version on November 19, 2025 , and it is valid until December 9, 2026.

ii. Greenhouse Gas (GHG) Inventory

The Company continues to advance its greenhouse gas (GHG) management practices. In 2025, CSBC Corporation completed its first GHG inventory on a consolidated basis, covering the parent company and subsidiaries, including CSBC Kaohsiung Shipyard, CSBC Keelung Shipyard, CSBC Coating Solutions Corporation, and CSBC Power Corporation. The inventory, conducted in accordance with the GHG Protocol, covered Scope 1, Scope 2, and Scope 3 emissions. The inventory results were externally verified by the Metal Industries Research & Development Centre(MIRDC), and a verification statement was issued. The verified results serve as the basis for the Company's GHG reduction management and information disclosure, and are made

available to stakeholders.

Kaohsiung Shipyard of CSBC meets the second batch of emission sources that should complete the inventory and registration of greenhouse gas emissions from 2023. Keelung Shipyard of CSBC completed the assurance process for the previous year from 2024 as well, and the GHG inventory results for both shipyards are provided to stakeholders for review.

According to the Financial Supervisory Commission's "Sustainable Development Roadmap for Listed Companies ", listed companies with a capital of more than 10 billion NTD should disclose greenhouse gas inventory and assurance status in annual reports and sustainability reports starting from 2024.

(f) Located in an important geographical location in the center

Taiwan is located in the shipping hub of the South Pacific, with developed shipping and many international-class shipping companies. Our company is the largest shipbuilding and repairing factory in Taiwan, and it is convenient for domestic and foreign shipping companies to repair ships.

E. Advantages and disadvantages of development prospects and countermeasures

(a) Advantages

i. Ensure the competitiveness of the company, dynamically organize adjustments, and develop various refinement and reform plans to improve efficiency and reduce costs, strictly control indirect costs and the main schedule of construction. Under the highest guiding principle of zero occupational accidents, the business plan goals are achieved on time, quality, and budget.

ii. Focus on customer relationship management, and cooperate with IMO to develop energy-saving, environmental protection, and safety standards and regulations, and grasp the development trend of new ship technology to meet ship owners and customers with large-scale, green and intelligent high-value-added ships.

iii. With independent design capabilities, providing customers with customized comprehensive solutions, design, quality, cost, delivery, and service improvements at all levels, the product is positioned as a professional container shipyard, contracting niche ships, taking into account profitability and market competitiveness.

(b) Disadvantages and countermeasures

i. The entry barrier for container ships is low, and mainland China’s shipyards have rapidly increased their capacity and energy to build container ships, resulting in market price competition and low operating profit and gross profit.

Countermeasures: Strengthen customer-oriented design, create customer value, cultivate professional R&D talents, research and develop ship types that meet the needs of ship owners, ensure

market competitive advantages and competitiveness, and conduct reviews through business development conferences and production and sales meetings, and conduct company operational strategy transformation to reduce operational risks and create profit for the company.

ii. Shipbuilding is affected by the global economic climate, with excessive concentration of products and high operational risks.
Countermeasures: Transform and adjust the operating strategy, positioning 1) Merchant ship building and repairing, 2) Naval ship building and repairing, 3) diversified operation of offshore wind power and marine engineering, as well as 4) petrochemical infrastructure, reducing operational risks and strengthening the company's market competitiveness.

iii. Rising prices of raw materials, outsourcing of main equipment, and imperfect supply chain systems have resulted in the inability to effectively reduce production costs and make them uncompetitive.
Countermeasures: The company counsels' suppliers to improve production and process technology, strengthen production efficiency, and enhance competitiveness. Set up "stable quality", "shorten delivery time", and "reduce costs" as the supplier management strategy to ensure the quality and delivery of suppliers' materials and reduce procurement costs. In addition, the company will continue to promote the program of increasing income and reducing expenditure, encourage colleagues to propose improvements, and reduce unnecessary administrative expenses and management and marketing expenses.

iv The gap of basic technical manpower, the inheritance of engineering technology management needs to be strengthened, and the cost of outsourcing salary is high.
Countermeasures: Promote industry-university cooperation and diversified channels of entry, introduce project management technology and information management, replace outsourcing with labor, reduce outsourcing costs, invest and update production equipment automation and information, improve efficiency and production volume, reduce unit labor costs and maintenance costs.

4.2.2 Important use and production process of main products

A. Important use of main products

Main product	Important use
Bulk Carrier	Transportation of grain, mine, and coal
Container Vessel	Transportation of containers
Oil tanker	Transportation of Crude Oil and Petroleum Products
Special ship	Semi-submersible heavy lift ship, cement, cold storage, floating dock, offshore operation and maintenance, etc.

Official Vessels	Coast Guard patrol operations, logistics ships, and mission ships of the Customs Department's public agencies
Navy ship	Mission ships of naval operations and logistics ships
Offshore wind power underwater foundation and steel structure, etc.	Basic components for offshore wind power generation
Petrochemical Infrastructure	Steel Structure of petrochemical infrastructure components

B. Production process

Signing → Design → Lofting → Cutting → Bending → Initial Combination → Large Combination →Launching → Painting and Finishing → Delivery → Post-sale Service

4.2.3 Supply status of main raw materials/equipment

Main material and equipment	Supplier name	Supply state
Main engine	HYUNDAI、MITSUI E&S、HITACHI、HANWHA、EVERLLENCE、MTU、WARTSILA	Good
Main diesel generation set	YANMAR、STX、DAIHATSU、HYUNDAI、WARTSILA、CUMMINS、CATERPILLAR	Good
Steel plate	China steel、POSCO、JFE、NSC	Good long-term supplier

4.2.4 Information on major suppliers and sales customers in the last two years

A. Information of major suppliers in the last two years

Unit：NT$ thousands

	2024				2025				As of March 31, 2026 (Note2)			
Item	Company Name	Amount	Percentage of total annual net purchases (%)	Relation with Issuer	Company Name	Amount	Percentage of total annual net purchases (%)	Relation with Issuer	Company Name	Amount	Percentage of total annual net purchases (%)	Relation with Issuer
1	Supplier G	524,519	8.85	-	Supplier G	1,322,362	21.53	-	Supplier G	341,051	19.31	-
2	Supplier E	602,471	10.17	-	Supplier E	12,933	0.21	-	Supplier E	535	0.03	-
3	Others	4,799,229	80.98	-	Others	4,807,921	78.26	-	Others	1,425,059	80.66	-
	Net purchases	5,926,219	100.00		Net purchases	6,143,216	100.00		Net purchases	1,766,645	100.00	

Note1: A list of any suppliers and clients accounting for 10 percent or more of the company's total procurement amount in either of the 2 most recent

fiscal years, the amounts bought from each, the percentage of total procurement accounted for by each, and an explanation of the reason for increases or decreases in the above figures. Where the company is prohibited by contract from revealing the name of a client, or where a trading counterpart is an individual person who is not a related party, it may use a code in place of the actual name.

Note2: The above amounts have been reviewed by CPA.

Note3: The change of procurement amount and percentage were mainly due to the preparation of materials for various businesses according to the production schedule.

B. Information of major sales customers in the last two years

Unit：NT$ thousands

	2024				2025				As of March 31, 2026 (Note2)			
Item	Company Name	Amount	Percentage of total annual net sales(%)	Relation with Issuer	Company Name	Amount	Percentage of total annual net sales(%)	Relation with Issuer	Company Name	Amount	Percentage of total annual net sales(%)	Relation with Issuer
1	NSDC of Ministry of National Defense, ROC	6,362,473	43.90	-	NSDC of Ministry of National Defense, ROC	11,928,237	54.77	-	NSDC of Ministry of National Defense, ROC	712,269	15.05	-
2	CPC Corporation, Taiwan	3,545,377	24.46	Note 4	CPC Corporation, Taiwan	3,338,012	15.32	Note 4	CPC Corporation, Taiwan	1,192,574	25.20	Note 4
3	Coast Guard of Executive Yuan	2,558,954	17.65	-	Coast Guard of Executive Yuan	2,301,359	10.57	-	Coast Guard of Executive Yuan	455,771	9.63	-
4	Others	2,027,543	13.99	-	Others	4,212,637	19.34	-	Others	2,371,349	50.12	-
	Net Sales	14,494,347	100.00		Net Sales	21,780,245	100.00		Net Sales	4,731,963	100.00	

Note1: A list of any suppliers and clients accounting for 10 percent or more of the company's total sales amount in either of the 2 most recent fiscal years, the amounts sold to each, the percentage of total sales accounted for by each, and an explanation of the reason for increases or decreases in the above figures. Where the company is prohibited by contract from revealing the name of a client, or where a trading counterpart is an individual person who is not a related party, it may use a code in place of the actual name.

