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2024 Annual Report

May 9, 2025

The Annual Report is available at:

<http://mops.twse.com.tw>

Company website URL: <http://www.swnav.com.tw>

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.

I. Spokesperson

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Deputy Spokesperson:

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II. Company Profile

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IV. Auditors

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V. Overseas Securities Exchange: N/A.

VI. Company Website URL: <http://www.swnav.com.tw/>

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A. Letter to Shareholders

I. Operating Performance in 2024

(I) Business Plan Implementation Results

Since its establishment in March, 1985, Shih Wei Navigation has been adhering to the service concept of professionalism, innovation, and high efficiency in terms of business management. The shipping industry is greatly impacted by the macroeconomic market. In 2024, the financial environment remained accommodative, with the United States implementing three rate cuts, bringing the year-end interest rate to 4.25 ~ 4.5%. China's economic recovery remains uncertain, weighed down by challenges in the real estate sector and weak domestic demand. Geopolitical risks have escalated ranging from the Russia-Ukraine conflict to the threats posed by the Houthi group to passing vessels triggering the Red Sea crisis, and instability in the Middle East. Countries have intervened trade activities through political policy, resulting in a subdued global economic performance. To meet the International Maritime Organization (IMO) carbon reduction targets for each stage, operating costs for shipping industry have increased. High interest rates are also reflected in the capital cost. The shipping industry is facing a rapidly changing and unpredictable global environment.

In terms of Shih Wei's diversification strategy and management in the hotel industry, our subsidiary, Dancewoods Hotel & Resorts (hereinafter referred to as "Dancewoods Hotel") has been in operation since March, 2018. The target market clearly focuses on family travelers and groups for conferences and training.

After Taiwan's borders reopened in 2023, the domestic travel market faced significant challenges, leading to a 22% decline in revenue in 2024 compared to the previous year. To adapt to market changes and improve occupancy rates, the strategy focuses on price adjustments and enhancing added-value experiences, offering diverse accommodation options and promotional packages to attract more guests.

Additionally, the in-house sub-brands "O'ruru Café", cat cafe "Lulala Sweets", and the fitness studio "Renee's Choice - The Elegance of Pilates" have also been integrated into the business strategy. Total revenue reached to NT\$17.804 million in 2024. The goal is to maintain stable overall business performance, continue expanding diversified operations, and strengthen our market competitiveness.

(II) Budget Execution

As prescribed in Regulations Governing the Publication of Financial Forecasts of Public Companies, the Company does not need to disclose its 2024 financial forecast, so there is no statement on 2024 budget execution.

(III) Financial Income, Expenditure, and Profitability Analysis

Please refer to E. Review and Analysis of Financial Conditions and Business Results, and Risk Items.

(IV) Research & Development Status

Not applicable.

II. Annual Business Plan in 2025

(I) Operating Principles

As of the end of April 2025, Shih Wei Navigation and its wholly-owned Panamanian subsidiaries run a total of 26 self-owned ships, being 1 coastal Passenger Ship, 1 Multi-Purpose, 16 Handysize, 2 Supramax, 3 Ultramax, 2 Panamax, and 1 Kamsarmax. Shih Wei runs a diversified fleet, with an average age of approximately 11 years, enabling flexible use for both near-sea and ocean-going shipping lines to reduce the impact caused by the changes of economic cycles. After the delivery of a new building (Ultramax) in June 2024, we expect to take two new buildings (Ultramax) in the next two years.

Ship types of Kamsarmax, Panamax, Ultramax and Handymax mainly carry high-quality iron ore, coal, grains, and dry bulk commodities. Handysize and Multi-purpose are mainly used to carry raw materials such as steel, general cargo, logs, cement clinker, fertilizers, grains, and various ores. To comply with the Carbon Intensity Indicator (CII) regulations, the fleet has introduced the carbon intensity monitoring system, installed energy-saving applications on ships, and utilized silicone-based or high-efficiency anti-fouling paints to enhance vessel energy efficiency. These emission reduction measures and technological improvements have increased operational costs and capital expenditures. Amidst a globally sluggish economy, the implement for green shipping has led to increased costs, resulting in operating revenues in 2024 growing slightly compared to the previous year.

Our subsidiary, Dancewoods Hotel, is the first and only Japanese garden-themed

hotel in Taiwan, with an area of 5.75 hectares. The main strategy is to provide differentiated and customized products with the provision of product segmentation, personalization, and sceneization, targeting at the great business opportunities from family travelers and groups for corporate training and travels.

(II) Expected Sales Volume and Its Basis

The Company is mainly engaged in dry bulk shipping and hotel & catering services. The main income is from shipping and hospitality services, and therefore not suitable for the use of sales volume as the basis for measurement. The measurement is only based on the overall economy and market environment, existing contracts, established business plans, and the promotion goals.

(III) Important Production and Sales Policy

1. In terms of the shipping business, in addition to strengthening the business relationship with the existing customers to maintain stable operation, we also actively increase our customer base and strengthen interactions and exchanges for the establishment of long-term relationship.
2. In terms of the tourism business, we continue to provide warm and refined services to improve customer satisfaction and develop new market to balance the difference in occupancy rates between low and high seasons.

III. The Effect of External Competition, the Legal Environment, and the Overall Business Environment

In response to the IMO's medium-term measures to reduce greenhouse gas emissions, regional regulations such as the EU Emissions Trading System (EU ETS) came into effect on January 1, 2024, and the FuelEU Maritime regulation entered into force on January 1, 2025. Facing increasingly stringent regulations, the Company has adopted silicone-based or high-efficiency anti-fouling paints, installed energy-saving and emission-reducing devices, as well as utilized big data analytics to manage operational information and improve fuel efficiency, leading to an increase in overall capital expenditure.

The Baltic Dry Index (BDI) saw a slight increase in the first half of 2024. China's stimulus for infrastructure, the rise in coal shipping from Indonesia to China and India, BDI point of the year was 2,419 in March. With the arrival of the rainy season and rising water levels, restrictions on the Panama Canal have eased. United States election created uncertainty and the usual vigorous peak season which everyone expected for in Q4 did not materialize, leading to no stimulation to the market. The BDI reached the lowest 976 in

early December, continuing into a sluggish start for 2025. The average BDI for 2024 was 1,755, slightly higher than the 1,373 average for 2023.

With the lifting of domestic pandemic restrictions, outbound travel surged, leading to a decline in domestic tourism demand. Facing these shifting booking trends, Dancewoods Hotel must continuously refine its sales strategy, adapting to market dynamics to ensure optimal profitability by striking the right balance between supply and demand.

IV. Future Developmental Strategies

The International Monetary Fund (IMF) stated in its January "World Economic Outlook" that global economic growth in 2025 is expected to reach 3.3%. While global economic growth is expected to remain stable, it still falls short of the historical average of 3.7% (from 2000 to 2019). The global inflation rate remained at 6.8% in 2024, but the forecast for 2025 was revised down to 4.2%. Market forecasts remain fundamentally supported, yet geopolitical tensions, war-related economic challenges, oil price fluctuations, and the development of alternative energy sources continue to introduce uncertainty. The United States leverages its influence on the global economy by periodically issuing new declarations that disrupt market trends, imposing tariff barriers that provoke retaliatory trade wars, withdrawing from the Paris Agreement, and relaxing energy regulations, all of which contribute to global economic instability.

The ceasefire between Israel and Hamas still faces potential obstacles, while the restoration of Red Sea and Gulf of Aden shipping routes requires regional diplomacy and international cooperation to ensure safe passage. Meanwhile, accelerated enforcement of international environmental regulations is expediting the demolition of older vessels, with only limited delivery of new tonnages. In the face of ongoing challenges, the Company remains committed to stable operations in 2025.

While continuing to provide high-quality hospitality services and expand sub-brand operations, Dancewoods Hotel is also actively cultivating talent, enhancing management efficiency, and improving overall service quality to strengthen competitiveness and embrace market challenges with a more efficient operational model.

In 2025, in the face of inflation and interest rate pressures, as well as risks associated with geopolitical conflicts, environmental regulations, and the financial policies, the Shih Wei team remains committed to prudent decision-making, identifying strategic market opportunities, and integrating international sustainability standards and climate-related financial disclosures to embrace new challenges and opportunities and be mindful of

carrying our business to the best performance in this volatile market. Thank you again for your continued support and we wish all of you good health and prosperity.

Chairwoman & President, Shin-Chyi Lan

B. Corporate Governance Report

I. Information on Directors, President, Vice President, Senior VP, and Management Team of Various Departments and Branch Institutions

(I)Director Information 1:

April 27, 2025																				
Title	Nationality/Country of Origin	Name	Gender Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Current Positions within the Company and in Other Companies	Spouse or Relatives within the Second Degree of Kinship Acting as Directors, Supervisors, or other Department Heads			Remarks
							Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding ratio (%)			Title	Name	Relationship	
Chairwoman	Republic of China	Luo Pan Investment Corp.	—	2023.6.28	3 years	1998.4.30	31,941,267	8.65	32,910,027	8.454	0	0	0	0	None	None	None	None	None	
	Republic of China	Representative: Lan, Shin-Chyi (Note1)	Female 41~50	2023.7.11		2020.10.27	84,080	0.023	575,776	0.148	0	0	0	0	President, Oceanlance Maritime Co., Ltd. Vice President, Shih Wei Navigation Co., Ltd. Bidsted & Co. A/S Department of Merchant Marine, National Taiwan Ocean University	President, Shih Wei Navigation Co., Ltd. Director, CR Classification Society Director, The Britannia Steam Ship Insurance Association Europe Member, Bureau Veritas Asia & Australia Committee Meeting ClassNK Member of Taiwan Committee Chairwoman, Tse-Run Investment Co., Ltd. Chairwoman, Kai-Chieh Investment Co., Ltd. Director, Luo Pan Investment Corp. Director, Huo-Ta Investment Co., Ltd. Supervisor, Dancewood Manor Co., Ltd. Director, Chen- Yun Investment Co., Ltd. Director, Fei-Yuan Investment Co., Ltd. Chairwoman, The Log Carriers Group Foundation, Association of Shipping Services, R.O. C.	President	Lan, Shin-Chyi	Same Person	Note1
																	Director	Lan,Shin-Ying	Sister	
Director	Republic of China	Luo Pan Investment Corp.	—	2023.6.28		1998.4.30	31,941,267	8.65	32,910,027	8.454	0	0	0	0	None	None	None	None	None	

Title	Nationality/Country of Origin	Name	Gender Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Current Positions within the Company and in Other Companies	Spouse or Relatives within the Second Degree of Kinship Acting as Directors, Supervisors, or other Department Heads			Remarks
							Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding ratio (%)			Title	Name	Relationship	
	Republic of China	Representative: Lan,Shin-Ying	Female 41~50	2023.6.28		2023.6.28	0	0	0	0	689,788	0.177	0	0	Department of Business Administration/ Finance, University of Illinois Urbana-Champaign EMBA in International Business Management, National Taiwan University The degree of Bachelor of Arts, the department of Japanese Language And Literature College of Liberal Arts, National Taiwan University	Chairwoman and CEO,Dancewoods hotels and resorts Co., Ltd. Chairwoman,Ta-Hsi Management Consulting Co., Ltd. Chairwoman,Luo Pan Investment Corp. Director,Chen- Yun Investment Co., Ltd. Director,Fei-Yuan Investment Co., Ltd. Director, Huo-Ta Investment Co., Ltd. Supervisor,Kun Lun Construction Co., Ltd Supervisor, Pei Lin Investment Corp. Supervisor, Liang Yu Investment Corp The 5th Board of Directors, Taiwan Listed Companies Association	Chairwoman & President	Lan, Shin-Chyi	Sister	
Director	Republic of China	Kuo, Chen-Yu	Male 51~60	2023.6.28		2014.6.11	55,895	0.015	58,316	0.015	0	0	0	0	Director,, Sales & Marketing Department, China Television Company Executive Assistant to President, Triad Marine Corp. Director,Biggin Shipping Corp. MBA in Finance and Marketing, University of Rochester, New York	Director, Vista Investment Company	None	None	None	
Independent Director	Republic of China	Chang, Tsang-Yao	Male 61~70	2023.6.28		2023.6.28	0	0	0	0	0	0	0	0	Department of economics PhD in Utah State University	Distinguished professor in Feng Chia University	None	None	None	
Independent Director	Republic of China	Ding, Yun-Kai	Male 51~60	2023.6.28		2023.6.28	0	0	0	0	0	0	0	0	LL.M., School of Law, Soochow University	Senior Consultant, Ding & Ding Law Offices Director, Performance Workshop Creative Culture Co., Ltd. Chairperson , Joding International Enterprise Ltd.	None	None	None	
Independent Director	Republic of China	Chou, Chen-Shing	Male 71~80	2023.6.28		2023.6.28	0	0	0	0	0	0	0	0	Department of Metallurgy, National Taipei Institute of Industrial Technology Director, VP of Sumitomo Corp. Taiwan.	Executive Director, Jubilee Education Foundation	None	None	None	

Title	Nationality/Country of Origin	Name	Gender Age	Date Elected (Appointed)	Term	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Current Positions within the Company and in Other Companies	Spouse or Relatives within the Second Degree of Kinship Acting as Directors, Supervisors, or other Department Heads			Remarks
							Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding ratio (%)			Title	Name	Relationship	
Independent Director	Republic of China	Shann, Shu-Jiun	Female 41~50	2023.6.28		2023.6.28	0	0	0	0	0	0	0	0	Department of Finance, Baruch College, The City University of New York EMBA in Finance, National Taiwan University	CFO, Hoteck Inc. Independent Director, Danen Technology Corporation Supervisor,Xin Cherie Co., Ltd. Supervisor,Topco Engineering Co., Ltd. Independent Director, Danen Technology Corporation Director, Earendel Capital limited company Chairwoman, Junzanxin Investment Co., Ltd.	None	None	None	

Note1: The reason, reasonableness, necessity, and future remedial measures, as well as other related information shall be explained when the same person, spouses, or first-degree relatives serve as chairperson and general manager or its equivalent rank (top manager) (e.g., appointment of additional Independent Directors and requiring the appointment of more than half of the Directors from individuals who are not employees or managers):

The Company's Chairperson and President are currently the same person and the arrangement is made to improve operating efficiency and decision-making. Response measures: The Company plans to appoint additional Independent Director(s) and require the appointment of more than half of the Directors from individuals who are not employees or managers in the election to be held in 2023 to enhance the competencies of the Board of Directors and strengthen its supervisory functions.

(II) Top Ten Shareholders and Their Shareholding (Capital Contribution) Ratio of Directors Who Represent Institutional Shareholders:

April 27, 2025

Name of Institutional Shareholder	Top Ten Shareholders and Their Shareholding (Capital Contribution) Ratio of Institutional Shareholders
Luo Pan Investment Corp.	Lan, Shin-Chyi (33.16%); Lan, Shun-Ti (30.48%); Ta-Hsi Management Consulting Co., Ltd. (27.45%); Fan, Kai-Chen(3.48%); Fan, Yun-Chieh(3.48%); Chin, Po-Cheng(1.90%) ; Lan, Chun-Sheng (0.05%); Hsu, Chia-Hua (0.000%)

Major shareholders in the table above who are institutional shareholders and their major shareholders:

April 27, 2025

Name of Institution	Top Ten Shareholders and Their Shareholding (Capital Contribution) Ratio of Institutional Shareholders
Ta-Hsi Management Consulting Co., Ltd.	Lan, Shin-Chyi (90%); Tse-Run Investment Co., Ltd. (10%)

(III) Director Information 2:

1. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors:

Title	Qualification	Professional qualifications and experience (Note 2)	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
	Name			
Chairwoman	Lan, Shin-Chyi (Note1)	Graduated from the Department of Merchant Marine, National Taiwan Ocean University. She has many years of experience in the shipping business, and is proficient in shipping management, business leadership, and corporate governance.		0
Director	Lan, Shin-Ying (Note1)	Graduated from the University of Illinois at Urbana-Champaign master of Business Administration/Finance and completed an EMBA in International Business Management from National Taiwan University, specializing in Financial Management and Finance, as well as the development of the tourism industry and corporate management.		0
Director	Kuo, Chen-Yu	Graduated from the University of Rochester, New York with a master's degree in finance and marketing management, specializing in media industry business and commercial fields.		0

Title	Qualification Name	Professional qualifications and experience (Note 2)	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
Independent Director Member of Audit Committee	Chang, Tsang-Yao	Graduated from Utah State University with a Ph.D. in Economics, currently serving as a distinguished professor in the Department of Finance at Feng Chia University, with expertise in the fields of education, finance, accounting, and corporate governance.	1. Compliance with Article 3 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies. 2. The independent directors of the board of directors and their spouses and relatives within second degree are not serving as directors, supervisors, or employees of the company or any of its affiliates. 3. The independent directors of the board of directors and their spouses and relatives within second degree are not holding shares of the company in their own names or in any third	0

Title	Qualification	Professional qualifications and experience (Note 2)	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
	Name			
Independent Director Member of Audit Committee Member of Sustainable Development Committee	Ding, Yun-Kai	Graduated from Soochow University with LL.M., School of Law, currently serving as a senior consultant at Ding & Ding Law Offices, specializing in the legal field, particularly in maritime and project financing, corporate governance, and cultural and creative industries.	party's name. 4. The independent directors of the board of directors and their spouses and relatives within second degree are not serving as directors, supervisors, or employees of any company that has a specific relationship with the company. 5. The independent directors of the board of directors and their spouses and relatives within second degree receive no remuneration from providing business, legal, financial, or accounting service to the company or any of its affiliates in the last two years.	0
Independent Director Member of Audit Committee Member of Remuneration Committee	Chou, Chen-Shing	Graduated from National Taipei Institute of Industrial Technology, department of Metallurgy, specializing in shipping, education, enterprise management, and corporate governance.		0
Independent Director Member of Audit Committee Member of	Shann, Shu-Jiun	Graduated from Baruch College, the City University of New York, master of Finance. EMBA in Finance, National Taiwan University, professional experience in financial investment management and specializing in enterprise		1

Title	Qualification	Professional qualifications and experience (Note 2)	Independence analysis	No. of other public companies at which the person concurrently serves as an independent director
	Name			
Remuneration Committee Member of Sustainable Development Committee		financial operational strategy management.		