Note2: The above amounts have been reviewed by CPA.

Note 3: Changes in sales amount and percentage are mainly due to changes in the progress of various businesses.

Note 4: The Company’s legal entity director, which was dismissed from its position upon the expiration of the term on June 25, 2025.

4.3 The number of employees, average length of service, average age and educational background in the last two years and up to the publication date of the annual report:

Year		2023	2024	2025.12.31
Number of Employees	Management personnel	176	153	182
	Engineering personnel	679	627	672
	Technical personnel	2,000	1, 973	1, 901
	Service personnel	1	1	1
	Contract personnel	1	1	1

	Special project contract personnel	0	0	0
	Total	2,857	2, 755	2, 757
Average Age		42.8	42.7	42. 5
Average Years of Service		8.4[NOTE]	8.5 [NOTE]	8. 4 [NOTE]
Education	Ph.D.	7	7	9
	Masters	340	319	340
	Bachelor's Degree	1,129	1, 117	1, 185
	Senior High School	322	291	267
	Below Senior High School	1,059	1, 020	955
	Total	2,857	2, 755	2, 757

Note: The working years of employees before privatization have been settled, and the working years of employees are re-calculated after privatization. The service years in this column are the average years of service of employees after privatization.

4.4 Environmental protection information

4.4.1 Climate change risk and opportunity management structure:

Category	Corporate management strategies and actions
Governance	CSBC's Board of Directors is responsible for the governance and oversight of climate-related issues. To strengthen governance depth and oversight mechanisms for climate and sustainability matters, CSBC has established a Sustainability Development Committee under the Board, convened by the President and with the participation of independent directors. At the management level, a Vice President concurrently serves as the Chief Sustainability Officer (CSO), responsible for coordinating cross-departmental resources and driving the planning and execution of climate and decarbonization strategies. Functional task forces are organized to implement specific action plans, with execution progress reported regularly to the Board to ensure the effective operation and continuous improvement of climate governance.
Strategy	Based on climate scenario analysis methodologies, CSBC systematically assesses the potential impacts of transition risks and physical risks on its

	operations and evaluates overall business resilience accordingly. Through the materiality assessment process, key climate-related risks identified include net-zero–related regulatory requirements, rising raw material costs, and investment pressures associated with technological transition. At the same time, major opportunities have been identified, including the development of low-carbon vessels, business diversification, and improvements in production efficiency. In response to these risks and opportunities, CSBC continues to promote low-carbon ship R&D and decarbonization initiatives to enhance the competitiveness of its green products and strengthen operational resilience.
Risk Management	In accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) issued by the Financial Stability Board, CSBC evaluates climate change–related risks and opportunities arising from its operations and formulates corresponding management strategies and response measures to enhance the climate resilience of its core shipbuilding business. Climate-related risks have been integrated into CSBC's existing risk management framework and operating procedures. Quantitative assessments are conducted based on both likelihood of occurrence and financial impact, and appropriate risk mitigation, transfer, or avoidance measures are implemented to ensure effective management of climate-related risks and opportunities.
Metrics and Targets	CSBC adopts greenhouse gas (GHG) emissions and carbon emission intensity as core indicators for climate management. All sites conduct GHG inventories in accordance with ISO 14064-1 and obtain third-party verification statements to ensure the reliability and consistency of data. CSBC has established short-, medium-, and long-term decarbonization targets, and has planned and progressively implemented various emission reduction measures, with regular reviews of progress toward target achievement.

CSBC has designated climate change mitigation and adaptation as a core element of its business operations. Through equipment efficiency optimization, increased renewable energy adoption, and low-carbon product design, CSBC advances its long-term sustainable development vision.

1. Equipment Efficiency Optimization

With electricity consumption identified as the primary source of carbon emissions, CSBC has transitioned from conventional equipment replacement toward intelligent energy management. In addition to upgrading lighting and air-conditioning and variable-frequency equipment, CSBC has deployed 5.7 MW of energy storage capacity and implemented an AI-based air compressor monitoring system. By leveraging data

analytics to optimize compressed air supply schedules and implement zoned power distribution, CSBC significantly reduces unnecessary energy losses and improves overall load management efficiency.

2. Increasing Renewable Energy Adoption
CSBC actively promotes self-generation and self-consumption of renewable energy. To date, 1,140 kW of photovoltaic capacity has been installed, with further rooftop space under evaluation for additional expansion. In parallel, CSBC closely monitors the industrial applicability of negative-emission technologies and emerging energy solutions, including hydrogen, methanol, and green ammonia. Subject to economic feasibility, CSBC considers these technologies key investment targets to reduce reliance on externally purchased electricity and fossil fuels.

3. Low-Carbon Product Design
As a leading shipbuilder, CSBC's design teams rigorously implement the Energy Saving Design Program (ES10-30). Measures include hull form optimization, propeller enhancement, improved propulsion efficiency, and lightweight design, thereby reducing carbon emissions throughout the vessel's operational life cycle at the source. These efforts enhance product competitiveness and ensure compliance with the International Maritime Organization (IMO) technical requirements toward net-zero emissions by 2050.

4. Carbon Reduction Targets
Using 2011 as the baseline year, CSBC has established a three-phase carbon reduction roadmap. In the near term, process improvements and on-site renewable energy deployment are expected to support the achievement of short-term targets. Over the long term, CSBC plans to introduce negative-emission technologies, carbon capture solutions, and carbon credit mechanisms, addressing current technological and cost constraints while steadily advancing toward the vision of carbon-neutral production.

4.4.2 Greenhouse gas emission statistics of CSBC in the past three years:

Greenhouse Gas Emissions Statistics (2023–2025)

Year	Inventory Boundary Note (1)	Scope 1	Scope 2	Scope 3	Total Emissions	Verification Status Note (2)
2023	Parent Company	12,772	27,864	Not inventoried	40,636	Verified
2024	Parent Company and Subsidiaries	6,953	21,688	1,199,787	1,228,428	Verified
2025	Parent Company and Subsidiaries	In progress	In progress	In progress	In progress	Not yet verified Note (3)

Note：
(1) In 2024, the Company conducted its greenhouse gas inventory for the first time based on the consolidated financial statement boundary, covering the parent company (CSBC Kaohsiung Shipyard and CSBC Keelung Shipyard) and subsidiaries (CSBC Anti-Corrosion Engineering and CSBC Power Machinery). The Company also conducted its first Scope 3 inventory, which includes categories such as purchased raw materials, energy-related activities, waste, employee commuting, and use of sold products.
(2) The greenhouse gas inventory results for 2023–2024 were externally verified by MIRDC, and verification statements were obtained.
(3) The greenhouse gas emissions data for 2025 are currently under inventory, calculation, and external verification. Upon completion, the relevant information will be reported and disclosed on the designated platform in accordance with the timeline prescribed by the competent authority.

4.4.3 Environmental protection expenditure statistics table:

Classification	Equipment capital expenditure	Personnel expenses	Other expenses	Equipment depreciation expense
1. Internal environmental protection expenditure (NTD)				
(1)Air quality protection	90,233,832	4,254,440	6,774,646	32,503,441
(2)Greenhouse gas reduction	0	0	0	0
(3)Water quality protection	100,000	3,688,832	2,308,621	801,374
(4)Waste management	0	2,210,000	161,450	0
(5)Noise and vibration control	0	0	2,000	0
(6)Environmental protection research and development	0	0	1,138,000	0
(7)Others	0	0	0	0
2. External environmental protection expenditure (NTD)				
(1)Air quality protection			248,000	
(2)Greenhouse gas reduction			120,750	
(3)Water quality protection			6,800	
(4)Waste management			33,829,649	
(5)Chemicals management			1,040,328	

4.4.4 Any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to environmental pollution incidents (including any compensation paid) and disclosing measures (including improvement measures) being or to be taken and an estimated expenses (including the amount of possible loss, disposition and compensation) that could be incurred currently and in the future. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided:

Penalty unit	Penalty date	Violated law	Sanction unit	Penalty situation	Improved situation	Financial impact on CSBC
CSBC	Jul. 04 2025	Article 31, Paragraph 1, Paragraph 2 of the Waste Disposal Act	Environmental Protection Bureau Keelung City Government	1. Fine NTD 6,000 2. Environmental retraining for 1 hour	1. Pay the fine. 2. Environmental retraining for staff.	No significant impact

4.4.5 The current pollution situation and the impact of its improvement on the company's earnings, competitive position and capital expenditures and the

major environmental protection capital expenditures expected in the next two years:

■Five-Year Energy Conservation and Carbon Reduction Plan

CSBC plans to replace high energy-consuming equipment in phases from 2025 to 2029, with a total budget of approximately NTD 130 million. Upon completion, annual carbon emissions are expected to be reduced by about 2,000 tCO_2e. As of the end of 2025, NTD 10.16 million has been invested, completing the replacement of 1 dryer, 70 air-conditioning units, and 758 lighting fixtures, thereby continuously improving energy efficiency and reducing carbon

■Renewable Energy

An investment of NT$76.5 million was made to install 1,140 kW of solar panels on the roof of the Kaohsiung Shipyard (completed in 2023). This initiative enabled self-generated renewable energy, reducing reliance on purchased electricity and carbon emissions. Feasibility studies for further expansion are ongoing.

■Energy Storage System

An investment of NT$138 million was made to build a 5.7 MW energy storage system at the Kaohsiung Shipyard (completed in 2024). The system supports peak and off-peak power charging and discharging, reducing electricity costs and ensuring stable power supply during outages. Expansion plans are under evaluation to improve energy management flexibility and operational resilience.

4.5 Labor Relations

Set all employee benefit measures, opportunities for professional development and training, and the pension system, and the status of their implementation. Also describe any negotiations/agreements between employer and employees and any measures to safeguard employee interests.:

4.5.1 Employee benefit measures and the status of the implementation

The benefit measures provided by the company include labor insurance, health insurance, employee mutual aid fund insurance, and 5 million group accident insurance for employees, safety insurance for overseas business trips, employee health checks, and subsidies for cultural and recreational, club, and sports activities.

4.5.2 Employee professional training and development

A. CSBC Academy is established under the HR & Administration Department of the company, responsible for planning talent development, training systems, policies, as well as formulating and executing training programs and budgets. CSBC Academy is equipped with various skills training workshops, facilities, and instructors. In addition to conducting internal training programs, it also provides training for migrant workers, contractors and corporate clients. The academy offers a diverse range of training courses and high-quality on-the-job training, aiming to cultivate professionals with strong expertise and a spirit of challenge. In 2025, the actual training expenditure amounted to NT$24,389,000, with the details of the training programs outlined in the table below.

Personnel Category	Number of Training Participants		Training Hours	
	Male	Female	Male	Female
Senior Executive Training	243	16	911	68
Mid-Level Management Training	358	57	1,954	306
Engineering Management Personnel Training	2,055	672	10,686	3,469
Technical Personnel Training	6,878	169	77,680	1,899
Total	9,534	914	91,231	5,742
Technical Apprenticeship Training	541	52	40,130	3,731
Industry-Academia Cooperative Student Training	4	-	32	-
Contractor Training	2,330	334	7,264	1,026

B. Enhancing technical personnel skills: to meet the demands of new business ventures in offshore engineering, surface ships, and submarines, we are actively cultivating skilled technical talent. We assist both current employees and contractor personnel in obtaining certified welding qualifications that align with the requirements of these new industries, ensuring high skill standards among construction personnel and maintaining product quality.

C. Enhancing managerial competencies to accelerate knowledge transfer efficiency: We have implemented a series of in-house key technology transfer training programs, along with various competency development courses for employees. These programs cover a wide range of topics, including mid-level management training, leadership development, communication skills, project management, workplace sexual harassment prevention, net-zero sustainability trends, ESG development integrated with carbon inventory, and more. Tailored to different management levels, these training initiatives aim to enhance the necessary knowledge and skills, helping employees improve job performance, build high-performing teams, and facilitate the transfer of corporate knowledge and expertise. Through these efforts, we strive

to foster a shared corporate vision and culture across the organization.

D. Employee development and talent training: we encourage employees to pursue further education, develop their potential, and enhance their overall competencies. By fostering a culture of organizational learning and knowledge sharing, we emphasize talent development as a key driver for sustainable corporate growth. Additionally, to support employees in their continuous learning, we have established guidelines for short-term and long-term study subsidies outside of working hours. This initiative encourages employees to utilize their free time for further education, thereby improving overall workforce quality.

4.5.3 Retirement system and implementation status

The company implements the provisions of the Labor Standards Act, and regularly allocates labor retirement reserves, which are deposited in a special account in the Department of Trusts, Bank of Taiwan. At the end of each year, actuaries are appointed to determine the adequate pension liabilities. The new labor retirement system has been implemented since July 1, 2005. According to the Labor Pension Regulations, for those who choose the new system, the company shall allocate no less than 6% of the labor's monthly salary to the labor retirement pension account and handle retirement-related matters in accordance with the provisions of the pension regulations.

4.5.4 Coordination between labor and management

The company takes the Collective Agreement Act and the Labor Standards Act as the labor-management compliance guidelines and regularly holds labor-management meetings. Up to now, the labor-management relationship is harmonious.

4.5.5 Various employee rights protection measures

In order to protect the rights and interests of employees, the company has a Collective Agreement Act with the corporate union, and in accordance with the Collective Agreement Act and the Labor Standards Act, it has formulated work rules and various management methods. The content clearly specifies the rights and obligations of employees and welfare items, and regularly reviews various methods and benefits to protect the rights of employees.

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

No.	Date	laws	fine amount
1	27,JAN,2026	the Labor Standards Act Article 32	NTD 200,000

4.6 Information Technology Security Risk and Management Measures

5.6.1. Information security risk management structure, information security policy, specific management plans and resources invested in information security management: Detailed as chapter 5.6.5

4.7. Important Contracts

Contract Type	Counterparty	Period	Major Contents	Restrictions
Commercial vessels construction contract	China Excel Shipping Pte. Ltd.	2024.08.26~ 2026.08.31	210,000 DWT Bulk Carrier (N6219)	None
	China Expedite Shipping Pte. Ltd.	2024.08.26~ 2026.11.30	210,000 DWT Bulk Carrier (N6220)	None
	China Energy Shipping Pte. Ltd.	2025.03.26~ 2027.02.28	210,000 DWT Bulk Carrier (N6221)	None
	China Eminent Shipping Pte. Ltd.	2025.03.26~ 2027.04.30	210,000 DWT Bulk Carrier (N6222)	None
	Wan Hai Lines (Singapore) Pte Ltd.	2025.01.15~ 2027.10.29	8,700 TEU Container Vessel (N6401)	None
	Wan Hai Lines (Singapore) Pte Ltd.	2025.01.15~ 2028.01.14	8,700 TEU Container Vessel (N6402)	None
	Wan Hai Lines (Singapore) Pte Ltd.	2025.01.15~ 2028.03.31	8,700 TEU Container Vessel (N6403)	None
	Wan Hai Lines (Singapore) Pte Ltd.	2025.01.15~ 2028.06.15	8,700 TEU Container Vessel (N6405)	None
	Wan Hai Lines (Singapore) Pte Ltd.	2025.01.15~ 2028.08.31	8,700 TEU Container Vessel (N6406)	None
	Wan Hai Lines (Singapore) Pte Ltd.	2025.01.15~ 2028.11.15	8,700 TEU Container Vessel (N6407)	None
	Wan Hai Lines (Singapore) Pte Ltd.	2025.01.15~ 2029.01.31	8,700 TEU Container Vessel (N6408)	None
	Wan Hai Lines (Singapore) Pte Ltd.	2025.01.15~ 2029.04.16	8,700 TEU Container Vessel (N6409)	None
	Wan Hai Lines (Singapore) Pte Ltd.	2025.01.15~ 2029.06.29	8,700 TEU Container Vessel (N6411)	None