Note 1: Representative of Luo Pan Investment Corp.

Note 2: Not been a person of any conditions defined in Article 30 of the Company Act.

2. Diversity and Independence of the Board of Directors:

(1) Diversity of the board of directors:

Diversity policy:

The Company advocates and respects the Board's diversity policies in order to strengthen corporate governance and promote the sound development of the composition and structure of the Board of Directors. We believe that the diversity approach will help to enhance the Company's overall performance. Board members are selected on the basis of merit and have diverse and complementary abilities across industry sectors, including basic composition (e.g., age, gender, nationality, etc.), their individual industry experience and relevant skills (e.g., shipping, insurance, law, accounting, finance, and corporate governance, etc.), as well as business judgment, operational management, leadership, and crisis management. In order for the Board of Directors to accomplish the preferred governance goals of the Company, Article 20 of the Company's Corporate Governance Code stipulates that the Board of Directors shall generally be equipped with the following capabilities:

1. Operational judgment, 2. Ability to perform accounting and financial analysis, 3. Management ability, 4. Crisis handling capabilities, 5. Industrial knowledge, 6. International market perspective, 7. Leadership skills, 8. Decision-making skills.

The diversity orientation, complementarity and achievements of the directors as revealed in the table below and in accordance with the standards set forth in Article 20 of the Company's Corporate Governance Code; In the future, we will continue to revise our diversity policy in accordance with the operation and business models and development needs of the Board of Directors, including but not limited to the criteria of basic requirements and values, professional knowledge and skills, etc., to ensure that board members shall be equipped with knowledge, skills, and attainments generally required for performing their tasks.

Specific management goals:

Management goals and Implementation	Implementation status in 2024	Improved relative of the previous term or the previous year
The independent directors account for half of all directors.	Four seats of independent directors, accounting for 1/2 of all directors.	An additional independent director has been appointed compared to the previous term, and one independent external advisor, who is not a board member, has been appointed to the Compensation Committee and the Sustainability Development Committee, respectively.
At least one seat on the board of directors shall be allocated to a director of a different gender.	Consists of three female directors and four male directors.	Two additional female directors have been added compared to the previous term.
The seats of directors concurrently serving as employees shall not exceed one-third of all directors.	One, accounting for 1/7 of all directors.	Due to operational needs, the Chairwoman will continue to concurrently serve as the company's General Manager.
The term of office of independent directors does not exceed three terms.	The tenure of the independent directors of this session is below 3 years.	Maintain.

Management goals and Implementation	Implementation status in 2024	Improved relative of the previous term or the previous year
All members of the board have the knowledge, skills, and expertise to perform their duties.	All directors meet the criteria of having professional knowledge and skills.	The board members' training situation (average of 12.6 hours) exceeds regulatory requirements, with a diverse range of courses and topics covered.

The implementation status of the board diversity policy is as follows:

Core of diversity Name	Basic composition							Industry experience						Professional ability					
	Nationality	Gender	Employee	Age			Tenure and seniority of independent directors	Shipping	Asset Management	Insurance	Educate	Tourism	Legal/Consultant	Business management	Business/Marketing	Finance	Accounting	Law	Corporate governance
				< 30	30 50	> 50													
Lan, Shin-Chyi	Republic of China	Female	V		V			V		V				V	V				V
Lan,Shin-Ying		Female			V			V				V		V	V	V			
Kuo, Chen-Yu		Male				V		V						V	V	V			
Chang, Tsang-Yao		Male				V	V				V					V			
Ding, Yun-Kai		Male				V	V						V					V	
Chou, Chen-Shing		Male				V	V	V			V			V	V				V
Shann, Shu-Jiun		Female			V		V		V					V	V	V			

Note: There are 0 directors under the age of 30, accounting for 0%; 3 directors are between the ages of 30 and 50, accounting for approximately 42.86%; and 4 directors are over the age of 50, accounting for approximately 57.14%.

(2) Independence of the board of directors:

All current members of the board of directors of the company are in compliance with Article 26-3, Paragraph 3 and Paragraph 4 of the Securities and Exchange Act: None of the board members (including the 4 independent directors)

Not having a marital relationship, or a relative within the second degree of kinship.

All independent directors meet the requirements for active qualifications, passive qualifications, and independence in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

In addition to the aforementioned regulations, 4 of the 7 directors of the Company are Independent Directors, accounting for 57.14% of the total number of directors, which reflects the independence of the Board of Directors of the Company.

(IV) Management Team

April 27, 2025

Title	Nationality	Name	Gender	Elected (Appointed) Date	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)			Title	Name	Relationship	
President	Republic of China	Lan, Shin- Chyi	Female	2020.1.31	575,776	0.148	0	0	0	0	President, Oceanlance Maritime Co., Ltd. Vice President, Shih Wei Navigation Co., Ltd. Bidsted&Co. A/S Department of Merchant Marine, National Taiwan Ocean University	Chairwoman, Shih Wei Navigation Co., Ltd. Director, CR Classification Society Director, The Britannia Steam Ship Insurance Association Europe Member, Bureau Veritas Asia & Australia Committee Meeting ClassNK Member of Taiwan Committee Chairwoman, Tse-Run Investment Co., Ltd. Chairwoman, Kai- Chieh Investment Co., Ltd. Director, Luo Pan Investment Corp. Director, Huo-Ta Investment Co., Ltd. Supervisor, Dancewood Manor Co., Ltd. Director, Yun-Chen Investment Co., Ltd. Director, Fei-Yuan Investment Co., Ltd. Chairwoman, The Log Carriers Group Foundation, Association of Shipping Services, R.O. C.	Chairwoman	Lan, Shin- Chyi	Same Person	Note 1

Title	Nationality	Name	Gender	Elected (Appointed) Date	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position	Managers who are Spouses or Within Two Degrees of Kinship			Remarks
					Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)	Shares	Shareholding Ratio (%)			Title	Name	Relationship	
Chief Financial Officer	Republic of China	Hsu, Kang- Lun	Male	2019.11.11	10,971	0.003	0	0	0	0	Manager of Finance Department, Wisdom Marine Lines BA in Business Administration, Tamkang University	Legal representative, Pescadores Travel Co., Ltd. Supervisor, Pescadores Travel Co., Ltd. Representative of Corporate Director, Dancewoods Hotels and Resorts Co., Ltd.	None	None	None	
Chief Operating Officer	Republic of China	Lin, Hsiu- Ching	Female	2023.7.11	124,003	0.032	21,794	0.006	0	0	Manager of Business Department, Shih Wei Navigation Co., Ltd. Department of Shipping and Transportation Management, National Taiwan Ocean University	None	None	None	None	
Assistant Vice President, Accounting Division, Finance Department	Republic of China	Lin, Fang- Ying	Female	2017.4.5	17,387	0.004	0	0	0	0	Manager of Finance Department, Shih Wei Navigation Co., Ltd. Department of Accounting, Soochow University	None	None	None	None	

Note: The reason, reasonableness, necessity, and future remedial measures, as well as other related information shall be explained when the same person, spouses, or first-degree relatives serve as chairperson and general manager or its equivalent rank (top manager) (e.g., appointment of additional Independent Directors and requiring the appointment of more than half of the Directors from individuals who are not employees or managers): The Company's Chairperson and President are currently the same person and the arrangement is made to improve operating efficiency and decision-making. Response measures: The Company plans to appoint additional Independent Directors and require the appointment of more than half of the Directors from individuals who are not employees or managers in the election to be held in 2023 to enhance the competencies of the Board of Directors and strengthen its supervisory functions.

II. Remuneration of Directors, Supervisors, President, and Vice President

(I) Remuneration of Directors and Independent Directors

Unit: NT\$ thousand; %

Title	Name	Remuneration of Directors								Sum of (A+B+C+D) and ratio to net income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Sum of (A+B+C+D+E+F+G) and ratio to net income (%)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary
		Remuneration (A)		Severance Pay and Pension (B)		Remuneration of Director (C) (Note 1)		Business Expenses (D)				Salary, Bonuses, and Allowances (E) (Note 2)		Severance Pay and Pension (F) (Note 3)		Remuneration of Employees (G) (Note 4)						
		The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	Cash	Stock	Cash	Stock	The Company	All companies in the consolidated financial statements	
Chairperson	Luo Pan Investment Corp.	3,000	3,000	0	0	0	0	0	0	3,000 (1.1142)	3,000 (1.1142)	0	0	0	0	0	0	0	0	3,000 (1.1142)	3,000 (1.1142)	None
	Representative: Lan, Shin-Chyi	3,453	3,453	0	0	0	0	50	50	3,503 (1.3010)	3,503 (1.3010)	0	0	0	0	0	0	0	0	3,503 (1.3010)	3,503 (1.3010)	None
Director	Luo Pan Investment Corp	1,000	1,000	0	0	0	0	0	0	1,000 (0.3714)	1,000 (0.3714)	0	0	0	0	0	0	0	0	1,000 (0.3714)	1,000 (0.3714)	None
	Representative: Lan, Shin-Ying	0	0	0	0	0	0	30	30	30 (0.0111)	30 (0.0111)	0	0	0	0	0	0	0	0	30 (0.0111)	30 (0.0111)	None
Director	Kuo, Chen-Yu	1,000	1,000	0	0	0	0	50	50	1,050 (0.3900)	1,050 (0.3900)	0	0	0	0	0	0	0	0	1,050 (0.3900)	1,050 (0.3900)	None
Independent Director	Chou, Chen-Shing	1,120	1,120	0	0	0	0	80	80	1,200 (0.4457)	1,200 (0.4457)	0	0	0	0	0	0	0	0	1,200 (0.4457)	1,200 (0.4457)	None
Independent Director	Shann, Shu-Jiun	1,120	1,120	0	0	0	0	72	72	1,192 (0.4427)	1,192 (0.4427)	0	0	0	0	0	0	0	0	1,192 (0.4427)	1,192 (0.4427)	None
Independent Director	Chang, Tsang-Yao	1,120	1,120	0	0	0	0	74	74	1,194 (0.4434)	1,194 (0.4434)	0	0	0	0	0	0	0	0	1,194 (0.4434)	1,194 (0.4434)	None
Independent Director	Ding, Yun-Kai	1,120	1,120	0	0	0	0	74	74	1,194 (0.4434)	1,194 (0.4434)	0	0	0	0	0	0	0	0	1,194 (0.4434)	1,194 (0.4434)	None

1. Please describe the policy, system, standards and structure of the remuneration packages of the Independent Directors and explain the relevance of the amount of remuneration paid to them based on factors such as responsibility, risk and time commitment:
Duo to the Company has pre-tax net loss NT\$294,192 thousand in 2024, director remuneration is not distributed in the absence of profits with the Company's Articles of Incorporation. In accordance with the company's "Director and Executive Compensation Regulations," independent directors are entitled to an annual salary of NT\$1,000 thousand, regardless of the company's operating profit or loss. Additionally, considering that independent directors concurrently serve on the Audit Committee, Compensation Committee and Sustainable Development Committee, they are each entitled to a monthly salary of NT\$10 thousand. The remuneration for independent directors is deliberated by the Compensation Committee and submitted to the board of directors for approval.

2 Except as disclosed above, remuneration received by directors in the latest year for on-balance sheet services (e.g., acting as a non-employee consultant) rendered to the Company: None

Remarks: The remuneration of Directors of the Company includes the transportation allowance for each attendance in meetings of the Board of Directors. The Company also considers its annual business performance and the annual self-assessment of Directors' performance to determine the adjustments of the remuneration.

Note 1: On March 25, 2025, the Board of Directors passed a proposal stating that as Company had a net loss before tax in 2024, it shall not distribute remuneration to directors.

Note 2: All payments to Directors who are also employees of the Company (including the position of President, Vice President, other management personnel and staff), including salary, additional pay, severance pay, bonuses, incentive payments, transportation, special allowance, other allowances, housing, and company car. Where housing, car and other forms of transport, or personal allowances are provided, the nature and cost of assets provided should be disclosed and the rent, gas, and other expenses be paid as incurred or at fair market price. Where a driver is also provided, it should be specified in the notes that the Company pays compensation to the driver but does not include the amount in remuneration. From February 16, 2022, the Company provided a car for the Chairperson of the Board at a cost of NT\$2,250 thousand, depreciation expense is NT\$375 thousand per year and a total fuel cost of NT\$23 thousand.

Note 3: It refers to the amount appropriated in the most recent year.

Note 4: On March 25, 2025, the Board of Directors passed a proposal stating that as Company had a net loss before tax in 2024, it shall not distribute remuneration to employees.

Note 5: 2024 net loss after tax: NT\$269,253 thousand .

(II) Remuneration of the President and Vice President

Unit: NT\$ thousand; %

Title	Name	Salary (A)		Severance Pay and Pension (B) (Note 1)		Bonuses and Allowances (C)		Employee Bonus (D)(Note 2)				Sum of (A+B+C+D) and ratio to net income (%)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary
		The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company		All companies in the consolidated financial statements		The Company	All companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
President	Lan, Shin-Chyi	0	0	0	0	0	0	0	0	0	0	0	0	None
Chief Financial Officer	Hsu, Kang-Lun	1,987	1,987	108	108	1,005	1,005	0	0	0	0	3,100 (1.1513)	3,100 (1.1513)	None
Chief Operating Officer	Lin, Hsiu-Ching	1,987	1,987	108	108	1,010	1,010	0	0	0	0	3,105 (1.1532)	3,105 (1.1532)	None

Note 1: It refers to the amount appropriated in the most recent year.

Note 2: On March 25, 2025, the Board of Directors passed a proposal stating that as Company had a net loss before tax in 2024, it shall not distribute remuneration to employees.

Note 3: 2024 net loss after tax: NT\$269,253 thousand.

Note 4: Approved by the resolution of the Board of Directors on December 29, 2020. Ms. Lan, Shin-Chyi served as the Chairwoman and the President from January 1, 2021 and no salary was paid for services as the President.

(III) Individual Remuneration Paid to Each of the Listed Company's Top Five Management Personnel

Unit: NT\$ thousand; %

Title	Name	Salary (A)		Severance Pay and Pension (B)		Bonuses and Allowances (C)		Employee Bonus (D)				Sum of (A+B+C+D) and ratio to net income (%)		Compensat ion Paid to Directors from an Invested Company Other than the Company's Subsidiary
		The Company	All companies in the consolidate d financial statements	The Company	All companies in the consolidated financial statements	The Company	All companies in the consolidated financial statements	The Company		All companies in the consolidated financial statements		The Company	All companies in the consolidated financial statements	
								Cash	Stock	Cash	Stock			
Chief Financial Officer	Hsu, Kang- Lun	1,987	1,987	108	108	1,005	1,005	0	0	0	0	3,100 (1.1513)	3,100 (1.1513)	None
Chief Operating Officer	Lin, Hsiu- Ching	1,987	1,987	108	108	1,010	1,010	0	0	0	0	3,105 (1.1532)	3,105 (1.1532)	None
Assistant Vice President, Accounting Division,	Lin, Fang- Ying	1,393	1,393	87	87	713	713	0	0	0	0	2,193 (0.8145)	2,193 (0.8145)	None
Manager, Risk Managerment Department	Du,Song- Lin	1,382	1,382	85	85	646	646	0	0	0	0	2,113 (0.7848)	2,113 (0.7848)	None
Manager, Marine Department	Lin, Cheng- Chuan	1,384	1,384	85	85	643	643	0	0	0	0	2,112 (0.7844)	2,112 (0.7844)	None

(IV) Names and Distributions of Employee Profit-Sharing Compensation to
Managerial Officers

April 27, 2025

	Title	Name	Stock	Cash	Total	Ratio of Total Amount to Net Income (%)
Managerial Officer	President	Lan, Shin-Chyi	0	0	0	0
	Chief Financial Officer	Hsu, Kang-Lun				
	Chief Operating Officer	Lin, Hsiu-Ching				
	Finance Department Assistant Vice President, Accounting Division	Lin, Fang-Ying				

Note 1: On March 25, 2025, the Board of Directors passed a proposal stating that as Company had a net loss before tax in 2024, it shall not distribute remuneration to employees.

Note 2: 2024 net loss after tax: NT\$269,253 thousand .