	Wan Hai Lines (Singapore) Pte Ltd.	2025.01.15~2029.09.14	8,700 TEU Container Vessel (N6412)	None
	Wan Hai Lines (Singapore) Pte Ltd.	2025.01.15~2030.01.15	8,700 TEU Container Vessel (N6413)	None
	Wan Hai Lines (Singapore) Pte Ltd.	2025.01.15~2030.04.01	8,700 TEU Container Vessel (N6415)	None
Naval and official vessels construction contract	Fleet Branch, Coast Guard Administration, Ocean Affairs Council	2018.07.18~2026.09.30	4,000 ton Patrol Vessel (N6157)	None
	Ministry of National Defense, ROC	2019.05.03~2025.11.02	Indigenous Defense Submarine prototype (N6168)	None
	Fleet Branch, Coast Guard Administration, Ocean Affairs Council	2019.05.03~2025.10.31	1,000 t Patrol Vessel (N2172)	None
	Fleet Branch, Coast Guard Administration, Ocean Affairs Council	2019.05.03~2026.10.31	1,000 t Patrol Vessel (N2173)	None
	Fleet Branch, Coast Guard Administration, Ocean Affairs Council	2019.05.03~2027.10.31	1,000 t Patrol Vessel (N2174)	None
	National Kaohsiung University of Science and Technology	2021.01.26~2023.11.30	Training ship (N6182)	None
	Ministry of National Defense, ROC	2023.08.18~2026.11.30	Floating Dock (N6197)	None
	Fleet Branch, Coast Guard Administration, Ocean Affairs Council	2023.09.19~2026.07.31	High Latitude Pelagic Patrol Vessel (N6198)	None
	Fleet Branch, Coast Guard Administration, Ocean Affairs Council	2023.09.19~2027.11.30	High Latitude Pelagic Patrol Vessel (N6199)	None
	Fleet Branch, Coast Guard Administration, Ocean Affairs Council	2023.09.19~2028.03.31	High Latitude Pelagic Patrol Vessel (N6200)	None
	Fleet Branch, Coast Guard Administration, Ocean Affairs Council	2023.09.19~2029.06.30	High Latitude Pelagic Patrol Vessel (N6201)	None
	Fleet Branch, Coast Guard Administration, Ocean Affairs Council	2023.09.19~2030.03.31	High Latitude Pelagic Patrol Vessel (N6202)	None
	Fleet Branch, Coast Guard Administration, Ocean Affairs	2023.09.19~2031.10.31	High Latitude Pelagic Patrol Vessel (N6203)	None

	Council			
	National Academy of Marine Research	2024.03.14~2026.11.18	100 gross tonnage research vessels (N6204)	None
	National Academy of Marine Research	2024.03.14~2026.11.18	300 gross tonnage research vessels (N6205)	None
	Customs Administration, Ministry of Finance.	2024.06.11~2027.02.12	100 Tons class revenue cutter (N6206)	None
	Customs Administration, Ministry of Finance.	2024.06.11~2027.08.12	100 Tons class revenue cutter (N6207)	None
Engineering Contract	Hailong Offshore Wind	2022.11.24~2025.05.06	Hailong Offshore Wind Farm Pin Piles Fabrication Contract (P6282)	None
	Academia Sinica	2024.08.08~205.04.30	Floating Kuroshio Turbine inventing	None
	CDWE	2024.03.01~2025.03.31	HL Project Mobilization and Storage	None
	Lian-Chang Engineering	2024.12.01~2025.01.31	Land Lease Project	None
	CDWE	2025.05.15~2026.06.30	Jacket Seafastening Fabrication	None
	CPC Corporation, Taiwan	2023.02.20~2026.08.28	26 petrochemical storage tanks in the third area of Dalin Petrochemical Oil Storage and Transportation Center	None
	CPC Corporation, Taiwan	2023.10.05~2026.10.31	Oil Tanker loading and unloading workshop turnkey project of Dalin Petrochemical Storage and Transportation Center	None
	National Chung-Shan Institute of Science & Technology	2021.12.31~2026.12.31	Platform Engineer Installation & work two items	None
	National Chung-Shan Institute of Science & Technology	2023.02.06~2030.04.30	Vessel Platform Performance upgrade one item	None
Long-term lease	Taiwan International Port Corporation, Ltd. Kaohsiung Branch	2006.01.01~2025.12.31	Land leasing、90/91wharf leasing、Lease of 100,000-DWT Dry Dock and Ancillary Facilities	None

	Taiwan International Port Corporation, Ltd. Kaohsiung Branch	2022.01.01~2025.12.31	90/91 wharf leasing	None
	National Property Administration	2018.11.01~2027.12.31	Land lease×6/Keelung	None
	Taiwan International Port Corporation, Ltd. Keelung Branch	2008.01.01~2027.12.31	Land lease×5; building lease×23	None
	Taiwan International Port Corporation, Ltd. KaohsiungBranch	2023.01.29-2025.12.31	Part of the land in Area C of the rear line of Pier 75 of the Kaohsiung Plant /facilities rent and management fees	None
	Taishin International Bank	2021.06.21-2024.06.20	FRCP NT$ 500 million.	None
Long-term Loan	Syndicated Loan	2022.05.16-2028.08.16	Quota NT$ 6 billion	(Note 1)
	Bank of Taiwan	2025.12.12-2028.12.12	Quota NT$ 1.2 billion	(Note 2)
	Chang Hwa Bank	2025.09.30-2028.09.30	Quota NT$ 1 billion	
	Taiwan Business Bank	2025.12.17-2030.12.17	Quota NT$ 0.7 billion	(Note 3)
	Mega Bank	2025.12.31-2032.12.31	Quota NT$ 3.12656 billion	(Note 4)

Note 1: 1. The current ratio must not be lower than 100%.
2. The financial liability ratio shall not be higher than 350%.
3. Equity must not be less than NT$5 billion.

Note 2: After the Grace Period for one year, repayment of principal and interest must be made semi-annually from the second year.

Note 3: The Grace Period for three years, repayment of principal and interest must be made semi-annually from the fourth year.

Note 4: The Grace Period for three years, repayment of principal and interest must be made semi-annually from the fourth year.

V. Review and analyses of Financial Position, and Financial Performance, and Assessment of Risk Items

5.1. Financial Condition

5.1.1 Financial situation comparative analysis table

Unit: NT$ thousands

Item \ Year	2025	2024	Difference		Description
			Amount	%	
Current assets	26,999,483	14,793,721	12,205,762	82.51	Note 1
Investments accounted for under equity method	2,066,784	1,021,939	1,044,845	102.24	Note 2
Property, plant and equipment	13,378,179	13,244,795	133,384	1.01	—
Intangible assets	48,139	55,549	(7,410)	(13.34)	—
Other assets	3,924,940	4,901,254	(976,314)	(19.92)	—
Total assets	46,417,525	34,017,258	12,400,267	36.45	Note 3
Current liabilities	23,693,987	15,631,396	8,062,591	51.58	Note 4
Non-current liabilities	15,585,088	9,316,363	6,268,725	67.29	Note 5
Total liabilities	39,279,075	24,947,759	14,331,316	57.45	Note 6
Share capital	12,745,394	12,745,394	-	0.00	—
Capital surplus	-	2,757,040	(2,757,040)	(100.00)	Note 7
Retained earnings	(5,637,910)	(6,292,520)	654,610	(10.40)	—
Other equity	74,119	(109,888)	184,007	(167.45)	Note 8
Equity attributable to owners of parent	7,181,603	9,100,026	(1,918,423)	(21.08)	Note 9
Non-controlling interest	(43,153)	(30,527)	(12,626)	41.36	Note 10
Total equity	7,138,450	9,069,499	(1,931,049)	(21.29)	Note 11

Description of major changes (the change is 20% in the early and late period and the change amount is NT$10 million):

Note 1: The increase in current assets was due to the increase in current contract assets and prepayments.

Note 2: The increase in investments accounted for under equity method was mainly due to the recognition of the share of profit and other comprehensive income of associates and joint ventures accounted for under equity method in 2025.

Note 3: The reason for the increase in total assets is the same as **Note 1**.

Note 4: The increase in current liabilities was due to the increase in short-term borrowings, commercial papers payable, current contract liabilities and provisions for liabilities - current.

Note 5: The increase in non-current liabilities was due to the increase in non-current contract liabilities and long-term borrowings.

Note 6: The reason for the increase in total liabilities is the same as **Note 4** and **Note 5**.

Note 7: The reason for the decrease in capital surplus is that capital surplus was used to cover the deficit.

Note 8: The increase in other equity was due to the recognition of the share of other comprehensive income of associates and joint ventures accounted for under equity method in 2025.

Note 9: The decrease in equity attributable to owners was due to net loss in 2025.

Note 10: The decrease in non-controlling interest was mainly due to the loss attributable to non-controlling interest.

Note 11: The reason for the decrease in total equity is the same as **Note 9**.