Note 3: The scope of application for the term "managerial officer" shall be based on the FSC's Tai-Cai-Zheng-3 No. 0920001301 Order dated March 27, 2003. Its scope shall be as follows:

- (1) The President and those with equivalent powers
- (2) Vice Presidents and those with equivalent powers
- (3) Assistant Vice Presidents and those with equivalent powers
- (4) Supervisor of the Finance Department
- (5) Supervisor of Accounting Department
- (6) Other individuals with the authority of managing company affairs and signatory rights

- (V) Comparison and analysis of remunerations to Directors, President, and Vice Presidents as a percentage of net profit after tax in the last two years and description of the policy, standards and packages of remunerations, procedure for making such decision and relation to business performance and future risks:

1. Ratio of Total Remuneration to Net Income

Unit: %

Name	The Company		All companies in the consolidated financial statements	
	2023	2024	2023	2024
Directors	(1.9382)	(4.9630)	(1.9382)	(4.9630)
President and Vice President	(1.5021)	(2.3045)	(1.5021)	(2.3045)

- The Company's remuneration of Directors is determined in accordance with the Articles of Incorporation. The Board of Directors is authorized to determine the amount based on prevailing rates in the industry in a fair and reasonable manner. The remuneration paid to the President and Vice President shall be determined in accordance with the Company's salary standards.
- The Company's procedures for determining the remuneration of Directors requires the Remuneration Committee to formulate a proposal to be passed by the Board of Directors.
- The Company's remuneration of Directors is determined in accordance with the Company's overall business performance each year and the Company's Articles of Incorporation. It is distributed after it is passed in a resolution of a meeting of the Board of Directors. The remuneration of the President and Vice President shall be determined in accordance with the basis specified above and personal performance shall also be included as a basis for calculating payment. Therefore, the Company's business performance directly affects the distribution of remuneration.
- Correlation with future risks: The Company has purchased liability insurance for Directors and important officers from "Chung Kuo Insurance Company". The insurance amount has been increased to

US\$10 million. The purchase of the liability insurance reduces the Company's unknown risks and offsets the potential damage in the performance of duties by Directors and important officers.

III. Corporate Governance Practices

(I) Operations of the Board of Directors

(1) Operations of the Board of Directors:

The board of directors met 8 times in 2024. The details of attendance are as follows:

Position	Name	Attendance in person	Attendance by proxy	Attendance rate (%)	Remarks
Chairwoman	Representative of Luo Pan Investment Corp.: Lan, Shin-Chyi	8	0	100	
Directors	Kuo, Chen-Yu	8	0	100	
Directors	Representative of Luo Pan Investment Corp.: Lan, Shin-Ying	6	2	75	
Independent Director	Chang, Tsang-Yao	8	0	100	
Independent Director	Ding, Yun-Kai	8	0	100	
Independent Director	Chou, Chen-Shing	8	0	100	
Independent Director	Shann, Shu-Jiun	7	1	88	

Other important information:

I. Should any of the following take place in a board meeting, the date and number of the meeting, the content of proposal, independent director's opinions, and the Company's response to such opinions should be recorded:

- (I) Matters listed in Article 14-3 of the Securities and Exchange Act: No objections or qualified opinions from any of the independent directors. For details, please refer to Appendix II.
- (II) Aside from the above matters, other resolutions adopted by the board of directors to which an independent director has expressed objections or qualified opinions on record or in writing: None.

II. Details, including names of directors, proposals, reasons for conflict of interest, and voting, of circumstances where directors recuse themselves due to conflict of interest:

Content of proposal	Recusal from conflicts of interest	Reasons for recusal from conflicts of interests and participation in voting
Discussion of the proposed for the distribution of the 2024 annual dragon boat festival and mid-autumn festival bonus for the Chairwoman and managers on March 26.	Lan, Shin-Chyi Lan, Shin-Ying	Due to the second-degree kinship relationship between Ms. Lan Shin-Chyi, the Chairwoman, and Ms. Lan, Shin-Ying, a Director, recusal from discussion and voting on one's own remuneration is observed to avoid conflicts of interest.
Deliberation of the proposed 2023 performance bonus of the Chairwoman on March 26.	Lan, Shin-Chyi Lan, Shin-Ying	Due to the second-degree kinship relationship between Ms. Lan Shin-Chyi, the Chairwoman, and Ms. Lan, Shin-Ying, a Director, recusal from discussion and voting on one's own remuneration is observed to avoid conflicts of interest.

Deliberation of the proposed 2024 year-end bonus for the Chairwoman and managers on December 24.	Lan, Shin-Chyi	Due to Ms. Lan Shin-Chyi, the Chairwoman, refusal from discussion and voting on one's own remuneration is observed to avoid conflicts of interest.
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III. TWSE/TPEX listed companies shall disclose the frequency and period, scope, method and content of evaluation of their board of directors' self- (or peer) evaluation, and fill in the attached table (2) on evaluation of the board of directors.

IV. Objectives (including establishing an audit committee and enhancing information transparency) for enhancing the functions of the board and performance in the current year and the most recent year:

1. Objectives for enhancing the functions of the board of directors:
 - (1) Implementation of corporate governance and enhancing of information transparency: The Company upholds operational transparency. The board of directors operates in accordance with the "Rules and Procedures for Board of Directors Meetings". In addition, in order to avoid improper disclosure of information and ensure the consistency and accuracy of the information published to the outside world, the Shih Wei Navigation Procedures for Handling Material Inside Information was established in 2009 and is followed.
 - (2) Enhance the function of the board of directors: The Company arranges continuing education courses to facilitate directors' access to relevant information. In addition, in 2010, the Company formulated the Board of Directors Performance Evaluation Guidelines of the Company, and the results are reported to the board of directors every year.
 - (3) The Company set up the Audit Committee on June 28, 2017.
 - (4) The Company set up the Sustainable Development Committee on November 12, 2024.
2. Implementation of evaluation:

The Company adheres to the principle of operational transparency, and publishes important resolutions on the MOPS immediately after the board of directors meeting to protect shareholders' equity.

(2) Assessment of the Board of Directors

Frequency (Note 1)	Period (Note 2)	Scope (Note 3)	Method (Note 4)	Content (Note 5)
Triennially	January 1, 2022 to December 31, 2022	Performance evaluation of the board of directors	An external professional organization, the Taiwan Corporate Governance Association, was commissioned to conduct an	Assessment in 4 aspects: 1.The Board's professional competencies. 2.The Board's decision making performance. 3.The Board's attention to and oversight of internal control. 4.The Board's attitude toward

Frequency (Note 1)	Period (Note 2)	Scope (Note 3)	Method (Note 4)	Content (Note 5)
			evaluation of the overall Board of Directors through questionnaires and on-site interviews from November to December 2022.	ESG.
Annually	January 1, 2024 to December 31, 2024	Performance evaluation of the board of directors	Internal self-evaluation of the board of directors	I. Board performance evaluation: 1. Participation in the Company's operations 2. Improving the quality of board decisions 3. Board composition and structure 4. Election and continuing education of directors 5. Internal control
	January 1, 2024 to December 31, 2024	Performance evaluation of individual directors	Self-evaluation of directors	II. Performance evaluation of individual directors: 1. Mastery of company goals and duties 2. Awareness of director duties 3. Participation in the Company's operations 4. Internal relationship management and communication 5. Profession and continuing education of directors 6. Internal control
	January 1, 2024 to December 31, 2024	Performance evaluation of functional committees(The Audit	Internal self-evaluation of the board of directors	III. Performance evaluation of functional committees(The Audit Committee): 1. Participation in the Company's operations

Frequency (Note 1)	Period (Note 2)	Scope (Note 3)	Method (Note 4)	Content (Note 5)
	January 1, 2024 to December 31, 2024	Committee) Performance evaluation of functional committees (The Compensation Committee)	Internal self- evaluation of the board of directors	2. Awareness of functional committee duties 3. Improving the quality of committee decisions 4. Composition and election of members 5. Internal control IV. Performance evaluation of functional committees (The Compensation Committee): 1. Participation in the Company's operations 2. Awareness of functional committee duties 3. Improving the quality of committee decisions 4. Composition and election of members 5. Internal control
	November 12, 2024 to December 31, 2024	Performance evaluation of functional committees (Sustainable Development committee)	Internal self- evaluation of the board of directors	V. Performance evaluation of functional committees (Sustainable Development committee) 1. Participation in the Company's operations 2. Awareness of functional committee duties 3. Improving the quality of committee decisions 4. Composition and election of members 5. Internal control

Note 1: To add the implementation frequency of the board of directors evaluation, for example: Annually.

Note 2: To add the period covered by the board of directors evaluation, for example: Evaluation of the performance of the board of directors between January 1, 2024 and

December 31, 2024.

Note 3: The scope of evaluation includes performance evaluation of the board of directors, individual directors, and functional committees.

Note 4: Evaluation methods include internal self-evaluation by the board of directors, self-evaluation by individual directors, peer evaluation, appointment of external professional evaluation institutions, experts, or other appropriate methods for performance evaluation.

Note 5: The evaluation content shall include at least the following items according to the scope:

- (1) Board performance evaluation: Including at least the degree of participation in the Company's operations, the quality of board decisions, the composition and structure of the board, the selection and continuing education of directors, internal control, etc.
- (2) Performance evaluation of individual directors: Including at least the mastery of Company goals and duties, awareness of director responsibilities, degree of participation in company operations, internal relationship management and communication, profession and continuing education of directors, internal control, etc.
- (3) Performance evaluation of functional committees: Degree of participation in the Company's operations, awareness of duties, decision-making quality, composition and selection of members, internal control, etc.

The Board of Directors amended the Board of Directors Performance Evaluation Guidelines on February 25, 2025, which required that the Board of Directors shall conduct a performance evaluation of the Board of Directors, its members, and the functional committees at least once a year. The internal evaluation shall be conducted at the end of each year in accordance with these Guidelines for the current year's performance evaluation. The external evaluation shall be conducted at least once every three years. The Company completed the performance evaluation of functional committees (including the performance evaluation of the Remuneration Committee, the Audit Committee and the Sustainable Development Committee) in February 2025 and submitted it to the Board of Directors on February 25, 2025.

The 2024 performance evaluations of the Company's functional committees (The Audit Committee) was completed through the Board of Directors' written internal self-evaluation, which included five major areas; the summary of the results are as follows:

- 1.Participation in the Company's operations: The full score was 5 points, the average score was 4.75 points, and all the committee members gave a positive evaluation.
- 2.Awareness of functional committee duties: The full score was 5 points, the average

score was 4.6 points, and all the committee members gave a positive evaluation.

3.Improving the quality of committee decisions: The full score was 5 points, the average score was 5 points, and all the committee members gave a positive evaluation.

4.Composition and election of members: The full score was 5 points, the average score was 5 points, and all the committee members gave a positive evaluation.

5.Internal control: The full score was 5 points, the average score was 4.5 points, and all the committee members gave a positive evaluation.

Overall evaluation results: All four committee members gave a positive evaluation.

The results of the performance evaluation show that the members of the functional committees have given positive evaluations for the efficiency and operations of the functional committees and consider them to be fully functioning.

The 2024 performance evaluations of the Company's functional committee (The Remuneration Committee) was completed through the Board of Directors' written internal self-evaluation, which included five major areas; the summary of the results are as follows:

1.Participation in the Company's operations: The full score was 5 points, the average score was 4.75points, and all the committee members gave a positive evaluation.

2.Awareness of functional committee duties: The full score was 5 points, the average score was 4.8 points, and all the committee members gave a positive evaluation.

3.Improving the quality of committee decisions: The full score was 5 points, the average score was 5 points, and all the committee members gave a positive evaluation.

4.Composition and election of members: The full score was 5 points, the average score was 4.67 points, and all the committee members gave a positive evaluation.

5.Internal control: The full score was 5 points, the average score was 5 points, and all the committee members gave a positive evaluation.

Overall evaluation results: All three committee members gave a positive evaluation.

The 2024 performance evaluations of the Company's functional committees (The Sustainable Development Committee) was completed through the Board of Directors' written internal self-evaluation, which included five major areas; the summary of the results are as follows:

1.Participation in the Company's operations: The full score was 5 points, the average score was 5 points, and all the committee members gave a positive evaluation.

2.Awareness of functional committee duties: The full score was 5 points, the average score was 4.67 points, and all the committee members gave a positive evaluation.

3.Improving the quality of committee decisions: The full score was 5 points, the average score was 5 points, and all the committee members gave a positive evaluation.

4.Composition and election of members: The full score was 5 points, the average score

was 5 points, and all the committee members gave a positive evaluation.

5. Internal control: The full score was 5 points, the average score was 5 points, and all the committee members gave a positive evaluation.

Overall evaluation results: All four committee members gave a positive evaluation.

The results of the performance evaluation show that the members of the functional committees have given positive evaluations for the efficiency and operations of the functional committees and consider them to be fully functioning.

The results of the performance evaluation show that the members of the functional committees have given positive evaluations for the efficiency and operations of the functional committees and consider them to be fully functioning.

(II) Operations of the Audit Committee:

Operations of the Audit Committee

The Audit Committee met 8 times in 2024. The details of the attendance are as follows:

Position	Name	Attendance in person	Attendance by proxy	Attendance rate (%)	Remarks
Independent Director	Chang, Tsang-Yao	8	0	100	
Independent Director	Ding, Yun-Kai	8	0	100	
Independent Director	Chou, Chen-Shing	8	0	100	
Independent Director	Shann, Shu-Jiun	7	1	88	

Note 1: The Company set up an audit committee to replace the function of a supervisor on June 28, 2017

Other important information:

The professional Qualifications , Experience and independence of Audit Committee members :

The Audit Committee comprises four members since June 28, 2023.

Refer to C. Corporate Governance Report/ (III) Director Information 2: /1. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors

The primary responsibility of The Audit Committee is to assist the board of directors in performing its duty to oversee the accounting, auditing, and financial reporting processes in the Company and the quality of financial management.

Matters reviewed by the Audit Committee in 2024 include:

1. Financial statement audit and accounting policies and procedures
2. Internal control system and related policies and procedures
3. Material loans, endorsements, or guarantees

4. Compliance
5. Remuneration of the certified public accountants (CPAs)
6. The offering, or issuance of equity-type securities
7. Establish a "Risk Management Policy and Procedures."
8. Acquisition of Major Asset Transactions

Financial Assessment Report:

The Board of Directors has prepared and submitted the 2024 Business Report, Financial Statements, and proposal for deficit compensation, of which the financial statements have been audited by the CPAs Tseng, Kuo-Yang and Chih, Shih-Chin of KPMG, Taiwan and an Audit Report has been submitted. The preceding have been reviewed by the Audit Committee as correctly portraying the Company's business activities.

Assess the effectiveness of the internal control system:

The Audit Committee evaluated the effectiveness of the Company's internal control system policies and procedures, and reviewed the Company's audit department, CPAs, and periodic reports from management. With reference to the guidance released by COSO in 2013, Internal Control — Integrated Framework, the audit committee believes that the Company's risk management and internal control systems are effective, and that the Company has adopted the control mechanisms necessary to monitor and correct violations.

Appointment of CPAs:

The Audit Committee is entrusted with the responsibility of reviewing the remuneration of the certified public accounting firm to ensure the reasonableness of the fees for auditing services since 2nd Quarter 2022. The Company passed the remuneration evaluation of Tseng, Kuo-Yang and Chih, Shih-Chin, both certified public accountants of KPMG, Taiwan, on March 25, 2025.

- I. Should any of the following take place in an audit committee meeting, the date and number of the meeting, the content of proposal, the Audit Committee's resolutions and the Company's response to the Audit Committee's opinions should be recorded:
 - (I) Matters listed in Article 14-5 of the Securities and Exchange Act: No objections or qualified opinions from any of the independent directors. See Appendix III for details of the operation during the year.
 - (II) Aside from the above matters, other resolutions that are passed by a two-thirds majority or more of the board of directors but without being passed by the Audit Committee: None.
- II. Details, including names of independent directors, proposals, reasons for conflict of interest, and voting, of circumstances where independent directors recuse themselves due to conflict of interest: None.
- III. Communications between independent directors and internal audit officers and CPAs (including communications regarding important matters with respect to the Company's finance and business activities, means and results):
 1. The chief internal auditor regularly emails the electronic files of the audit reports that are completed every month to independent directors for review. There is no review record of objections in 2024. Attendance in a non-voting capacity in the audit committee and board of directors meetings to make audit business reports; the independent directors had no objection.
 2. CPA audits the Company sends the financial statements and related reports to the independent directors for review. The CPA attended the meeting on February 25, 2025,

and discussed key audit items in the 2024 financial statements with the independent directors, who expressed their acknowledgment and did not express any objections.

For details, visit the Company website/Corporate Governance Area/Corporate Governance Structure /Communications between independent directors and internal audit officers and CPAs

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

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
1.Has the Company established and disclosed its Corporate Governance Best Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	√		The Company has established its Corporate Governance Best-Practice Principles based on the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and disclosed it on the company website.	No significant discrepancy
2.Shareholding structure and shareholders' rights (1)Does the Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters? If yes, have these procedures been implemented accordingly?		√	(1)The Company has designated a spokesperson and acting spokesperson mailbox and appointed personnel and the stock transfer agent, Mega Securities Co., Ltd., to handle the shareholders' feedbacks, questions and disputes.	(1) No significant discrepancy
(2)Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	√		(2)The Company has set up a stock affairs unit to provide relevant information and appointed a stock transfer agent to assist in handling stock-related affairs. In addition, the Company also keeps abreast of the identity of its shareholders and the parties with ultimate control of the major shareholders.	(2) No significant discrepancy
(3)Has the Company built and implemented a risk management system and a firewall between the	√		(3)The Company has established and implemented the "Rules Governing Financial and Business Matters	(3) No significant discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
Company and its affiliates? (4)Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	√		Between this Corporation and its Related Parties”. (4)The Company has formulated the “Procedures for Ethical Management and Guidelines for Conduct”, clearly prohibiting insider trading.	(4) No significant discrepancy
3.Composition and responsibilities of the board of directors (1)Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented? (2)Has the Company voluntarily established other functional committees in addition to the Remuneration Committee and the Audit Committee?	√	√	(1)Please refer to B. Corporate Governance Report /(3) Director Information 2/2 Board Diversity and Independence for details. (2)In addition to the establishment of the Remuneration Committee and Audit Committee, the Company will set up other functional committees as prescribed by law or for the purpose of establishing a sound corporate governance mechanism.	(1) No significant discrepancy (2) No significant discrepancy
(3)Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used	√		(3)1.Shih Wei Navigation Co., Ltd. revised its “Rules for Performance Evaluation of Board of Directors” on February 25, 2025, which has been implemented after being approved by the board of directors. 2.Please refer to (1) The Operation of the Board of	(3) No significant discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
<p>them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?</p> <p>(4)Does the Company regularly evaluate its external auditors' independence?</p>	√		<p>Directors (ii) The Implementation Status of Evaluation of the Board of Directors for (a) the scope and method of performance evaluation of the board of directors, and (b) the evaluation indicators and scoring standards.</p> <p>3.Use of the Evaluation Results:</p> <p>The results of the performance evaluation of the board of directors shall be used as a reference for director selection or nomination. The individual directors' performance evaluation results are used as a reference for the determination of their individual compensations.</p> <p>(4)The Company's Audit Committee makes annual evaluation of the independence of the CPAs and submits the evaluation results to the board of directors. The CPAs also issue the Independence Statement for the entrusted audit work. The Statement on Independence of the CPAs for 2024 Finance and Business Tax Certifications was passed in the board meeting dated March 26, 2024. The Audit Quality Indicators (AQIs) information</p>	(4) No significant discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>provided by the CPA firm was obtained in 2024, and the audit quality of the CPA firm and the audit team will be evaluated in accordance with the Guidelines on Audit Quality Indicators (AQIs) published by the competent authority. The resolution was passed by the Audit Committee on March 26 and submitted to the board of directors for approval on March 26, 2024. The evaluation mechanism is as follows.</p> <ol style="list-style-type: none"> 1. Confirm that the CPAs and the directors of the Company are unrelated parties. 2. Conduct the rotation of CPAs in accordance with the Corporate Governance Best Practice Principles. 3. In accordance with the prescriptions of the U.S. Sarbanes Oxley Act, the CPA firms have to obtain prior approval from the Audit Committee before the appointment of annual certification and other cases. 4. Regularly obtain the Statement of Independence from the CPAs. 5. Obtain the 13 audit quality indicators (AQIs) information provided by the CPA firm and make 	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>evaluation of the audit quality of the CPA firm and the audit team in accordance with the Guidelines on Audit Quality Indicators (AQIs) published by the competent authority.</p> <p>The evaluation results are as follows.</p> <p>1.The independence between the CPAs and the Company is in compliance with the Certified Public Accountant Act, the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and relevant regulations stipulated in the Securities and Exchange Commission (SEC) and Public Company Accounting Oversight Board (PCAOB) in the U.S.</p> <p>2.The Company has not appointed certification to the same CPAs for 5 consecutive years.</p>	
4.Does the TWSE/TPEX listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but	√		4.The Company passed the board resolution on March 26, 2021 and appointed the CFO, Mr. Kang-Lun Hsu, with the qualification of more than 3 years of experience as the finance manager, to concurrently serve as the chief corporate governance officer from	No significant discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?			<p>April 7, 2021, and the staff of the Administrative Affairs Office of the Administration Department to assist in handling corporate governance-related matters. The chief corporate governance officer is mainly in charge of handling matters related to the board of directors and shareholders' meetings, preparing the minutes of the board meetings and shareholders' meetings, assisting the directors with their appointment and continuing education, providing directors with information needed to perform their duties, assisting directors with legal compliance, reporting to the board of directors the results of review on whether the qualification of independent directors are compliant with legal regulations at the time of nomination, election, and during their tenure, handling matters related to changes in directors, and other matters stipulated in the Articles of Incorporation or contracts.</p> <p>Please refer to Note (1) for details with regard to the continuing education for the chief corporate governance officer.</p>	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
5.Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a “Stakeholders Section” on its company website? Does the Company appropriately respond to stakeholders’ questions and concerns on important corporate social responsibility issues?	√		<p>Please refer to the “Stakeholders Section” on the Company website for detailed contact information provided for all stakeholders, the issues of concern, and communication channels as well as frequency. The Company respects the rights of the stakeholders, identifies the stakeholders and understands their reasonable expectation and needs by means of appropriate communication methods and stakeholder engagement, and properly responds to important issues concerning corporate social responsibility they concern about. All the units and departments take their part in stakeholder communication. The company reports to the Board of Directors on the communication with stakeholders at least once a year, prior to the publication of the annual Sustainability Report..</p> <p>Moreover, the Company voluntarily filed the 2023 ESG Report on August 30, 2024 and reported to the board of directors on August 13, 2024 the completion and progress of the sustainability report, including communication with various stakeholders.</p>	No significant discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
6.Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	√		Shih Wei Navigation has designated the Stock Transfer Agent of Mega Securities Co., Ltd. to handle shareholder-related matters.	No significant discrepancy
7. Information Disclosure				
(1)Has the Company established a corporate website to disclose information regarding its financials, business, and corporate governance status?	√		(1)The Company discloses information regarding financials, business, and corporate governance status on the Market Observation Post System (MOPS) and the Company website as prescribed.	(1) No significant discrepancy
(2)Does the Company use the information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)?	√		(2)The Company has designated personnel to be in charge of gathering information and disclosing major information. The CFO serves as the spokesman and the Senior manager of the Business Department as the acting spokesman. In addition, the English website is also set up, and information of legal person briefing is also available on the Company website.	(2) No significant discrepancy
(3)Does the Company publish and report its annual financial report within two months after the end of the fiscal year, and publish	√		(3)The Company has disclosed and filed the annual financial report within 2 months after the end of the fiscal year, and the financial reports for Q1,	(3)No significant discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?			Q2, and Q3 are also disclosed and filed within 45 days after the end of each quarter. The consolidated revenue of the previous month is disclosed and filed by the 10 th of each month.	
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability insurance for directors and supervisors)?	√		<p>(1)Employee benefits and rights and employee care: Please refer to D. Operation Overview/ 5. Labor-Management Relations for details.</p> <p>(2)Investor relations, supplier relations, and stakeholders' rights :</p> <p>1.The Company maintains good relationships with its suppliers. An annual supplier evaluation is conducted, covering five key aspects: price, quality, service attitude, environmental practices, and dhuman rights. Iconcations, spectations, and dhuman. promptly coordinates with the supplier to request improvements or returns/replacements. In cases of supply or management deficiencies, the supplier is required to provide an explanation and an improvement plan. If no consensus is reached on the improvements or if the requirements cannot be met, the company will terminate the cooperation. All 102</p>	No significant discrepancy

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>suppliers assessed in 2024 were found to be qualified, and there were no cases where cooperation had to be terminated due to negative environmental or social impacts. In addition, there were no incidents of forced labor or use of child labor among the major suppliers.</p> <p>2.The Company has set a Contact Us Page on the website, providing diverse communication channels. In addition, relevant major information is uploaded to MOPS as prescribed to provide online inquiries for stakeholders and investors.</p> <p>(3) Continuing education for directors and independent directors: Please see Note (2) for details. Relevant information is also available on the Operation of Board of Directors Page of the Company website.</p> <p>(4) Implementation of risk management policies and risk assessment standards: The management team pays close attention to and controls various risks at all times, and each department takes corresponding measures in accordance with its scope of work. The</p>	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			<p>Finance Department is in charge of economic and financial risk management, the Business Department takes care of the credit and market risk management, the Crew Management Department, Risk Management Department, and Marine Department are responsible for the risk management concerning crew and ship safety. Currently, all departments pay attention to and implementing risk assessment and management at all times. In addition, relevant information is also disclosed on the Risk Management Page of the Company website.</p> <p>(5)Implementation of customer policy: The Company has set up a spokesman system, and the contact information of all departments is also available on the Company website to facilitate smooth communication with customers.</p> <p>(6)The Company has purchased the directors & officers liability insurance from Chung Kuo Insurance Company, Ltd. to protect all directors (including independent directors) and officers.</p>	

Evaluation item	Implementation status			Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary description	
			Please refer to B. Corporate Governance Report/ II. Remuneration paid during the most recent fiscal year to directors, president, and vice president / (5) The linkage to future risk exposure.	
<p>9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement.</p> <p>In the 11th Corporate Governance Evaluation released in 2025, the Company ranked within the top 6% to 20% among listed companies. Based on the evaluation results, the Company established a Sustainability Development Commitment in 2024. ISO14064-1 organizational-level greenhouse gas inventory in 2023, the Company is expected to complete external verification for the parent company and its ship operation subsidiaries in 2025. The Company will continue to strengthen matters and measures related to corporate governance.</p>				

Remarks:

(1) Corporate Governance

Position	Name	Date of appointment	Date of continuing education	Organizer	Course name	Hours of continuing education
Chief Financial Officer	Hsu, Kang-Lun	2021.4.7	2024.03.22	Taiwan Stock Exchange Corporation	CDP Taiwan Forum - Empowering the Carbon Era with Sustainable Knowledge	3
			2024.07.03	Taiwan Stock	2024 Cathay	6

Position	Name	Date of appointment	Date of continuing education	Organizer	Course name	Hours of continuing education
				Exchange Corporation and Cathay Financial Holdings	Sustainable Finance and Climate Change Summit	
			2024.10.04	Taiwan Stock Exchange Corporation	2024 Annual Seminar on Prevention of Insider Trading	3

Explanation: In accordance with Article 24 of the "Guidelines for the Establishment and Exercise of Authority by the Board of Directors of Listed Companies," governance officers are required to undergo professional development training for a minimum of twelve hours annually.

(2) Directors' continuing education

Position	Name	Date of appointment	Date of training	Organizer	Course name	Hours of training
Chairwoman	Lan, Shin-Chyi	2023.06.28	2024.04.10	Taiwan Academy of Banking and Finance	Corporate Governance Series Forum	3
			2024.05.03	Taiwan Stock Exchange Corporation	Sustainable Development Practice Advocacy Meeting	3
			2024.06.06	Taiwan Stock Exchange Corporation	Empowering the Carbon Era with Sustainable Knowledge - GHG Protocol Corporate Standard and Scope 3 Standard Advocacy Course	7
			2024.07.03	Taiwan Stock Exchange Corporation and Cathay Financial Holdings	2024 Cathay sustainable finance and climate change summit	6

Position	Name	Date of appointment	Date of training	Organizer	Course name	Hours of training
			2024.09.30	Taiwan Stock Exchange Corporation	Empowering Taiwan Capital Market Summit	3
			2024.12.04	Taiwan Stock Exchange Corporation	Sustainable Development Committee and Chief Sustainability Officer Forum	3
Director	Lan, Shin-Ying	2023.06.28	2024.04.10	Taiwan Academy of Banking and Finance	Corporate Governance Series Forum	3
			2024.09.18	Taiwan Institute of Directors	All about relationship - IAS 24 Decryption of Interested Parties	3
			2024.11.22	Taiwan Stock Exchange Corporation	2024 Insider Equity Transaction Legal Compliance Awareness Seminar	3
Director	Kuo, Chen-Yu	2023.06.28	2024.04.10	Taiwan Academy of Banking and Finance	Corporate Governance Series Forum	3
			2024.09.06	Taiwan Stock Exchange Corporation	2024 Annual Seminar on Prevention of Insider Trading	3
Independent Director	Chou, Chen-Shing	2023.06.28	2024.03.22	Taiwan Stock Exchange Corporation	CDP Taiwan Forum -Empowering the Carbon Era with Sustainable Knowledge	3
			2024.04.10	Taiwan Academy of Banking and Finance	Corporate Governance Series Forum	3
			2024.07.03	Taiwan Stock Exchange Corporation and Cathay Financial Holdings	2024 Cathay sustainable finance and climate change summit	6
			2024.09.06	Taiwan Stock Exchange Corporation	2024 Annual Seminar on Prevention of Insider Trading	3
			2024.10.08	Taiwan Stock Exchange Corporation	The 2024 WIW Forum-The Symphony of Digital Finance and Sustainable Finance Amid the AI Boom	3

Position	Name	Date of appointment	Date of training	Organizer	Course name	Hours of training
Independent Director	Ding, Yun-Kai	2023.06.28	2024.04.10	Taiwan Academy of Banking and Finance	Corporate Governance Series Forum	3
			2024.06.03	Taiwan Stock Exchange Corporation	Institutional Investor Perspectives Forum	3
			2024.10.08	Taiwan Stock Exchange Corporation	The 2024 WIW Forum-The Symphony of Digital Finance and Sustainable Finance Amid the AI Boom	3
			2024.11.29	Taiwan Stock Exchange Corporation	2024 Insider Equity Transaction Legal Compliance Awareness Seminar	3
Independent Director	Shann, Shu- Jiun	2023.06.28	2024.04.10	Taiwan Academy of Banking and Finance	Corporate Governance Series Forum	3
			2024.06.03	Taiwan Stock Exchange Corporation	Institutional Investor Perspectives Forum	3
			2024.11.21	Taiwan Institute for Sustainable Energy	7 th Global Corporate Sustainability Forum 3-1	3
Independent Director	Chang, Tsang-Yao	2023.06.28	2024.04.12	Taiwan Academy of Banking and Finance	Corporate Governance Series Forum	3
			2024.09.03	Taiwan Stock Exchange Corporation	Sustainability Knowledge Empowerment Seminar: Building a New Carbon Era – Advocacy Course for Non-Electronics	6

Explanation: The date of assumption of office is the date of the current board of directors' election (or appointment).

(IV) Operations and organization of the Remuneration Committee:

The Remuneration Committee of the Company was formally established and announced on December 20, 2011. Its main responsibilities are:

- (1) Set and review regularly the annual and long-term performance targets for directors and managers and the remuneration policies, systems, standards, and structures.
- (2) Assess regularly the progress of directors and managers toward their performance targets, and set the contents and amounts of individual compensation packages.

(1) Members of Remuneration Committee

The professional Qualifications , Experience and independence of Remuneration Committee members :

The Remuneration Committee comprises two independent directors and one member.

Identity	Name	Qualification	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as a Remuneration Committee member
Independent Director	Chou, Chen-Shing	Refer to B. Corporate Governance Report/ (III) Director Information 2: /1. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors		1. Compliance with Article 6 of the <u>Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange.</u>	0
Independent Director	Shann, Shu-Jiun				0
Member	Chen, Chien-Ting	EMBA in Finance, National Taiwan University Master of Business Administration, National Taiwan University Major experience includes serving as a director of Celxpert Energy Corporation, etc., specializing in Finance management and commercial fields		2. The Members of Remuneration Committee and their spouses and relatives within second degree are not serving as directors, supervisors, or employees of the company or any of its affiliates. 3. The Members of Remuneration Committee and their spouses and relatives	0

Identity	Name	Qualification	Professional qualifications and experience	Independence analysis	No. of other public companies at which the person concurrently serves as a Remuneration Committee member
				<p>within second degree are not holding shares of the company in their own names or in any third party's name.</p> <p>4. The Members of Remuneration Committee and their spouses and relatives within second degree are not serving as directors, supervisors, or employees of any company that has a specific relationship with the company.</p> <p>5. The Members of Remuneration Committee and their spouses and relatives within second degree receive no remuneration from providing business, legal, financial, or accounting service to the company or any of its affiliates in the last two years.</p>	

Note : Not been a person of any conditions defined in Article 30 of the Company Act.

(2) Operations of the Remuneration Committee

- I. The Remuneration Committee consists of three members.
- II. The term of office of the current members: From July 11, 2023 to June 27, 2026, the Remuneration Committee has met 2 times. The qualifications and attendance of the members in 2024 are as follows:

Position	Name	Attendance in person	Attendance by proxy	Attendance rate (%)	Remarks
Convener	Chou, Chen-Shing	2	0	100	
Independent Director	Shann, Shu-Jiun	2	0	100	
Member	Chen, Chien-Ting	1	1	50	

Other important information:

- I. Describe the date, term, agenda, and resolutions of the board meeting and the response to the Remuneration Committee's recommendations where the board did not adopt or modify the Remuneration Committee's recommendations (e.g., describe the difference and reasons where the board of directors approves a better compensation package than what is recommended by the Remuneration Committee): None.
- II. If a member opposes a resolution the Committee has adopted or has qualified opinions for which there is a written record or a statement, the date and session of the meeting, the resolution, opinions of all the members, and the handling of their opinions shall be indicated: None.

See Appendix IV for details of operation during the year.