5.2 Financial Performance

5.2.1 Financial Performance Analysis and Comparison Table

Unit: NT$ thousands

Item \ Year	2025	2024	Increase (decrease) amount	Change ratio (%)	Change analysis
Sales revenue	21,780,245	14,494,347	7,285,898	50.27	Note 1
Operating costs	23,991,945	17,551,645	6,440,300	36.69	Note 2
Gross profit (loss)	(2,211,700)	(3,057,298)	845,598	(27.66)	Note 3
Operating expenses	749,115	661,039	88,076	13.32	—
Operating profit (loss)	(2,960,815)	(3,718,337)	757,522	(20.37)	Note 4
Non-operating income and expenses	705,674	935,128	(229,454)	(24.54)	Note 5
Profit (loss) before income tax	(2,255,141)	(2,783,209)	528,068	(18.97)	—
Income tax expense (benefit)	17,428	10,530	6,898	65.51	Note 6
Current net profit (loss) of continuing business unit's	(2,272,569)	(2,793,739)	521,170	(18.65)	—
Other comprehensive income (income after tax)	341,520	193,522	147,998	76.48	Note 7
Total comprehensive income (loss)	(1,931,049)	(2,600,217)	669,168	(25.74)	Note 8

Description of major changes (changes up to 20% in the early and late periods)

Note 1: The increase in sales revenue was mainly due to the increase in vessel construction businesses.

Note 2: The increase in operating costs was mainly due to the increase in vessel construction businesses.

Note 3: The decrease in gross loss was due to proper cost control in the commercial and military ship maintenance businesses.

Note 4: The reason for the decrease in operating loss is the same as **Note 3**.

Note 5: The decrease in non-operating income and expenses was mainly due to the increase in the net loss on financial assets and liabilities at fair value through profit or loss, and the adverse effects of foreign exchange.

Note 6: The increase in income tax expense was due to the increase in earnings of subsidiaries.

Note 7: The increase in other comprehensive income was due to the recognition of the share of other comprehensive income of associates and joint ventures accounted for under equity method in 2025.

Note 8: The reason for the increase in total comprehensive income is the same as **Note 3** and **Note 7** .

5.3 Cash Flow:

5.3.1 Analysis and explanation of cash flow changes in recent years

Item \ Year	2025	2024	Increase or decrease (-) ratio (%)
Cash flow ratio（%）	Note 1	Note 1	－
Cash flow adequacy ratio（%）	97.79	95.10	2.83
Cash flow reinvestment ratio（%）	－	－	－

Analysis of changes in the increase and decrease ratio:

(1)The cash flow ratio was not calculated in both periods because the net cash flow from operating activities was an outflow.

(2)The increase in cash flow adequacy ratio was mainly due to the decrease in capital expenditure and inventory increase in the past five years.

(3)The cash flow reinvestment ratio was the same in the two periods and was not analyzed.

Note 1: The net cash flow from operating activities in the current year is the outflow and is not calculated.

Unit: NT$ thousands

Cash and Cash Equivalents, Beginning of Year ①	Expected annual net cash outflow from operating activities ②	Estimated annual cash inflow ③	Estimated cash surplus (insufficient) amount ①+②+③	Remedial measures for expected cash shortage	
				Investment Plans	Financing Plans
1,909,943	(9,764,228)	8,002,374	148,089	0	0

Description:

1. Analysis of cash flow changes in the next year:
   (1) Business activities: Mainly activities related to operations.
   (2) Investment activities: Mainly for the improvement and expansion of fixed assets.
   (3) Financing activities: Mainly increasing of long-term and short-term labilities.
2.Remedial measures for expected cash shortage: Increase bank borrowing.

5.4 The Impact of any Material Capital Expenditure over the Most Recent Fiscal Year:

The real estate plant and equipment investment plan includes new production lines, production equipment upgrades , and the replacement of old machinery and equipment required to maintain daily operations. The total estimated investment amount of real estate, plant and equipment investment plan in 2024 (including special investment and general investment plans) is NT$1,599,069 thousand. Major capital expenditure items are explained as follows:

（a） Project investment plan with an investment amount of more than NT$100 million for 2024 are as follows:

(Unit：NTD million)

Project Name	Property and Expected benefits	Estimated Investment Amount	actual or scheduled Completion date
Investment project of replacing two Goliath cranes in Kaohsiung Plant	Replacement and Upgrade : Enhance Shipbuilding capability and Efficiency of Kaohsiung Plant	4,100	September 2027 (Note 1)

Note 1: The bid invitation for this case was restarted in November 2023, and the most favorable bid selection was conducted in April 2024. After comprehensive consideration of the bid amount and selection factors, the bid was abandoned this time, and the self-construction plan of the crane was evaluated in July 2024. However, in order to avoid the conflict between the newly contracted merchant ship business and the self-construction site and manpower demand, it was finally decided to maintain the outsourcing plan of purchasing the complete crane ; The contract was signed in September 2025, and construction is expected to be completed in September 2027.

（b）In the general investment plan for real estate, plant and equipment in 2023, the major projects with an investment of NT$40 million or more are as follows:

1. Replacement of gate of 100,000 T dry dock in Kaohsiung Plant.
2. New construction of material warehouse in Kaohsiung Plant.
3. Replacement of 3.3KV high voltage switchboard self-provided substation in Kaohsiung Plant.
4. New purchase of 69kV/22.8kV transformer and distribution panel power supply facilities.
5. 450V/690V load bank in Kaohsiung Plant
6. 1D Dock Door new manufacturing project in Keelung Plant
7. Replacement of mooring winch in Kaohsiung Plant.

（c）None of the above has a significant impact on the company's current year's finances.

5.5 The FCM’s Financial Policy for the Most Recent Year on Investment in other Companies, the Main Reasons for Profit/ Losses Resulting therefrom, Plans for Improvement, and Investment Plans for the Coming Fiscal Year:

CSBC Coating Solutions Co., Ltd. was approved for establishment on September 13, 2010, with a paid-in capital of NT$ 259,503 thousand. The main business is anti-corrosion coating business, and CSBC holds 100% shares. In 2025, the subsidiary's annual net profit after tax is NT$ 49,108 thousand, and the company's annual investment benefit is NT$ 49,099 thousand.

Taiwan Offshore Wind Farm Services Corporation was approved for establishment on September 10, 2014, with a paid-in capital of NT$ 29,017 thousand. The main business is to undertake the operation and maintenance of offshore wind farms. The company holds 1.38% of the shares and Taiwan Generations Corporation holds 98.62% of the shares. Since the fourth quarter of 2018, the company has ceased to recognize its loss share of affiliated companies.

Fuhai Wind Power Company was approved for establishment on June 30, 2015, with a paid-in capital of NT$ 39,493 thousand. The main business is power generation. The company holds 0.93% of the shares, and Taiwan Generations Corporation holds 99.07% of the shares. Since the third quarter of 2017, the company has ceased to recognize the loss share of its affiliates.

Taiwan International Windpower Training Corporation Ltd. was approved for establishment on May 17, 2018, with a paid-in capital of NT$100 million, and the company holds 12% of the shares. Taiwan International Windpower Training Corporation Ltd. has 7 directors and 1 supervisor, 2 seats each for TIPC and TAIWAN POWER, and 1 each for CSBC, China Steel and CWind Taiwan. Taiwan International Windpower Training Corporation Ltd.'s business project is safety and professional training courses for offshore wind power personnel. In 2025, the company's annual net profit after tax is NT$ 5,130 thousand, and the company's annual investment benefit is NT$ 573 thousand.

In order to achieve the goal of diversified operations, the company formed an alliance with the Belgian DEME Group on February 26, 2019 and established a joint venture CSBC-DEME Wind Engineering Co. Ltd. (CDWE) to undertake wind farm business, with a paid-in capital of NT$3,098,994 thousand. The company holds 50.0001% of the shares, and DEME holds 49.9999% of the shares. In 2025, the company's annual after-tax gain was NT$ 1,793,427 thousand, and CSBC recognized an investment benefit of NT$ 860,806 thousand for the whole year.

CSBC Power Technology Co., Ltd was approved for

establishment on March 15, 2021, with a paid-in capital of NT$75,000 thousand, and the company holds 86.67% of the shares. CSBC Power Technology Co., Ltd has 5 directors and 1 supervisor. In 2025, the company's annual net loss after tax is NT$ 147,823 thousand, and the company's annual investment loss is NT$ 82,063 thousand.

In the coming year, CSBC will continue to strengthen the management of reinvestment, increase investment income, and deepen the shipbuilding industry. Based on the shipbuilding industry, it will expand related businesses outside the core and carry out reinvestment development.

5.6. The Matters that shall be Analyzed and Assessed in the Section on Risks:

A. The impact of interest rate changes on the company's profit and loss and future measures

Unit: NT$ thousands

Item	2025
Net interest income (loss)(A)	(167,106)
Net revenue(B)	21,780,245
Operating Income(loss) (C)	(2,211,700)
Net interest income (loss)(A)/Net revenue(B)	(0.77%)
Net interest income (loss)(A)/Operating Income(loss) (C)	7.56%

The company's interest rate risk comes from long-term and short-term loans with fixed interest rates. The company's operations are normal, so the interest rate risk has no significant impact on the company.

B. The impact of exchange rate changes on the company's profit and loss and future measures:

Unit: NT$ thousands

Item	2025
Exchange benefit (loss)(A)	(48,111)
Net revenue(B)	21,780,245
Operating Income(loss) (C)	(2,211,700)
Exchange benefit (loss)(A)/Net revenue(B)	(0.22%)

Exchange benefit (loss)(A)/Operating Income(loss) (C)	2.18%

The company's business involves certain non-functional currencies, so it is affected by exchange rate fluctuations, foreign currency asset information that has significant exchange rate fluctuations, and the New Taiwan Dollar appreciates or depreciates in foreign currencies by 1%, and all other factors remain unchanged. The impact on net profit after tax and other information are as follows:

Financial assets	December 31, 2025		
Monetary items	Foreign currency (thousand)	exchange rate	carrying amount (NT$)
USD: NT$	$10,321	31.38	$323,873
RMB: NT$	22,150	4.47	99,033
EUR: NT$	504	36.7	18,497

1% appreciation or depreciation of foreign currency against NT$	2025
Increase or decrease in net profit and loss after tax	$3,531

The company's shipbuilding sales revenue is mainly US Dollar and NT Dollar. In order to cope with the impact of exchange rate fluctuations on Gross Sales, recently, when negotiating new ship orders with domestic and foreign carriers, some of the contract prices were changed to New Taiwan Dollars, and the prepayment ratio for new ships was increased. Since the company’s main income is US Dollar, it adopts a natural hedging method. About 60% of foreign currency income is used to offset foreign currency expenditures on imported goods, reducing exchange rate risk. In addition, for the net exposure of US Dollar revenue and expenditure, hedging foreign exchange operations are adopted to avoid Exchange rate risk, and carefully evaluate hedging strategies based on exchange rate trends to reduce the impact of exchange rate changes.

The company's handling of foreign exchange is based on the principle of avoiding risks, not for the purpose of trading. In addition to paying attention to financial information and changes in the foreign exchange market at any time, financial personnel can fully grasp exchange rate trends, and strengthen the establishment of relations with banks. The foreign exchange bank recommends making foreign

exchange hedging operations more flexible.

5.6.2 Policies for engaging in high-risk, high-leverage investments, loaning funds to others, endorsements and derivatives trading, the main reasons for profit or loss and future measures:

A. The company has not engaged in high-risk or high-leverage investments in the most recent year and as of the publication date of this annual report.

B. The company’s dealings in derivatives are handled in accordance with the company’s internal regulations on “Key Points for Asset Management Acquisition or Disposal”. As of the end of December 2025, the contract amount for non-transactional foreign exchange and unrealized loss is NT$ 2,768,758 thousand dollars and NT$ 179,336 thousand dollars.

C. The company's endorsement guarantee cases are handled in accordance with the company's "Procedures for endorsing or providing guarantees for others". As of the end of December 2025, the balance of endorsement guarantees is NT$ 39,683,929 thousand dollars.

D. The company's loaning funds to others are handled in accordance with the company's " Procedures for loaning funds to others ". As of the end of December 2025, the balance of loaning funds to others is zero.

5.6.3 Future R&D plans and estimated R&D expenses:

The 2026 research and development plan are divided into self-research, cooperative research and commissioned research. Self-research includes 4 items including basic design and development of new ships. The cooperative research includes 4 items including Establishment of an analysis and design program for propellers under unsteady inflow conditions, etc. There is a total of 8 R&D projects, with a total R&D cost of approximately NT$ 130 million.

5.6.4 The impact of important domestic and foreign policies and legal changes on the company's financial business and corresponding measures:

The company usually maintains a high degree of attention and ability to respond appropriately to domestic and foreign political and economic developments and legal changes. In the most recent year and as of the publication date of the annual report, important domestic and foreign policy and legal changes have not had a significant impact on the company's financial business.

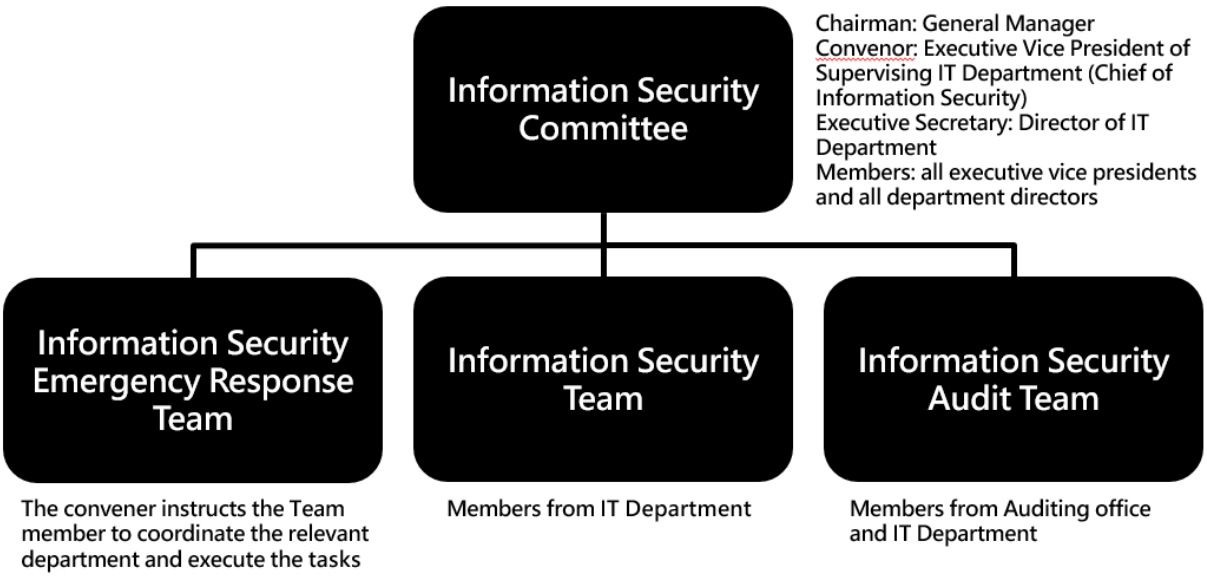
5.6.5 The impact of technological changes(included Information security risk) and industrial changes on the company's financial business and corresponding measures:

A. In addition to participating in foreign shipbuilding technology seminars or annual conferences, shipbuilding and shipping exhibitions, the company also conducts seminars organized by domestic shipbuilding industry alliances, joint ship design centers, and related surveying associations, schools and research institutions to obtain industry information and grasp the latest market information and use innovative designs to cater to the needs of shipping companies. In addition to increasing the company's profit, it also improves the development of shipbuilding and management technology.

B. The company proposes the following countermeasures for various risks of information security as follows:

(a)Information Security Committee

In order to implement and promote information security management, CSBC has established the Information Department as a dedicated unit and established an "Information Security Committee" (Figure 1). There are three groups under it. Committee meetings are held regularly twice a year to discuss and resolve issues related to information security, Included in tracking control.



▲Information Security Committee

(b)Information Security Management System

In response to the development needs of the national shipbuilding business, CSBC passed the external verification certificate of "Maturity Integration Model and Information Security Management System" (CMMI Level 2 and ISO 27001) in 2020, which is very important for the company to promote national shipbuilding information security management, Build the confidence of owners, customers, and the public, and enhance the company's image.