(V) Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons :

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	√		<p>In 2024, with the authorization of the Board of Directors, the Company formally established the Sustainability Development Committee under its organizational structure. The original "Corporate Social Responsibility Promotion Group" was disbanded after completing its phased tasks and approved relevant operating standards such as the "Sustainable Development Code of Practice", "Sustainable Information Management Methods" and "Risk Management Policies and Procedures".</p> <p>The Administration Department serves as the part-time unit responsible for coordinating and promoting the Company's sustainability initiatives. Under the Sustainability Development Committee, cross-functional teams have been established, Forcepation the Force. Group,' and the 'Public Welfare Task Force,' all convened by the General Manager. In accordance with</p>	No significant discrepancy

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>domestic and international regulations and global trends, these groups oversee environmental, social, and corporate ernconn governem governance. sustainability projects, information reporting and disclosure, and participation in external sustainability evaluations. Progress is reported to the Board of Directors at least once a year to ensure the effectiveness of supervision.</p> <p>The various sustainability efforts have been consolidated and submitted to the Board of Directors for review, serving as a basis for formulating or revising sustainability-related strategies. During the reporting year, the Company reported to therateard on strategies. During the reporting year, the Company reported to therateard on the statusic ptsle pulwululation Nemulation stem status to therated strategic objectives, philanthropic engagement strategies, participation in corporate governance evaluations, TCFD (Task Force on Climate-related Financial Disclosures) assessments, ESG</p>	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>information disclosure, and report progress in the implementation capability. On August 13, 2024, the completion of the 2023 Sustainability Report was submitted to the Board of Directors for discussion and was approved by resolution.</p> <p>The Board of Directors regularly listens to reports from the management team and, when necessary, discusses strategic issues and key significant events, including those related to ESG (Environmental, Social, and Governance). They assess the economic, environmental, and social impacts and supervise the management team to make adjustments as needed. If necessary, the responsible departments will provide follow-up reports on these matters at the next Board meeting. For details on the ESG-related proposals presented to the Board by the company in 2024, please refer to Appendix 2. Summary of the 2024 Board Meeting Minutes or the information in the Sustainability Report.</p>	
2. Does the company conduct risk assessments of	√		The materiality principle of our company's	No significant discrepancy

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?			<p>sustainability report follows the GRI Universal Standards 2021 for material topic disclosures (GRI 3: Material Topics 2021) and the EU's Double Materiality principle. This involves assessing the actual or potential impacts of the company's economic activities on the external economy, environment, and people (including human rights). Based on this assessment, we identify material topics and develop relevant strategies.</p> <p>The Board of Directors serves as the highest guiding body for our company's sustainability and risk management proposals. In 2023, we initiated the implementation of a risk management project and established a dedicated "Risk Management Task Force." On November 2, 2023, the "Risk Management Policy and Procedures" were approved by the Audit Committee and the Board of Directors. This systematic approach aims to comprehensively grasp and integrate various risk management issues. It includes incorporating climate risks by referring to the recommendations of the Task Force on</p>	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>Climate-Related Financial Disclosures (TCFD) released by the Financial Stability Board (FSB). We identified the top ten risks and proposed risk management measures to enhance the company's risk management effectiveness, ensuring that high-risk items remain within acceptable limits to achieve corporate goals. The 2024 risk management operations report was presented to the Audit Committee and the Board of Directors on December 24, 2024.</p> <p>The disclosure covers the sustainability performance of our company from January 1, 2024, to December 31, 2024, at major locations. The risk assessment boundary primarily includes the parent company and its subsidiary companies engaged in shipping operations, based on the relevance to core business operations and the impact of significant issues. The risk assessment for Environmental, Social, and Governance issues is summarized in the following table:</p>	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons		
	Yes	No	Summary description			
			Environmental			
			Material Topics		Top Ten Risks	Action Strategies and Plans
			Climate Change Management		<ul style="list-style-type: none">Environmental RisksRegulatory Compliance	<div><div>1. Implement ISO 14064-1 organizational greenhouse gas inventory and report quarterly to the Board of Directors for supervision and management oversight</div><div>2. Conduct education and training to enhance the relevant knowledge of employees, ensuring full understanding of international regulatory requirements such as the United Nations Framework Convention on Climate Change and</div></div>

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<div>the European Union Emissions Trading System</div> <div>3. Implement the StormGeo s-Insight system for fleet monitoring of vessel carbon intensity indicators</div> <div>4. Introduce Enterprise Risk Management (ERM) mechanisms, incorporating climate change-related risks into the overall risk management framework</div>	
			<div>GHG Emissions and Energy Management</div> <div>1. Utilized low-sulfur fuel and silicone-based antifouling paint or high-performance coatings, reduced speed when entering ports to improve air quality, and replaced</div>	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
				<p>onboard lighting with LED lights. (One vessel was replaced in 2024.) Sold three older vessels and built one new energy-efficient vessel. Engine Power Limitation (EPL) devices were installed on some vessels to comply with EEXI requirements, and newly built vessels were designed with a recirculating water piping system.</p> <p>2. To comply with EU regulations and effectively manage the impacts of climate change, we have obtained the qualification for carbon allowance trading and management</p>

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<div>under the EU Emissions Trading System (EU ETS).</div> <div>We digitally manage the annual carbon emissions of our fleet operating within the EU, administer and surrender EU Allowances (EUA), and simultaneously evaluate the use of biofuels to reduce carbon emissions.</div> <div>3. By integrating weather forecasting with software-based CII (Carbon Intensity Indicator) monitoring, to reduce fuel consumption.</div> <div>4. Pilot Program for Energy-Saving Rotation of Chiller Units</div> <div>5. To reduce greenhouse gas emissions from official</div>	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons		
	Yes	No	Summary description			
			<div></div>	<div>vehicles, fuel consumption was reduced by 799.6 liters compared to the 2023 fiscal year, representing a 31.61% decrease in using hybrid official vehicles.</div>		
			Social			
			Material Topics	Top Ten Risks		Action Strategies and Plans
			Occupational Safety and Health	<div><div>● Business Continuity and Incident and Crisis Management</div><div>● Regulatory Compliance and Legal Adherence</div></div>		<div>1. The Company has established a Human Rights Policy and actively promoted its implementation across the supply chain. Regular fire drills and health promotion training were conducted to enhance workplace safety awareness. Safety equipment, including</div>

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	Yes	No	Summary description	
			<div>reflective thermal vests, workwear, and helmets, was provided for personnel boarding vessels. For employees with specific work requirements, flexible remote working arrangements were made available. In addition, the Company offers health checkups that exceed legal standards.</div> <div>2. Safety and health training sessions are held periodically, incorporating real case studies to enhance learning. Accident investigations are conducted to identify root causes and develop preventive measures. The</div>	

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	Yes	No	Summary description	
			<div>Company actively monitors weather and sea conditions and issues warnings to assist vessels in choosing the safest and most efficient routes. High-risk operations are closely supervised to ensure the proper use of personal protective equipment, and labor contractors are required to strengthen pre-employment training. In the event of an accident involving injury or fatality, the Company provides full assistance to the affected employees or their families in handling insurance and compensation matters. Furthermore,</div> <div>3. the Company is</div>	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
				implementing electronic Safety Management System (SMS) documentation and has completed the deployment of a cloud-based human resources system, aimed at improving management efficiency and accessibility to crew compliance resources.
			Social Engage-ment	<p>Assessment of risks related to local community and reputational risks for the company, which were not listed among the top ten risks</p> <p>1. The Company organized two beach cleanup events and constructed a marine debris wall to promote marine and environmental education awareness.</p> <p>2. For the third consecutive year, the Company sponsored the After-School Tutoring Program at the Secret Base for Indigenous</p>

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	Yes	No	Summary description	
			<div>Children in Wutai, Pingtung, donating fresh fruits, Kang Hsuan dictionaries, and the educational board game “Be a Turtle”. Additionally, the 2024 Little Picasso Drawing Competition was held to provide creative and educational resources to Indigenous children.</div> <div>3. The Company donated refurbished computers through the ASUS Digital Inclusion Project, as well as second-hand warm clothing to an animal protection association, and pre-loved goods to community reuse platforms including Hualien Wuwei House and Wanhua</div>	

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	Yes	No	Summary description	
			<p>Dashuigou, supporting the development of a circular economy.</p> <p>4. Charitable engagement included hosting an ice hockey match and gift box fundraising sale, with all proceeds donated to social causes. Employees also participated in the “Dream Gift Campaign” through sponsorship and donations. A blood donation drive was held, offering public welfare leave as an incentive. During the holiday season, the Company purchased jujube gift boxes from small-scale farmers and products made from Mikania micrantha, as</p>	

Item	Implementation status					Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description			
					well as gift vouchers via the “Buy Directly from Farmers” platform to support local economies and enhance employee well-being.	
			Governance			
			Material Topics	Top Ten Risks	Action Strategies and Plans	
			Economic Performance	<ul style="list-style-type: none">Operating Capital and LiquidityWith peer companies to create economies of scale in terms of procurement and	<div>1. The Company implemented systematic management processes, further refining vessel operation and maintenance procedures to ensure cost reduction while maintaining service quality.</div> <div>2. The Business Department prioritized high-yield chartering strategies, thereby reducing the</div>	

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	Yes	No	Summary description	
			<div> <div> maintenance for cost reduction </div> <div> reliance on borrowing and increasing capital-raising efficiency. 3. The Company offered low-carbon vessels with competitive environmental performance to secure higher charter rates, while simultaneously accelerating the fleet modernization process by phasing out aging vessels. 4. In the event of any adverse incident, relevant departments are responsible for conducting root cause analysis, formulating response measures and preventive strategies to minimize losses and prevent </div> </div>	

Item	Implementation status					Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description			
					recurrence.	
			Risk Management	Coverage of All Risk Items	<div>1. Fleet Renewal: The Company continued to modernize its fleet by phasing out aging vessels and acquiring new energy-efficient ships, aligning with long-term sustainability goals.</div> <div>2. Regulatory Compliance: The Company successfully obtained qualifications for carbon allowance trading and management under the EU Emissions Trading System (EU ETS). In compliance with the system, the Company properly managed and submitted EU Allowances (EUA), while actively</div>	

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	Yes	No	Summary description	
			<p>assessing the adoption of biofuels to further reduce carbon emissions.</p> <p>3. Crew Training: The Company strengthened its seafarer training programs to enhance operational proficiency in low-carbon fuels and advanced equipment, ensuring readiness for emerging environmental requirements.</p> <p>4. Equipment Support: To mitigate climate-related risks, such as fuel freezing, the Company provided winterizing supplies including antifreeze and other essential materials to its fleet.</p>	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
				<p>5. Incident Analysis: In response to real-life incidents and deficiencies identified during Port State Control (PSC) inspections, the Company conducted root cause analysis and issued fleet-wide notifications to prevent recurrence.</p>

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	Yes	No	Summary description	
			<p>Ship Safety</p> <ul style="list-style-type: none"> ● Vessel Inspection and Rating ● Regulatory Compliance 	<p>1. Equipment Management: The Company carried out regular replacement of steel wires, mooring ropes, and pelican hooks to prevent deterioration and ensure operational reliability.</p> <p>2. Personnel Training: Comprehensive training sessions on ballast water treatment systems and the International Regulations for Preventing Collisions at Sea (COLREGs) were conducted for both seagoing and shore-based personnel to enhance operational competency and reduce error rates.</p> <p>3. Incident Response: In the event of an incident, the</p>

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	Yes	No	Summary description	
			<div>Company promptly notified insurance providers and port authorities for investigation. Remedial actions were implemented in accordance with the Safety Management System (SMS), as well as guidance from the flag state, classification societies, and the P&I Club, with permanent repairs completed expediently.</div> <div>4. Preventive Measures: Monthly cross-departmental safety review meetings were held to examine incidents, followed by fleet-wide case notifications and safety bulletins. Additional efforts were made to</div>	

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			reinforce awareness of international collision regulations among crew members. 5. Monitoring and Support: Resident port captains were assigned to observe onboard operations, offering real-time recommendations and coaching. In addition, the Company conducted irregular ship visits to provide supplementary inspections and operational support.	
3. Environmental Issues (1) Has the Company set an environmental management system designed to industry characteristics?	√		(1) Our company operates in the maritime industry and has established a management system in accordance with the safety operation and	(1) No significant discrepancy

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	Yes	No	Summary description	
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	√		<p>environmental protection regulations set by the International Maritime Organization (IMO). This system is responsible for managing the safe operation and environmental protection of our fleet. Each year, the effectiveness of this management system is audited by a third-party verification body, the ClassNK (Nippon Kaiji Kyokai). Starting from 2023, we have introduced the ISO 14064-1 organizational greenhouse gas inventory, gradually building a documented and systematic management mechanism with comprehensive procedures.</p> <p>(2) Due to the nature of the industry, resupply is inconvenient. Therefore, engine and generator parts that have reached a certain level of wear are often reconditioned and recycled to extend their usage cycle and reduce environmental impact. To reduce emissions, the Company has adopted the use of low-sulfur fuel and applied silicone-based anti-fouling coatings or high-performance marine paints to minimize hull resistance and fuel consumption.</p>	(2) No significant discrepancy

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	Yes	No	Summary description	
			<p>Vessels reduce speed upon entering ports to help improve air quality. In 2024, one vessel was retrofitted with LED lighting to enhance energy efficiency.</p> <p>In compliance with Energy Efficiency Existing Ship Index (EEXI) requirements, Engine Power Limitation (EPL) devices were installed on selected vessels. Furthermore, newly built vessels have been designed with closed-loop water piping systems to enhance environmental sustainability.</p> <p>Additionally, the energy-saving measures at our headquarters in 2024 are as follows:</p> <p>The Company engaged the “Taiwan Energy Conservation Patrol Team” to inspect electricity usage and provide energy-saving recommendations. Beginning in February 2024, hybrid vehicles were adopted for official use, and a chiller rotation program was trialed to enhance energy efficiency.</p> <p>To reduce greenhouse gas emissions from company vehicles, hybrid official vehicles were utilized. As a result, fuel consumption was reduced by 799.6 liters</p>	

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	Yes	No	Summary description	
(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?	√		<p>compared to 2023, representing a 31.61% decrease.</p> <p>(3) Climate Risks and Opportunities The inclusion of the maritime industry in the EU's Emissions Trading System (EU ETS) starting from 2024, along with the International Maritime Organization's adjustment of carbon reduction strategies in 2023, has impacted corporate operations. To understand the potential risks of climate change and to align with the international sustainability trend of disclosing climate-related financial information, we refer to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We conduct an analysis of risks and opportunities based on the disclosure framework of "Governance," "Strategy," "Risk Management," and "Metrics and Targets." This analysis is used to develop corresponding response measures. The summary is as follows, with details available in the company's 2024 Sustainability Report.</p>	(3) No significant discrepancy

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	Yes	No	Summary description	
			<p>1. Conduct an annual inventory of greenhouse gas emissions. In 2023, we introduced the ISO 14064-1 organizational greenhouse gas inventory. Based on the International Maritime Organization (IMO) carbon reduction strategies, we have adjusted our carbon reduction targets to achieve net-zero emissions by 2050. We will regularly review our progress and adjust our carbon reduction actions to respond to the impacts of future carbon taxes, carbon fees, or carbon trading.</p> <p>2. In compliance with IMO regulations, we have engaged third-party certification bodies to verify the Energy Efficiency Existing Ship Index (EEXI) values of our vessels. Based on the condition of each vessel, we will choose appropriate measures (such as energy-saving equipment) to meet the requirements.</p> <p>3. Implement energy-saving and carbon reduction measures to comply with SEEMP Part III requirements.</p>	

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	Yes	No	Summary description	
(4) Did the Company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or management of other wastes?	√		<p>4.Evaluate and implement various carbon reduction projects to increase the use of energy-saving and carbon-reducing devices.</p> <p>5.Sell old vessels and those with declining market demand, and establish a fleet of new, environmentally friendly, fuel-efficient ships.</p> <p>6.Seek economical green alternative energy sources.</p> <p>7.Invest in the green energy industry and sustainable development bonds.</p> <p>(4) Our company's greenhouse gas emissions, water consumption, and total waste weight, along with related management policies, are all disclosed in the Sustainability Report. Starting from 2022, these data are verified by a third party annually.</p> <p>1. GHG Emissions Management</p> <p>The scope of our company's greenhouse gas management is determined based on operational control, covering the headquarters office of the</p>	(4) No significant discrepancy

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	Yes	No	Summary description	
			<p>parent company and the operating fleets of subsidiary companies. Scope 1 emissions mainly stem from fuel consumption in fleet operations; Scope 2 emissions primarily arise from purchased electricity for the headquarters office; Scope 3 emissions are mainly attributed to employee commuting and business travel. Since the adoption of the ISO 14064-1 organizational greenhouse gas inventory standard in 2023, we have completed voluntary inventories for Scope 1 to Scope 3 (Categories 1 to 6). Our goal is to obtain external assurance for the parent company in 2024 and for the fleet operations of subsidiary companies in 2024. In 2023, we submitted to the Board of Directors the schedule for completing greenhouse gas inventories and verifications for both the parent and subsidiary companies and quarterly oversight by the Board has been implemented to fulfill its supervisory responsibilities.</p> <p>In greenhouse gas reduction efforts, Four Seas</p>	