▲CMMI Verification Certificate

▲ISO 27001：2022 Verification Certificate

(c) Information Security Policy

The information security policy was approved and promulgated on July 26, 2021 and announced on the company's external website：

http://www.csbcnet.com.tw/SiteInfo/InfoSecurityPolicy.htm

In line with the requirements of the company's information security policy, after considering the applicable information security requirements, as well as the results of risk assessment and risk management, the information security objectives are formulated and achieved/handled as follows:

Information Security Goals	Achieved/handled
1. Protect the company's critical business information from unauthorized access and tampering. 2. Maintain the continuous operation of the core information system to ensure that the company has prepare an information environment for business continuity. 3. Conduct information security education and training to improve personnel's awareness of information security and strengthen their awareness of relevant responsibilities.	1. According to the requirements of the operation or project, the operation area is divided into network entities and the construction of information security software and hardware, supplemented by access control and surveillance system control measures, and the introduction of data encryption technology, etc., to ensure that the company's key business information can be accessed. are closely guarded. 2. The operation continuity drill plan is drawn up for the core information system every year, and it is implemented after being approved by the convener; the operation continuity drill record is approved by the convener for future reference. 3. The company regularly schedules social engineering drills every year, and arranges personnel information security education and training according to the drill results; 2024 year the company conduct 2 social engineering drills, totaling 2,300 person-times; for high-risk personnel, 3 training sessions are held in Kaohsiung and Keelung plants respectively. Training,total of 103 people.

(d)Information security specific management plan

The company's information security management specific management plan is implemented by formulating network security protection measures and self-protection measures and announcing them on the company's external website：

http://www.csbcnet.com.tw/SiteInfo/InfoSecurityScheme.htm

(e)Information security risk management and operation process:

The company has introduced the information security management system, and has issued the "Risk Assessment Management Procedures" and "Risk Assessment Operation Procedures" (CSBC-I-P06), according to which the annual risk assessment is carried out, and the convener is required to approve it. Accept the risk value, risk assessment results, risk improvement plans and control measures.

2025 annual risk assessment, a total of 197 items in seven categories (personnel, documents, software, communication, hardware, data, and environment) were identified, of which

2 hardware category has reached its service life but poses no immediate risk and is included in the annual replacement plan. It is expected that the acceptable risk will be reduced after implementation in 2026., and have been included in self-management, and relevant evaluation records are available for reference.

The information security risk management framework is formulated and announced on the company's external website.

(f)Information Security Emergency Notification and Response Operations:

The information security event reporting process and the information security event drill process are formulated and announced on the company's external website.

(g)Impact of major information security incidents on the company and countermeasures

The company is a listed company. In the event of a major information security incident in accordance with Article 4, Paragraph 26 of the "Procedures for the Verification and Disclosure of Material Information of Listed Companies in Marketable Securities" by the Stock Exchange, it shall be handled in accordance with the company's information security emergency notification and response operations. If the estimated loss in accordance with Article 11 after deducting the amount of compensation calculated according to the insurance contract exceeds 20% of the company's share capital or NT$300 million or more, the convener of the report will hold a meeting after approval. Important information to explain the press conference. No major information security incident occurred in 2025.

5.6.6 The impact of corporate image change on corporate crisis management and corresponding measures:

The company's image in the industry has always been good, and it was listed on December 22, 2008. The company cooperates with the stock exchange's corporate governance system evaluation every year and improves corporate governance in accordance with the requirements of the indicators, which has a positive significance for the company's corporate image and operational transparency.

5.6.7 Expected benefits, possible risks and countermeasures of M&A: None.

5.6.8 Expected benefits, possible risks and countermeasures of expanding the plant: None.

5.6.9 Risks faced by purchase or sales concentration and corresponding measures:

CSBC main supplier for steel plate is China steel, because they are local exclusive providing marine steel plate which can meet our development request, moreover, the product quality is good and their location is closed to us which is able to deliver plate to our storage yard directly. Therefore we have good long-term relationship with them.

Regarding sales concentration, the primary factor is CSBC's strategic focus on the container vessel market, where clients frequently place orders for fleets of the same vessel type. To leverage economies of scale through a single design, batch production strategy, thereby reducing production costs and enhancing profitability. Consequently, sales may appear concentrated within a single fiscal year.

Moving forward, CSBC remains to diversification and customization in both procurement and sales. We are actively expanding our client base to mitigate potential operational risks and ensure long-term stability.

5.6.10 Directors, supervisors or major shareholders holding more than 10% of the shares, the impact of a large number of transfers or replacement of equity on the company, risks and countermeasures: None.

5.6.11 The impact of changes in management rights on the company, risks and countermeasures:

The company completed the stock listing and privatization on December 22, 2008. As of November 18, 2021, government agencies held

approximately 25.88% of the equity. The remaining equity is dispersed, there is no centralized consortium, and the listed company operates decently in accordance with laws and regulations and does not have a significant impact and risk on the company due to privatization.

5.6.12 Litigious and non-litigious matters. List major litigious, non-litigious or administrative disputes that: (1) involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company; and (2) have been concluded by means of a final and unappealable judgment or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report.

(1) List major litigious, non-litigious or administrative disputes that have been concluded by means of a final and unappealable judgment or are still under litigation. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities, the annual report shall disclose the facts of the dispute, amount of money at stake in the dispute, the date of litigation commencement, the main parties to the dispute, and the status of the dispute as of the date of publication of the annual report: None.

(2) List major litigious, non-litigious or administrative disputes that involve the company and/or any company director, any company supervisor, the general manager, any person with actual responsibility for the firm, any major shareholder holding a stake of greater than 10 percent, and/or any company or companies controlled by the company. Where such a dispute could materially affect shareholders' equity or the prices of the company's securities as of the date of publication of the annual report: None.

5.6.13 Other important risks and countermeasures: None.

5.7 Other Important Matters:

Risk Management Organization:

Important risk assessment items	Risk Control Business Management Unit First mechanism	Risk review and control Second mechanism	Audit Office/Board of Director Third mechanism - Note
1. Interest rate, exchange rate and financial risk	Department of Finance and Accounting	Foreign Exchange Execution Team	Audit Office/Board of Director
2. High-risk and high-leverage investment, loans to others, derivative commodity trading, financial investment	Department of Finance and Accounting	Foreign Exchange Execution Team	Audit Office/Board of Director
3. R&D plan	Department of Planning, Department of Design and Each proposal control unit	Research and Development Committee	Audit Office/Board of Director
4. Changes of Policy and legal	Department of Finance and Accounting, Legal Affairs Office, Department of Planning	Business Development Conference	Audit Office/Board of Director
5. Changes of Technology and Industry	Department of Design, Plants, Department of Planning, Department of Information Technology	Work report/ Business Development Conference	Audit Office/Board of Director
6.Changes of Corporate image	Department of Sales, Department of Human Resources and Administration, Department of Planning, Department of Quality Assurance, Plants	Business Development Conference	Audit Office/Board of Director
7. Investment, reinvestment and M&A benefits	Department of Finance and Accounting, Legal	New Business Development Committee	Audit Office/Board of Director

	Affairs Office, Department of Planning		
8. Expansion of plant or production	Plants, Department of Planning, Department of Environmental Protection and Public Utilities	Project Investment Review Meeting, Work report	Audit Office/Board of Director
9. Centralized purchase or sale	Department of Sales, Department of Material	Business Weekly Meeting	Audit Office/Board of Director
10. Transfer of shares of directors, supervisors and major shareholders	Department of Finance and Accounting, Department of Planning	Business Development Conference	Audit Office/Board of Director
11. Change in operating rights	Department of Finance and Accounting, Legal Affairs Office, Department of Planning	Business Development Conference	Audit Office/Board of Director
12. Litigation and non-litigation matters	Legal Affairs Office, Department of Finance and Accounting, Department of Human Resources and Administration, Department of Planning	Business Development Conference	Audit Office/Board of Director
13. Other operational matters	Department of Planning, Legal Affairs Office	Business Development Conference/ Risk Management Committee	Audit Office/Board of Director
14. Personnel behavior, ethics and conduct	Supervisors at all levels, Department of Human Resources and Administration	Personnel Review Committee/ Reward and Punishment Review Committee/ Complaint Handling Team Committee	Audit Office/Board of Director
15. Compliance with SOP	Supervisors at all	Sustainable	Audit Office

and regulations	levels, Department of Occupational Safety and Health, Department of Quality Assurance, Department of Planning Department of Environmental Protection and Public Utilities	Development Committee	
16. Functional committee meeting management	Secretariat Office of the Board Department of Human Resources and Administration	Supervisor of Corporate Governance (Note)	Audit Office/Board of Director
17.Risk Management	Department of Quality Assurance, Department of Environmental Protection and Public Utilities, Department of Occupational Safety and Health, Department of Planning	Sustainable Development Committee	Audit Office/Board of Director