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	Yes	No	Summary description													
			<p>Shipping primarily follows the International Maritime Organization's (IMO) International Maritime Climate Change Strategy. In 2023, we revised our short, medium, and long-term carbon reduction goals accordingly. Our fleet improves energy efficiency by selling older vessels and replacing outdated equipment. Additionally, in our offices, we replace gasoline cars with more environmentally friendly alternatives and procure equipment with energy-saving certifications to reduce greenhouse gas emissions.</p> <p>GHG emissions in the past 2 years: Unit: tonCO₂e</p> <table><tr><th>Year</th><th>Scope 1</th><th>Scope 2</th><th>Scope 3</th></tr><tr><td>2024</td><td>331,223.5777</td><td>185.3218</td><td>82,897.8058</td></tr><tr><td>2023</td><td>369,611.5154</td><td>115.3234</td><td>93,069.6186</td></tr></table> <p>2. Water Stewardship</p> <p>Based on our policy of conserving water resources, our company promotes among</p>	Year	Scope 1	Scope 2	Scope 3	2024	331,223.5777	185.3218	82,897.8058	2023	369,611.5154	115.3234	93,069.6186	
Year	Scope 1	Scope 2	Scope 3													
2024	331,223.5777	185.3218	82,897.8058													
2023	369,611.5154	115.3234	93,069.6186													

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	Yes	No	Summary description										
			<p>employees the adjustment of water usage to low flow, thus conserving water resources.</p> <p>Water Consumption in the past two years Unit: million liters</p> <table><tr><th>Year</th><th>Head Office</th><th>The Fleet</th></tr><tr><td>2024</td><td>11.353</td><td>8.255</td></tr><tr><td>2023</td><td>1.711</td><td>1.573</td></tr></table> <p>Note: The fleet water usage data only includes water obtained from third-party sources. Currently, data for water intake from the sea is unavailable</p> <p>3. Waste Management</p> <p>Shih Wei Navigation Shipping has updated its waste management plan in accordance with the MEPC.277(70) resolution adopted by the Marine Environment Protection Committee (MEPC) of the International Maritime Organization (IMO). This plan outlines procedures for waste collection, treatment, storage, and discharge to collectively maintain marine environmental</p>	Year	Head Office	The Fleet	2024	11.353	8.255	2023	1.711	1.573	
Year	Head Office	The Fleet											
2024	11.353	8.255											
2023	1.711	1.573											

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	Yes	No	Summary description	
			<p>protection. For detailed information on waste disposal processes and total amounts, please refer to our company's Sustainability Report for the year 2024.</p> <p>Head Office is considered a typical office environment, and the waste generated consists mainly of staff domestic waste. In line with our company's environmental policy and compliance with relevant government regulations, we implement waste classification into general waste and recyclables (such as paper, plastic bottles, and aluminum cans). We engage a third-party cleaning company to handle waste management uniformly. After properly recycling reusable materials, the remaining waste that cannot be recycled is ultimately disposed of through incineration or landfill. In 2024, the Company continued to implement its policy of 100% reusable lunchbox usage for corporate meetings and maintained its commitment to prohibiting single-use utensils. Employees were</p>	

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	Yes	No	Summary description	
			<p>encouraged to bring their own eco-friendly lunch containers, and customized reusable meal services were provided in collaboration with nearby restaurants, effectively reducing daily waste generation.</p> <p>Additionally, the Company replaced traditional document incineration with water-based destruction methods for confidential materials. This shift significantly reduced greenhouse gas emissions and further reinforced the Company's commitment to long-term environmental sustainability.</p>	
<p>4. Social Issues</p> <p>(1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?</p>	√		<p>(1) To fulfill corporate social responsibility and protect the basic human rights of all the employees, customers, and stakeholders, the Company follows the international human rights conventions such as the Universal Declaration of Human Rights (UDHR), United Nations Guiding Principles on Business and Human Rights (UNGPs), Global Compact, ILO</p>	(1) No significant discrepancy

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	Yes	No	Summary description	
			<p>Declaration on Fundamental Principles and Rights at Work, and Maritime Labor Convention (MLC) in the formulation of its human rights commitments and implementation guidelines, including freedom of association, caring for the disadvantaged groups, prohibition of child labor, elimination of all forms of forced labor, elimination of employment discrimination, etc., and complies with local labor-related laws and regulations where the Company is located.</p> <p>As prescribed in the Seafarer Act in Taiwan, crew members shall be at least 16 years old, and the qualifications of the crew members shall be compliant with international conventions on training, certification, and duty standards for seafarers as well as the prescriptions in other international conventions. In addition, the crew members have to pass the Examination for Marine Personnel or the seafarer training and apply for the certification issued by competent authority before becoming seafarers. Those under 16 years of age</p>	

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	Yes	No	Summary description	
			cannot obtain a certificate, and the Company does not employ seafarers without a certificate. In addition, in accordance with the Company's MLC Compliance Manual (SW-MLC-01 P.01-3), the minimum age limit is 18 years old in the Company's policy of employment of seafarers. Hence, there is no such thing as use of child labor in the Company. In addition, according to the requirements of Section A-VI/1 of the STCW95, all the seafarers employed as the seafarer staff shall receive approved basic training for "compliance with emergency procedures", "prevention of pollution of the marine environment", "work safety practices", "effective communication environment", "interpersonal relationships", "seafarer health and prevention of workplace burnout" and so on before being assigned duties. The foreign seafarers of the Company are from the Chinese labor service companies, which are regularly audited by a third-party unit to ensure their appropriateness in terms	

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	Yes	No	Summary description	
(2) Has the Company established and implemented reasonable employee welfare measures (including salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	√		<p>of operating qualifications. To achieve the goal of sustainable management, the Chinese labor service companies the Company cooperates with have all passed the ISO certification and obtained the ISO 9001:2015 quality management system certification.</p> <p>(2) Please refer to D. Operation Overview/ 5. Labor-Management Relations</p>	(2) No significant discrepancy
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	√		<p>(3) Please refer to D. Operation Overview/ 7. Work Environment and Protection Measures for Employees' Personal Safety</p> <p>The Company is dedicated to providing a safe and healthy work environment for both onshore personnel and sea crews.</p> <p>In terms of the work environment onshore, the</p>	(3) No significant discrepancy

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	Yes	No	Summary description	
			<p>Company has designated occupational safety and health personnel to be in charge of the planning of safety and health education, regularly holding educational publicity concerning safety and health, and conducting fire drills and training in the building, and a 24-hour security system has been set up to protect the safety and property of both the employees and the Company. In 2024, the Company conducted health promotion training programs to raise employee awareness of the risks associated with prolonged sedentary office work and to enhance prevention of metabolic syndrome, thereby reducing the risk of occupational injuries.</p> <p>For the sea going service, ship safety operation and safety drills, on-board safety and health inspection as well as on-board safety and health meetings are conducted on a regularly basis to jointly maintain a safe and healthy work environment.</p>	

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	Yes	No	Summary description	
			<p>The Company has established the Safety Management System Procedures and the Maritime Labour Convention Compliance Manual that set out regulations for workers, activities, and workplaces. In addition, there are professionals (qualified internal auditors of the Company and the third-party verification agencies, ClassNK or Bureau Veritas) responsible for the inspection of the occupational safety and health management system as required by law.</p> <p>In terms of health promotion, the Company's fleet has been progressively equipped with RO (reverse osmosis) Maifan stone water purifiers to improve the quality of onboard drinking water and safeguard crew health. In addition, the Company signed telemedicine cooperation agreements with medical institutions to provide more comprehensive healthcare services for seafarers.</p> <p>For the reporting year, the number of</p>	

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	Yes	No	Summary description	
			<p>occupational injury incidents among onshore personnel was zero, while 11 cases were recorded among sea crews. There were no fatalities or severe accidents reported. For further details, please refer to the explanation provided in the 2024 Sustainability Report.</p> <p>In the fiscal year 2024, the Company reported zero incidents of fire, with no casualties or injuries. Additionally, there were no casualties or injuries in relation to the total number of employees during this period.</p>	
(4) Has the Company established effective career development training programs for employees?	√		(4) Please refer to D. Operation Overview/ 5. Labor-Management Relations/ (2) Employee Education and Training	(4) No significant discrepancy
(5) Does the Company comply with relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement customer protection and	√		(5) The Company is engaged in the shipping industry, and therefore the regulations concerning marketing and labeling of products and services are not applicable, and has not violated relevant laws and regulations. In	(5) No significant discrepancy

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
grievance policies?			addition, the target customers are domestic and foreign lessors and agencies, which is not directly related to consumer rights. In terms of customer information and privacy protection, the Company has complete management and control of the access, processing, transmission, and storage of customer information as well as personnel and equipment safety to prevent the customer information from being stolen, lost, or leaked so as to ensure the safety of customer information.	
(6) Has the Company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	√		(6) The company views suppliers as partners and is committed to establishing long-term cooperative relationships with them to jointly build a safe maritime transportation supply chain. In 2023, the company revised its "Supplier Management Policy" and "Supplier Management Measures" to establish and maintain requirements for supplier capabilities and quality. We maintain a	(6) No significant discrepancy

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			<p>"Supplier Directory" and regularly evaluate the cooperation with suppliers based on criteria including price, quality, service attitude, and sustainable governance, with evaluations conducted at least once a year. In our agreements with suppliers, we have included the link to the company's human rights policy in employees' email signatures and the supplier order system. Moving forward, we will continue to enhance advocacy and communication, sincerely hoping that our value chain partners will also value and jointly uphold human rights. In 2024, no major suppliers were found to employ child labor.</p> <p>The Company has cooperative relations with hundreds of suppliers around the world, including agencies, port and dock operators, ship repair service providers and so on. It is hoped that through the joint efforts with the suppliers, better</p>	

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	Yes	No	Summary description	
			<p>environmental protection, safety and health standards can be further established.</p> <p>In the selection process of suppliers, credit investigation or the letter of guarantee issued by a bank might be necessary as supplementary documentation to lower the possibility for suppliers to face operational risk. The suppliers' service performance assessment is conducted through daily work contact and irregular mutual visits so that the suppliers can continue to make improvement to meet the requirements.</p> <p>The Company is in the industry that serve the global market. Therefore, for our suppliers all over the world, it is always required that they comply with the Company's regulations and laws and regulations of the local governments to continue improvement of the environmental protection measures for environmental protection, safety and health to</p>	

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	Yes	No	Summary description	
			<p>jointly maintain the quality of the environment.</p> <p>The Company not only require its suppliers to abide by the local government laws and regulations for the compliance with relevant environmental protection, industrial safety, and health regulations, verbal description or explanations on signed contracted are also provided for the suppliers to fulfill their responsibilities.</p> <p>The supplier's internal control and evaluation form is in place, and the procurement unit makes assessment of suppliers we are going to cooperate with and fills in the supplier evaluation record, and then submits it to the responsible supervisor for approval. The same procedure applies when the supplier information is updated. The items for evaluation include price, quality, service enthusiasm, environmental, human rights and other indicators. The files are archived for</p>	

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	Yes	No	Summary description	
			<p>future reference and serve as the basis for payment operations. For those evaluated as qualified or for our long-term contract suppliers, the procurement unit can directly make procurement from them without the price comparison and negotiation. However, it is still necessary to check the market conditions every year and conduct continuous appraisal of the suppliers on a regular basis to protect the interest of the Company.</p> <p>The Company identifies reputable suppliers through the membership roster of ISSA (International Ship Suppliers Association). Suppliers registered with ISSA must adhere to its ethical standards, which include prohibitions on malicious price-cutting competition, collusion, disparaging competitors, exaggerating product information, and enticing employees of competing firms to resign, among others. This ensures the safety of cargo transportation and</p>	

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	Yes	No	Summary description	
			provides greater security in transactions. Additionally, we require suppliers to provide compliant product information, such as asbestos-free certification, whenever materials are arranged for shipment.	
5. Does the Company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financing information? Does the Company obtain third-party assurance or certification for the reports above?	√ √		The Company's Sustainability Report is compiled in accordance with the GRI Universal Standards 2021, SASB Standards - Marine Transportation, and TCFD. It is scheduled to be published at the end of August. An independent assurance statement will be obtained from external verification by Bureau Veritas Certification (Taiwan). The Sustainability Report is available on the Company's website at (https://www.swnav.com.tw/sustainability/esg/download)	No significant discrepancy
6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: On November 12, 2024, the board of directors of the Company approved the establishment of the Company's "Sustainable Development Best Practice Principles ", and its operation and				

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
regulations are not significantly different from the "Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies "				
7. Other important information to facilitate better understanding of the company’s promotion of sustainable development: The Company takes specific actions and implements its ESG policies from every little thing at work and in the daily life. For details, please refer to the Company's Sustainability Report, the summary is as follows: Governance 1. Advancement in Sustainable Governance (1) Established the Sustainable Development Committee as a functional committee under the Board of Directors to strengthen sustainability governance at the board level. (2) Received the Gold Award in the Second Category for Sustainability Reporting in the Transportation Industry from the Taiwan Corporate Sustainability Awards (TCSA). 2. Board Diversity and Independence (1) The Board consists of seven members, with independent directors accounting for 57.14% and female directors representing 43% of the total. (2) Both the Remuneration Committee and the Sustainable Development Committee have appointed one external expert member each, who are not members of the Board, to enhance professionalism and independence. Environmental 1. Investment in Energy-Saving and Carbon Reduction Technologies (1) Expanded the application of silicone-based anti-fouling coatings and high-performance marine paints to reduce hull resistance and fuel consumption. (2) Gradual replacement of vessel lighting systems with LED lights, enhancing fuel efficiency, reducing carbon emissions, and improving ease of maintenance. 2. Marine Ecological Protection				

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
<p>(1) The Company’s fleet operated a total of 519.8775 days within Emission Control Areas (ECAs) and reduced speed to 10 knots in Seasonal Management Areas (SMAs) to protect marine species such as the North Atlantic right whale.</p> <p>(2) Voluntarily participated in the “Protecting Blue Whales and Blue Skies Program,” receiving Blue Sky recognition from the State of California.</p> <p>3. Beach Cleanup and Plastic Reduction Achievements</p> <p>(1) Through the Elite Task Force initiative, a total of 2,110 kilograms of marine debris was cleared. The per capita waste removal rate reached 20.85 kilograms per hour during the second cleanup in 2024, representing a 40-fold increase compared to 2021.</p> <p>(Note: Two cleanups were conducted in 2024, totaling 2,110 kilograms. The 20.85 kg/hour rate refers to the second event.)</p> <p>(2) RO (reverse osmosis) Maifan stone water purifiers and waste compactors were installed across the fleet, with an estimated annual reduction of 200,000 plastic bottles.</p> <p>Social</p> <p>1. Deepening Public Welfare in Rural Areas</p> <p>(1) Continued sponsorship of the after-school tutoring program at the Secret Base for children in Wutai Township, Pingtung, with a total investment of NT\$677,083.</p> <p>(2) Organized the “2024 Little Picasso Painting Competition” to support children affected by the Hualien earthquake, with the initiative incorporated into the welfare report.</p> <p>2. Crew Health and Well-being</p> <p>(1) Collaborated with Taipei Medical University Hospital to provide remote medical services, initiating two emergency telemedicine interventions during the year.</p> <p>(2) Installed RO (reverse osmosis) Maifan stone water purifiers on 46% of the fleet (12 out of 26 vessels) to improve drinking water quality.</p> <p>3. Human Rights Protection Achievements</p>				

Item	Implementation status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
Three new suppliers signed the Human Rights Policy. All 102 suppliers assessed in the annual supply chain evaluation were rated as compliant.				