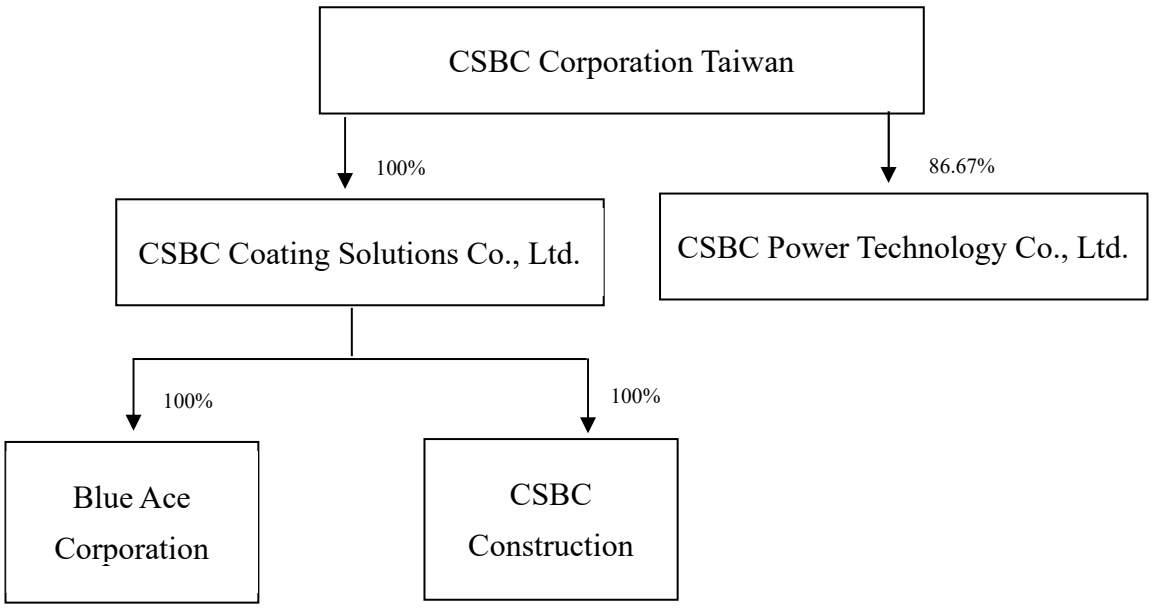
Note: The Board of Director mechanism is the decision-making and final control of risk assessment and control; The Audit Office mechanism is risk inspection, assessment, supervision, improvement tracking and reporting; The Supervisor of Corporate Governance is currently concurrently held by the Director of planning Department.

VI. Special Items

6.1 Information Related to the Company's Affiliates

6.1.1 Business report on merger of related companies for the most recent year

1. Organization Chart of Affiliated Enterprises



2. Basic Information of Affiliated Enterprises

Name of Affiliated Enterprises	Date of Incorporation	Address	Paid-In Capital	Main Business Area
CSBC Coating Solutions Co., Ltd.	SEP 13, 2010	No.3, Jhonggang Rd., Siaogang District, Kaohsiung City	NT$ 259,503 thousand	Anti-corrosion, anti-rust, paint, sandblasting works, etc.
CSBC Power Technology Co., Ltd	Mar 15, 2021	No.224, He 1st Rd.,Zhongzheng Dist.,Keelung City	NT$ 75,000 thousand	Manufacture of Ships, Parts and Components
BLUE ACE CORPORATION	July 28, 2016	No.224, He 1st Rd.,Zhongzheng Dist.,Keelung City	NT$ 34,938 thousand	Anti-corrosion, anti-rust, paint, sandblasting works, and HR outsourcing etc.
CSBC Construction	Apr 18,2022	No.3, Jhonggang Rd., Siaogang District, Kaohsiung City	NT$ 52,234 thousand	Construction

Note1: All affiliated enterprises, regardless of their size, should be exposed.

Note2: If each affiliated enterprise has a factory, and the sales value of the factory's products exceeds 10% of the operating income of the controlling company, the name of the factory, date of establishment, address and the main production items of the factory should be added.

Note3: If an Affiliated enterprise is a foreign company, the name and address of the company may be expressed in English, the date of establishment may also be expressed in AD dates, and the amount of paid-in capital may be expressed in foreign currency (specify the exchange rate)

3. Presumed to be in control and subordination: None.

4. The industries covered by the business of the overall affiliated enterprise:

Name of Affiliated Enterprises	Main Business Area	Division of labor
CSBC Coating Solutions Co., Ltd.	Anti-corrosion, anti-rust, paint, sandblasting works, etc.	Yes
CSBC Power Technology Co., Ltd	Manufacture of Ships, Parts and Components	Yes
Blue Ace Corporation	Anti-corrosion, anti-rust, paint, sandblasting works, and HR outsourcing etc.	Yes
CSBC Construction	Construction	Yes

Note1: In order to consolidate the strength of Taiwanese vessels to contract merchants, CSBC introduced foreign workers in a timely manner based on business development, provided sufficient construction manpower for Taiwan vessels, and strengthened the labor structure. Through CSBC Coating Solutions Co., Ltd., BLUE ACE CORPORATION was established to meet the group's strategic development goals. .

Note2: In order to develop domestic arms industry, CSBC and AnEnergy established CSBC Power Technology Co., Ltd.

Note3: In order to develop construction industry, CSBC established CSBC Construction, through CSBC Coating Solutions Co., Ltd..

5. Information on directors, supervisors and general managers of affiliated enterprises

(Base date: Dec. 31, 2025, Foreign companies are expressed in terms of the amount held in the original currency)

Unit: Share, %

Name of enterprise	Title	Name or representative	Holding shares	
			share	%
CSBC Coating Solutions Co., Ltd.	Chairman	CSBC corporation Taiwan Representative: Tsai, Kun-Tsung	25,950,370	100%
	Director	CSBC corporation Taiwan Representative: Chen, Jeng-Horng		

	Director	CSBC corporation Taiwan Representative: Chen, Jun-Zhang		
	Supervisor	Csbc Corporation Taiwan Representative: Shen, Hua-Rong		
CSBC Power Technology Co., Ltd	Chairman	CSBC corporation Taiwan Representative: Chen, Jeng-Horng	6,500,000	86.67%
	Director	CSBC corporation Taiwan Representative: Kao,Chien-I		
	Director	CSBC corporation Taiwan Representative: Yu, Mao-Hua		
	Director	CSBC corporation Taiwan Representative: Tsai, Kun-Tsung		
Blue Ace Corporation	Director	CSBC Coating Solutions Co., Ltd. Representative: Chen, Jun-Zhang	(Non-stock company)	100%
CSBC Construction	Director	CSBC Coating Solutions Co., Ltd. Representative: Chen, Jun-Zhang	(Non-stock company)	100%

Note1: If affiliated enterprises are foreign companies, they shall be listed as those with equivalent positions.

Note2: If the invested company is a company limited by shares, please fill in the number of shares and shareholding ratio; otherwise, please fill in the amount of capital contribution and the ratio of capital contribution and indicate it.

Note3: When the directors and supervisors are institutional shareholders, they shall additionally disclose relevant information of the representatives.

6. Operation overview of each affiliated enterprise

December 31, 2025 (Unit: NT$ thousand)

Name of Enterprise	Paid-in capital	Total Assets	Total Liabilities	Net Worth	Revenue	Operation Profit	Net income	EPS (Unit: NT$)
CSBC Coating Solutions Co., Ltd.	259,503	1,434,022	1,089,414	344,608	378,491	44,031	49,108	1.97
CSBC Power Technology Co., Ltd	75,000	180,199	500,753	(320,554)	58,071	(195,977)	(147,823)	(19.71)
Blue Ace Corporation	34,938	106,926	63,932	42,994	159,687	7,706	6,268	Limited company No shares
CSBC Construction	52,234	348,602	258,594	90,008	573,653	42,674	33,527	Limited company No shares

6.1.2 Affiliation Reports: Not applicable.

6.2. Private Placement of Securities in the Most Recent Year up to the Publication Date of this Annual Report : None

6.3. Other Matters that Require Additional Description: None.

VII. Matters of Significant impact

The situations listed in Article 36, paragraph 3, subparagraph 2 of the Securities and Exchange Act, which might materially affect shareholders' equity or the price of the company's securities, has occurred during the most recent fiscal year and during the current fiscal year up to the date of publication of the annual report: None

CSBC CORPORATION, TAIWAN

https：//www.csbcnet.com.tw/

Person in charge：Chen, Jeng-Horng

Date of publication：May 20, 2026