Climate-Related Information of TWSE/TPEX Listed Company

1. Implementation of Climate-Related Information

Item	Implementation status
1. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).	<p>The Board of Directors of the Company serves as the highest governing body for climate-related risks and opportunities. The Chairman directly oversees this function, with the establishment of the Risk Management Task Force and the Greenhouse Gas Inventory Working Group to coordinate the identification of climate change risks and the management of greenhouse gas (GHG) emissions. In alignment with the TCFD (Task Force on Climate-related Financial Disclosures) framework, both physical and transition risks are systematically analyzed to ensure the effective implementation of climate-related strategies.</p> <p>Prior to the publication of the Company's annual Sustainability Report, the Chairman reviews and approves the results of the TCFD risk assessment. These findings are subsequently reported to the Board for discussion, including the review and adjustment of climate-related strategies to ensure alignment with the Company's operational realities and stakeholder expectations.</p> <p>The Risk Management Task Force conducts quarterly evaluations of climate-related risks and opportunities, and dynamically updates corresponding strategies. In parallel, the management team reports quarterly to the Board on the progress of GHG management. These ongoing governance efforts aim to strengthen climate resilience and support the Company's transition to a low-carbon operation.</p>

Item	Implementation status
<p>2. Describe the financial impact of extreme weather events and transformative actions.</p>	<p>The Company identifies climate-related risks and opportunities in alignment with the TCFD (Task Force on Climate-related Financial Disclosures) framework. The impacts on the Company's operations, strategy, and financial performance are summarized as follows:</p> <p>Transitional Risks (Policy/Regulatory, Technology, and Innovation):</p> <ul style="list-style-type: none"> • Short Term: Increasingly stringent carbon regulations (e.g., EU ETS) and the imposition of carbon taxes have led to rising operational costs, while fluctuations in fuel prices have placed downward pressure on profit margins. In response, the Company is accelerating the replacement of aging vessels and adopting silicone-based anti-fouling coatings to reduce carbon tax liabilities and ensure regulatory compliance. • Medium Term: With growing market demand for green shipping, the Company foresees the need to invest in low-carbon vessels and biofuels, resulting in higher capital expenditures. Strategic measures include the construction of energy-efficient newbuilds and retrofitting of existing vessels to enhance competitiveness and expand into the low-carbon logistics market. • Long Term: The anticipated transition to fully green energy sources poses a risk of business contraction if technological advancements lag behind. The Company will prioritize high-efficiency equipment to control carbon-related costs and secure its market position. <p>Physical Risks (Extreme Weather Events):</p> <ul style="list-style-type: none"> • Short Term: The rising frequency of severe weather events has increased fuel consumption and the risk of vessel damage, thereby affecting revenue stability. The Company employs weather routing systems and incorporates weather clauses in contracts to optimize voyage planning and mitigate disruptions. • Medium Term: Continued extreme weather may cause operational delays and route instability. The Company will adopt advanced technologies to maintain service reliability and

Item	Implementation status
	<p>strengthen customer confidence.</p> <ul style="list-style-type: none"> Long Term: As the severity of climate impacts escalates, flexible and adaptive route planning will be essential to enhance operational resilience and minimize long-term risks. <p>Market Opportunities: Successful execution of the green transition over the medium to long term is expected to drive business growth, attract sustainability-focused customers, increase revenue streams, and enhance overall financial performance.</p> <p>Financial Implications and Strategic Focus: Financial impacts are primarily concentrated in rising costs—including carbon taxes and capital investments in decarbonization technologies—and revenue volatility stemming from climate-related disruptions. The Company’s strategic focus remains on the deployment of carbon reduction technologies and the optimization of shipping routes to ensure long-term sustainable competitiveness.</p>
<p>3.Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p>	<p>The increasing frequency of extreme weather events, including storms and typhoons, is projected to elevate fuel and maintenance costs in the short term, while also increasing the risk of vessel downtime and asset damage—negatively impacting revenue. Over the medium to long term, intensified climate disruptions are expected to reduce route efficiency and lead to sustained increases in operational costs.</p> <p>In response, the Company has initiated transition actions such as phasing out aging vessels, and investing in low-carbon ships and biofuels. These initiatives result in higher capital expenditures and carbon-related costs in the short term. In the medium term, financial pressure may intensify due to equipment retrofitting and the integration of green technologies. However, in the long term, the adoption of green energy and high-efficiency equipment is expected to reduce carbon fees and operational expenses, thereby enhancing financial performance and expanding market returns.</p>
<p>4.If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial</p>	<p>In accordance with its Risk Management Policies and Procedures, the Company implemented an enterprise risk management (ERM) framework in 2023. This framework integrates climate change risk factors into the Company's broader risk assessment process, identifying their</p>

Item	Implementation status
impacts used should be described.	<p>correlations with the top ten enterprise risks and evaluating potential financial impacts on operations.</p> <p>The Risk Management Task Force convenes quarterly to assess the likelihood and potential impact of both transition and physical climate risks. The team also reviews existing response strategies and continuously updates action plans as needed. Climate risk identification is conducted with reference to the TCFD (Task Force on Climate-related Financial Disclosures) framework, covering policy and regulatory developments, technological innovations, and extreme weather events.</p> <p>Assessment results are approved by the Chairman and reported annually to the Board of Directors to ensure alignment with the Company's overall risk management system. These efforts strengthen climate resilience and support long-term operational sustainability.</p>
5.If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	<p>The Company conducts scenario analysis based on the TCFD (Task Force on Climate-related Financial Disclosures) framework to evaluate the resilience of its business to climate-related risks. For transition risks, the Company references the IEA's Net Zero Emissions by 2050 Scenario, focusing on topics such as carbon pricing, the EU Emissions Trading System (EU ETS), the IMO Carbon Intensity Indicator (CII) regulation, low-carbon ship technologies, and green shipping market trends.</p> <p>For physical risks, the Company adopts the high-emissions scenario SSP5-8.5 from the IPCC Sixth Assessment Report (AR6), taking into account rising global temperatures and increased typhoon frequency. This assessment includes analysis of how extreme storm events may impact shipping routes and operational continuity.</p> <p>In the short term, rising carbon taxes and fuel costs, along with expenditures on vessel upgrades and advanced weather routing systems, are expected to increase operational expenses. In the medium term, financial pressure will intensify due to investments in green vessels and biofuels; however, these efforts are anticipated to open new market opportunities and generate additional revenue. Over the long term, failure to transition may lead to declining profitability, whereas successful transition strategies are expected to reduce carbon-related costs and support stable, sustainable earnings.</p>
6.If internal carbon pricing is used as a planning tool, the basis for setting the price should be	The Company has established a phased transition plan to address climate-related risks, with actions aligned to short-, medium-, and long-term horizons:

Item	Implementation status
stated.	<ul style="list-style-type: none"> • Short Term (by 2030): Decommissioning and sale of aging vessels; adoption of silicone-based anti-fouling coatings and propeller boss cap fins to enhance energy efficiency. • Medium Term (by 2040): Construction of energy-efficient newbuilds; introduction of biofuels; retrofitting of vessel systems and regular hull cleaning to improve performance. • Long Term (by 2050): Adoption of green energy sources and high-efficiency equipment to achieve net-zero emissions. Strategic initiatives include enhanced weather routing, incorporation of weather clauses in charter contracts, and the use of data analytics to build a technical knowledge base. <p>Indicators and Targets</p> <ul style="list-style-type: none"> • Physical Risks: Key performance indicators include monitoring the frequency of extreme weather events, number of voyage suspension days, and changes in fuel costs. The primary goal is to reduce disruption-related losses. • Transition Risks: Metrics include tracking carbon tax expenditures (e.g., EU ETS), compliance rates with EEXI and CII regulations, and annual GHG emission reductions of 2.9% from the 2023 baseline. The Company has set the following emission reduction targets: <ul style="list-style-type: none"> • 20% reduction by 2030 • 70% reduction by 2040 • Net-zero emissions by 2050
7.If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be	The Company has not yet implemented an internal carbon pricing mechanism.

Item	Implementation status
offset should be specified.	
8.If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified.	<p>The Company is committed to achieving net-zero greenhouse gas (GHG) emissions by 2050. To reach this goal, the Company has developed a comprehensive strategy that includes decommissioning aging vessels, constructing energy-efficient newbuilds, installing propeller boss cap fins and high-efficiency anti-fouling coatings, adopting biofuels, implementing slow steaming, managing onboard water systems, and reducing waste generation.</p> <p>GHG emissions are inventoried in accordance with ISO 14064-1:2018, with 2023 designated as the base year. The scope of inventory includes Scope 1, Scope 2, and selected Scope 3 categories.</p> <p>The decarbonization timeline is structured into three phases:</p> <ul style="list-style-type: none"> • By 2030: 20% emissions reduction compared to the base year (equivalent to an average annual reduction of 2.9%); • By 2040: 70% emissions reduction; • By 2050: Net-zero emissions target. <p>Annual progress is tracked through GHG inventories, verified by independent third parties. The effectiveness of carbon reduction initiatives is reviewed on a regular basis, and strategies are adjusted dynamically to ensure alignment with the Company's long-term sustainability goals.</p>
9.Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below).	For details, please refer to sections 1-1 and 1-2.

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

1-1-1 Greenhouse Gas Inventory Information

Information Describe the emission volume (metric tons CO ₂ e), intensity (metric tons CO ₂ e /NT\$ million), and data coverage of greenhouse gases in the most recent 2 fiscal years.
Our company's greenhouse gas emissions data covers the headquarters office of the parent company, one passenger vessel, and the ships operated

by subsidiary companies, and is audited according to the ISO 14064-1 standard.

1. The parent company entity should begin its audit from 2026.
2. Subsidiaries included in the consolidated financial statements should commence their audits from 2027.

Emission Source Scope/ Category		Year	
		2023	2024
Scope 1	Category 1	369,611.5154	331,223.5777
	Category 1- Marine Fuel Oil	363,950.2699	324,388.2160
Scope 2	Category 2	115.3234	185.3218
Scope 3	Category 3 Category 4	93,069.6186	82,897.8058
Total		462,796.458	414,306.705
Revenue from operations (NT\$ million)		3,461	3,493
Ton-nautical Mile		398,541,712,578	385,525,733,199
intensity (metric tons CO _{2e} /NT\$ million)		133.718	118.615
intensity (metric tons CO _{2e} / Ton-nautical Mile)		0.000000913	0.000000841

Note :

1. Ton-nautical Mile/Ton-mile is calculated by multiplying the weight of the cargo in tons by the distance traveled by the vessel in nautical miles.
2. The Company's emission intensity (metric tons CO_{2e} /NT\$ million) is calculated using total emissions as the numerator. The emission intensity (metric tons CO_{2e} / Ton-nautical Mile) is calculated using emissions from marine fuel consumption as the numerator.

1-1-2 Greenhouse Gas Assurance Information

Describe the status of assurance for the most recent 2 fiscal years as of the printing date of the annual report, including the scope of assurance, assurance institutions, assurance standards, and assurance opinion.

1. The carbon dioxide emissions data of our company's fleet is obtained from the Fuel Oil Consumption Certificate issued by the Nippon Kaiji Kyokai (ClassNK) in Japan.
2. The greenhouse gas emission information published in our 2023 Sustainability Report has been externally verified by Bureau Veritas Certification (Taiwan).
3. The 2024 Sustainability Report is scheduled to be published by the end of August, with complete verification information disclosed in the report.
4. In 2023, our company officially implemented the ISO 14064-1 organizational greenhouse gas inventory, with plans to obtain external verification for the parent company and the subsidiary companies operating ships by 2025.

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

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

The base year and reduction targets for greenhouse gas emissions

To plan greenhouse gas reduction strategies, our company officially adopted the ISO 14064-1 organizational greenhouse gas inventory in 2023. The reporting boundary includes the parent company and subsidiary companies operating ships, with the base year set as 2023. The emissions for Scope 1 and Scope 2 are 369,611.5154 metric tons CO₂e and 115.3234 metric tons CO₂e, respectively. From the base year onwards, we aim to achieve a minimum reduction of 2.9% annually to reach the target of reducing emissions by 20% by 2030.

Strategies and specific action plans for greenhouse gas reduction.

Our company is committed to reducing greenhouse gas emissions impact with a proactive approach to enhance operational competitive advantage. Here's the breakdown for our operational fleet and head office:

Fleet

1. Sold three aging vessels and introduced one new energy-efficient vessel to establish a younger, environmentally friendly, and fuel-efficient fleet. This is expected to reduce average daily main engine fuel consumption by approximately 29.65 MT, contributing to a reduction of about 10.6740 metric tons CO₂e annually.
2. After verification by the third-party certification body ClassNK Consulting Service Co., Ltd. (NKCS), some vessels have been equipped with Engine Power Limitation (EPL) devices to reduce GHG emissions and comply with EEXI requirements.
3. Applied silicone-based anti-fouling coatings on hulls to reduce navigation resistance, improve fuel efficiency, and protect marine

biodiversity.

4. Installed propeller boss cap fins on vessels to effectively reduce fuel consumption.
5. Upgraded vessel lighting to LED bulbs; Moonbright SW completed full LED conversion in November 2024, estimated to reduce annual generator electricity consumption by approximately 143,204.97 kWh, resulting in an estimated fuel saving of 28.64 MT and a reduction of about 10.3104 metric tons CO₂e annually.

Head Office

1. Replaced fuel-powered company vehicles with two hybrid electric vehicles, reducing fuel consumption by approximately 31.61% compared to 2023 and contributing to a reduction of about 2.3348 metric tons CO₂e annually.
2. Implemented air-conditioning system monitoring to optimize operating times.
3. Adopted water-based confidential document destruction in 2024, destroying 2,010 kg, which reduces GHG emissions by approximately 0.7236 metric tons CO₂e compared to traditional incineration methods.
4. Migrated employee portal hosting to Microsoft Azure cloud servers, estimated to reduce GHG emissions by about 2.0568 metric tons CO₂e annually compared to traditional rack-mounted servers.

Progress in Achieving Reduction Targets

In response to adjustments in the maritime industry's carbon reduction strategies by the International Maritime Organization (IMO), the company has revised its carbon reduction targets accordingly and reset the base year to 2024 following the implementation of ISO 14064-1.

Reviewing the greenhouse gas emission data and intensity for the company in 2023 and 2024, the set carbon reduction targets have been achieved. In 2024, there was a reduction of 10.48% in greenhouse gas emissions compared to 2023, and there was also a slight decrease in intensity (metric tons CO₂e /Ton-nautical Mile).

(VI) Ethical Corporate Management- Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons:

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
1. Establishment of ethical corporate management policies and programs				
(1) Does the Company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	√		(1) The Company has set up the Procedures for Ethical Management and Guidelines for Conduct, and complies with the Company Act, Securities and Exchange Act, and other relevant laws and regulations listed companies shall abide by to implement integrity management.	(1) No significant discrepancy
(2) Whether the Company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies?	√		(2) The Company strengthens the promotion of ethics and moral concepts and encourages our employees to report to independent directors, managers, internal audit supervisors or other appropriate personnel when they suspect or discover violations of laws, regulations, or Codes of Ethical Conduct.	(2) No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(3) Does the Company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	√		(3) To ensure that the behavior of employees, directors, independent directors and managers is compliant with ethical standards and to enable our stakeholders to better understand the Company's ethical standards, the Code of Ethical Conduct has been formulated with reference to relevant regulations stipulated by the competent authorities.	(3) No significant discrepancy
2. Ethical Management Practice (1) Does the Company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	√		(1) The Company conducts business activities in a fair and transparent manner. Before doing business, the legitimacy of the agents, suppliers, customers and other business partners as well as whether they have any unethical conduct are put into consideration to avoid dealing with those with records of dishonest conduct. When signing a contract, it is advisable that the content shall include the principle of good faith and there shall also be a term stipulating that when the counterparty of	(1) No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(2) Has the Company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	√		<p>the transaction is involved in dishonest behavior, the contract shall be terminated or rescinded at any time.</p> <p>(2) The Administration Department is in charge of the promotion of corporate integrity management, and the main responsibilities include ensuring relevant anti-fraud measures for integrity management, formulating the dishonest behavior prevention program, reducing the risk of unethical behavior in business, promoting the publicity and training of integrity policies, planning and implementing a reporting system, assisting the board of directors and the management to evaluate the implementation status, and reporting to the board of directors once a year in accordance with the Procedures for Ethical Management and Guidelines for Conduct. The Administration Department reported to the board of directors on the 2024 operation and implementation of integrity management on</p>	(2) No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
(3) Has the Company established policies to prevent conflict of interests, provided appropriate communication and complaint channels, and properly implemented such policies?	√		<p>December 24, 2024. The board of directors has established various organizations and channels, such as the Audit Committee, Remuneration Committee, and the internal audits with the care of a good administrator to prevent unethical behavior and ensure the implementation of the integrity management policy.</p> <p>(3) The Company has adopted the policy for preventing conflicts of interest and provided appropriate communication and complaint channels. In addition, the independent directors make regular review of the audit reports and have meetings with the audit supervisor to understand the matters concerning conflict of interest and keep the communication channels with stakeholders smooth for implementation.</p>	(3) No significant discrepancy
(4) Does the Company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk	√		<p>(4) The Company has established an accounting system and an internal control system that are functioning normally. The auditors of the Company conduct audit in accordance with</p>	(4) No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
<p>assessment and advise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?</p> <p>(5) Does the Company provide internal and external ethical corporate management training programs on a regular basis?</p>	√		<p>the audit plans for the implementation of integrity management and fraud prevention. The Company did not involve in any incidents related to fraud, insider trading, anti-competitive behavior, anti-trust and monopoly behavior, and market manipulation in 2024, nor were there any related legal proceedings and penalties. In addition, during the reporting period, the fleet of Shih Wei Navigation called at ports of the 20 most corrupt countries based on the Corruption Perceptions Index (CPI) published by the Transparency International (TI) for a total of 0 times.</p> <p>(5) A total of 12 sessions of education and training on integrity management and regulatory compliance were held in 2024, 4 sessions for directors, totaling 18 participant-hours with 6 participants, and 8 sessions for employees, totaling 242 participant-hours with 79 participants. In 2024, there were no violations of integrity management throughout the year.</p>	(5) No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
3. Implementation of Compliant Procedures (1) Has the Company established specific whistleblowing and reward procedures, set up conveniently accessible whistleblowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistle-blowers? (2) Has the Company established standard operating procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanism ensuring such complaints are handled in a confidential manner? (3) Has the Company adopted proper measures to protect whistle-blowers from retaliation for filing complaints?	√		(1) The employees can report any violations of integrity management via phone or letter (email). (2) The Company has set up an independent reporting mailbox and relevant SOPs for investigation as well as a confidentiality mechanism. (3) Confidential and protective measures are taken for the identity of the whistleblower and the reporting content.	(1) No significant discrepancy (2) No significant discrepancy (3) No significant discrepancy
4. Strengthening Information Disclosure Does the Company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?	√		The Company ensures its disclosure of complete, proper, accurate, timely, an understandable information to the competent authorities and the general public. Please refer to the MOPS or the Integrity Management Page on the Company's	No significant discrepancy

Evaluation items	Implementation status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary description	
			website for details.	
<p>5. If the Company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation:</p> <p>The Company has formulated the Procedures for Ethical Management and Guidelines for Conduct for specific regulations concerning the matters the company personnel should pay attention to when performing business. Regulations stipulated in the work rules shall be announced during the orientation for new employees. So far, neither the Company nor its internal personnel have been imposed any penalties, conforming to the prescriptions set forth in the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies with no major abnormalities.</p>				
<p>6. Other important information to facilitate a better understanding of the status of operation of the Company's ethical corporate management policies (e.g., the Company's reviewing and amending of its ethical corporate management best practice principles):</p> <p>The Company has been upholding the business philosophy of maintaining safety of lives, safety of ships, safety of cargos, and safety of environments with the spirit of honesty and integrity. The Corporate Governance Best Practice Principles, the Procedures for Ethical Management and Guidelines for Conduct, and the Codes of Ethical Conduct have also been formulated to prevent offering or acceptance of bribes, illegal political donations, improper charitable donations or sponsorship, offering or acceptance of unreasonable presents or hospitalities, or other improper benefits. Relevant information is also publicized in the education & training for the personnel in the Company on a regular basis. Information of implementation status is also disclosed on the Company's website, in the annual reports and the Public Reports.</p>				

(VII) Other useful information for explaining corporate governance practices:

The corporate governance area of the MOPS and the Company's website regularly report the meeting of the board of directors and the continuing education of directors and independent directors.

(VIII) Status of implementation of the internal control system:

1. Statement on Internal Control:

Shih Wei Navigation Co., Ltd.
Statement on Internal Control

Date: March 25, 2025

This statement relates to the Internal Control System of the Company and the results of a self-assessment for the year 2024:

- I. The Company is fully aware that the establishment, implementation and maintenance of its internal control system is the responsibility of the Board of Directors and the management personnel. In this regard the Company has established such a system. The aim of the system is to provide reasonable assurance of the achievement of objectives in the effectiveness and efficiency of operations (including profits, performance, and safeguarding of asset security), reliability, timeliness, and transparency of reporting, and compliance with applicable laws and regulations.
- II. There are inherent limitations to even the most well designed internal control system. As such, an effective internal control system can only reasonably ensure the achievement of the three aforementioned objectives. Moreover, the operating environment and situation may change and impact the effectiveness of the internal control system. Nevertheless, self-supervision measures have been built into the Company's internal control system to facilitate immediate rectification once procedural flaws have been identified.
- III. The Company judges the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (hereinafter referred to as the "Regulations"). The internal control system judgment criteria adopted by the Regulations divides internal control into five elements based on the process of management control: 1. Control environment, 2. Risk assessment, 3. Control operation, 4. Information and communication, and 5. Monitoring. Each element further contains several items. For more information on the aforementioned items, see the Regulations.
- IV. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
- V. Based on the findings of the assessment mentioned in the preceding paragraph, the Company believes that as of December 31, 2024,^{Note 2} its internal control system (including its supervision and management of subsidiaries), encompassing internal controls for knowledge of the degree of

achievement of operational effectiveness and efficiency objectives, reliability of reporting, timeliness, transparency, and compliance with applicable laws and regulations, is effectively designed and operating, and reasonably assures the achievement of the aforementioned objectives.

- VI. This Statement will become a major part of the content of the Company's Annual Report and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
- VII. This Statement has been passed by the Board of Directors Meeting of the Company held on March 25, 2025, where 0 of the 7 attending Directors expressed dissenting opinions, and the remainder all affirmed the content of this Statement.

Shih Wei Navigation Co., Ltd.

Chairwoman and President: Lan, Shin-Chyi

Note 1: In the design and implementation of the internal control system of the publicly offered company, if there are major deficiencies during the year, an explanatory paragraph should be added after Paragraph 4 of the Statement on Internal Control to list and explain the major deficiencies found in the self-assessment as well as the actions taken by the Company for improvement and improvements made before the balance sheet date.

Note 2: The date of the declaration is "the end of the fiscal year".

2. Those who entrust an accountant to review the internal control system must disclose the accountant's review report: None.

(IX) Important resolutions of the shareholders' meeting and board of directors in the most recent year and up to the publication date of this Annual Report:

- I. Important resolutions of the 2024 General Shareholders' Meeting and their implementation:

Date	Important issues	Implementation
June 25, 2024	1. Ratification of the 2023 Business Report and Financial Statements	Resolution passed.
	2. Ratification of the proposal for 2023 Deficit Compensation Statement	Resolution passed.
	3. Amendment to the Articles of Incorporation	Matters are being handled in accordance with the amended rules

- II. Key resolutions passed in the 2024 board meetings: See Appendix II.

- (X) The main content of different opinions expressed by directors or supervisors on important resolutions passed by the board of directors for which there exist records or written statements, in the most recent year and up to the date of publication of the Annual Report:
None

IV. Information on the professional fees of the attesting CPAs :

Information on CPA (External Auditor) Professional Fees

Unit: NT\$ thousand

Name of accounting firm	Names of CPAs	Period covered by the CPA audit	Audit fees	Non-audit fees	Total	Remarks
KPMG, Taiwan	Tseng, Kuo-Yang Chih, Shih-Chin	January 1, 2023 to December 31, 2023	3,480	740	4,220	
		January 1, 2024 to December 31, 2024	3,480	615	4,095	

- (I) If the accounting firm is replaced and the audit fees paid during the replacement year are less than the public audit fees of the previous year, the amount and reasons for the difference in audit fees before and after the replacement must be disclosed: None.
- (II) If the audit fees are reduced by more than 15% from the previous year, the amount, proportion, and reasons for the reduction in audit fees shall be disclosed: None.

V. Information on Replacement of CPAs: None.

- VI. The Company's chairperson, president, and manager in charge of financial or accounting affairs who has worked at the firm of the certified public accountant or its affiliate within the most recent year shall disclose their name, title, and period spent working at the firm of the certified public accountant or its affiliate: None.

VII. Changes to equity transfer or pledge loan of directors, managers, and major shareholders whose shareholding ratio exceeds 10% in the most recent year and up to the printing date of the Annual Report

(I) Changes in the equity of directors, managers, and major shareholders:

Unit: Share

Position	Name	2024		In 2025 up to April 27	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares	Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares
Chairperson and major shareholder	Luo Pan Investment Corp.	0	0	0	0
	Representative : Lan, Shin-Chyi	0	0	468,053	0
Director	Representative : Lan, Shin-Ying	0	0	0	0
Director	Kuo, Chen-Yu	0	0	0	0
Independent Director	Chang, Tsang-Yao	0	0	0	0
Independent Director	Ding, Yun-Kai	0	0	0	0
Independent Director	Chou, Chen-Shing	0	0	0	0
Independent Director	Shann, Shu-Jiun	0	0	0	0
President	Lan, Shin-Chyi	0	0	468,053	0
Chief Financial Officer	Hsu Kang-Lun	0	0	0	0
Chief Operating Officer	Lin Hsiu-Ching	0	0	0	0

Position	Name	2024		In 2025 up to April 27	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares	Increase (decrease) in the number of shares held	Increase (decrease) in the number of pledged shares
Assistant Vice President, Accounting Division, Finance Department	Lin, Fang-Ying	0	0	0	0

(II) Information on the related parties of equity transfers: None.

(III) Information on where the counterparties of equity pledges are related parties: None.

VIII. Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and the relationship between them

Information disclosing relationships among the top ten shareholders

April 27, 2025

Unit: Share

Item No.	Name	Shareholding by the individual in question		Spouse & minor shareholding		Shareholding by nominee arrangement		Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and their names and the relationships among them		Remarks
		Shares	Shareholding ratio %	Shares	Shareholding ratio %	Shares	Shareholding ratio %	Name (full name)	Relationship	
1	Luo Pan Investment Corp.	32,910,027	8.45	0	0	0	0	None	None	
	Representative: Lan, Shin-Chyi	575,776	0.15	0	0	0	0	Responsible person of Huo Da Investment Corp.	First degree of kinship	
								Responsible person of Pei Lin Investment Corp.	First degree of kinship	
								Representative/	Second	

Item No.	Name	Shareholding by the individual in question		Spouse & minor shareholding		Shareholding nominee arrangement by		Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and their names and the relationships among them		Remarks
		Shares	Shareholding ratio %	Shares	Shareholding ratio %	Shares	Shareholding ratio %	Name (full name)	Relationship	
								Responsible person of Luo Pan Investment Corp.	degree of kinship	
	Representative/ Responsible person: Lan,Shin-Ying	0	0	689,788	0.18	0	0	Responsible person of Huo Da Investment Corp.	First degree of kinship	
								Responsible person of Pei Lin Investment Corp.	First degree of kinship	
								Representative/ Responsible person of Luo Pan Investment Corp.	Second degree of kinship	
2	Pei Lin Investment Corp.	15,263,319	3.92	0	0	0	0	None	None	
	Responsible person: Lan	741	0	Shareholder did not provide		Shareholder did not provide		Responsible person of Luo	First degree of	

Item No.	Name	Shareholding by the individual in question		Spouse & minor shareholding		Shareholding by nominee arrangement		Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and their names and the relationships among them		Remarks
		Shares	Shareholding ratio %	Shares	Shareholding ratio %	Shares	Shareholding ratio %	Name (full name)	Relationship	
	Chang, Chien-Chien							Pan Investment Corp. Responsible person of Huo Da Investment Corp.	kinship The individual	
3	Huo Da Investment Corp.	14,574,437	3.74	0	0	0	0	None	None	
	Responsible person: Lan Chang, Chien-Chien	741	0	Shareholder did not provide Shareholder did not provide				Responsible person of Luo Pan Investment Corp. Responsible person of Huo Da Investment Corp.	First degree of kinship The individual	
4	Vista Investment Co., Ltd.	3,974,783	1.02	0	0	0	0	None	None	
	Responsible person: Kuo, Yi-Long	315,876	0.08	Shareholder did not provide Shareholder did not provide				None	None	

Item No.	Name	Shareholding by the individual in question		Spouse & minor shareholding		Shareholding by nominee arrangement		Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and their names and the relationships among them		Remarks
		Shares	Shareholding ratio %	Shares	Shareholding ratio %	Shares	Shareholding ratio %	Name (full name)	Relationship	
5	Chung-Ai Investment Co., Ltd.	3,878,031	1.00	0	0	0	0	None	None	
	Responsible person: Chen, Shu-Zhen	229,530	0.06	Shareholder did not provide		Shareholder did not provide		None	None	
6	Citigroup manages UBS European SE investment account	3,187,058	0.82	0	0	0	0	None	None	
7	Liao, Yi-Kai	1,957,035	0.50	Shareholder did not provide		Shareholder did not provide		None	None	
8	Deutsche Bank Managed SPDR(R) Index Emerging Markets	1,941,265	0.50	0	0	0	0	None	None	
9	Citibank's managed DFA emerging market core securities investment account	1,525,634	0.39	0	0	0	0	None	None	

Item No.	Name	Shareholding by the individual in question		Spouse & minor shareholding		Shareholding by nominee arrangement		Information disclosing where there are related parties, spouses, or relationships of kinship within second degree among any of the top ten shareholders, and their names and the relationships among them		Remarks
		Shares	Shareholding ratio %	Shares	Shareholding ratio %	Shares	Shareholding ratio %	Name (full name)	Relationship	
10	Chen, Chun-Ding	1,400,000	0.36	Shareholder did not provide		Shareholder did not provide		None	None	

IX. The number of shares held by the Company, its directors, supervisors, managers, and businesses directly or indirectly controlled by the Company in the same investee company, and calculation of the comprehensive shareholding ratio:

April 30, 2025; Unit: shares; %

Investee company	Investment by the Company		Directors, supervisors, managers, and direct or indirect control investment in the business		Comprehensive investment	
	Shares	Shareholding ratio	Shares	Shareholding ratio	Shares	Shareholding ratio
DONG LIEN MARITIME S.A. PANAMA	163,077,000	100%	0	0	163,077,000	100%
FORTUNATE MARITIME S.A. PANAMA	88,250	100%	0	0	88,250	100%
Dancewoods Hotels and Resorts Co., LTD.	44,630,104	55.43%	2,020,070	2.51%	46,650,174	57.94%
Thermolysis Co.,Ltd.	4,769,168	8.98%	0	0	4,769,168	8.98%

C. Capital Overview:

I. Capital and Shares:

(I) Sources of Capital

1. Capital and Shares

April 30, 2025

Unit: Share

Type of Stock	Authorized Capital			Remarks
	Outstanding shares (listed on the TWSE)	Unissued shares	Total	
Registered common shares	389,271,614	110,728,386	500,000,000	None

2. Capital formulation process

Unit: Share; NT\$

Month/Year	Issue price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Others
1985.03	100	120,000	12,000,000	120,000	12,000,000	Established by cash	None	
1992.03	100	290,000	29,000,000	290,000	29,000,000	Cash capital increase of NT\$17,000,000	None	
1993.05	100	530,000	53,000,000	530,000	53,000,000	Cash capital increase of NT\$24,000,000	None	
1994.08	10	9,500,000	95,000,000	9,500,000	95,000,000	Cash capital increase of NT\$42,000,000	None	Note 1
1996.12	10	19,999,000	199,990,000	19,999,000	199,990,000	Cash capital increase of NT\$104,990,000	None	
1997.07	10	260,000,000	2,600,000,000	80,000,000	800,000,000	Cash capital increase of NT\$584,810,000 Capitalization of profits of NT\$15,200,000	None	Note 2

Month/Year	Issue price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Others
1998.06	10	260,000,000	2,600,000,000	120,165,000	1,201,650,000	Cash capital increase of NT\$240,000,000 Capitalization of profits of NT\$81,650,000 Capitalization of capital surplus of NT\$80,000,000	None	Note 3
1999.11	10	260,000,000	2,600,000,000	129,778,200	1,297,782,000	Capitalization of capital surplus of NT\$96,132,000	None	Note 4
2000.12	10	260,000,000	2,600,000,000	142,876,020	1,428,760,200	Capitalization of profits of NT\$57,004,626 Capitalization of capital surplus of NT\$73,973,574	None	Note 5
2001.10	10	260,000,000	2,600,000,000	147,127,548	1,471,275,480	Capitalization of profits of NT\$42,515,280	None	Note 6
2002.10	10	260,000,000	2,600,000,000	152,577,012	1,525,770,120	Capitalization of profits of NT\$54,494,640	None	Note 7
2003.10	10	260,000,000	2,600,000,000	154,102,782	1,541,027,820	Capitalization of profits of NT\$15,257,700	None	Note 8
2004.08	10	260,000,000	2,600,000,000	193,351,580	1,933,515,800	Capitalization of profits of NT\$161,602,780 Capitalization of capital surplus of NT\$146,397,640 Corporate bonds converted to shares of NT\$84,487,560	None	Note 9
2004.10	10	260,000,000	2,600,000,000	200,941,783	2,009,417,830	Corporate bonds converted to shares of NT\$75,902,030	None	Note 10
2004.11	10	260,000,000	2,600,000,000	201,357,792	2,013,577,920	Corporate bonds converted to shares of NT\$4,160,090	None	Note 11
2005.06	10	380,000,000	3,800,000,000	252,497,240	2,524,972,400	Capitalization of profits of NT\$360,376,140 Capitalization of capital surplus of NT\$151,018,340	None	Note 12
2006.08	10	380,000,000	3,800,000,000	278,496,964	2,784,969,640	Capitalization of profits of NT\$259,997,240	None	Note 13

Month/Year	Issue price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Others
2007.01	10	380,000,000	3,800,000,000	303,496,964	3,034,969,640	Cash capital increase of NT\$250,000,000	None	Note 14
2007.04	10	380,000,000	3,800,000,000	306,621,089	3,066,210,890	Corporate bonds converted to shares of NT\$31,241,250	None	Note 15
2007.08	10	380,000,000	3,800,000,000	330,986,143	3,309,861,430	Corporate bonds converted to shares of NT\$81,139,990 Capitalization of profits of NT\$162,510,550	None	Note 16
2007.10	10	380,000,000	3,800,000,000	334,929,997	3,349,299,970	Corporate bonds converted to shares of NT\$39,438,540	None	Note 17
2008.01	10	380,000,000	3,800,000,000	336,985,716	3,369,857,160	Corporate bonds converted to shares of NT\$20,557,190	None	Note 18
2008.08	10	380,000,000	3,800,000,000	347,260,359	3,472,603,590	Capitalization of profits of NT\$102,746,430	None	Note 19
2009.08	10	500,000,000	5,000,000,000	356,350,031	3,563,500,310	Capitalization of profits of NT\$90,896,720	None	Note 20
2010.03	10	500,000,000	5,000,000,000	366,350,031	3,663,500,310	Cash capital increase of NT\$100,000,000	None	Note 21
2013.03	10	500,000,000	5,000,000,000	403,350,031	4,033,500,310	Cash capital increase of NT\$370,000,000	None	Note 22
2015.06	10	500,000,000	5,000,000,000	403,393,133	4,033,931,330	Corporate bonds converted to shares of NT\$431,020	None	Note 23
2015.10	10	500,000,000	5,000,000,000	423,560,635	4,235,606,350	Capitalization of profits of NT\$201,675,020	None	Note 24
2018.12.28	10	500,000,000	5,000,000,000	279,267,090	2,792,670,900	Capital reduction against previous losses of NT\$1,442,935,450	None	Note 25
2022.1.22	10	500,000,000	5,000,000,000	329,267,090	3,292,670,900	Cash capital increase of NT\$500,000,000	None	Note 26
2022.12.13	10	500,000,000	5,000,000,000	369,267,090	3,692,670,900	Cash capital increase of NT\$400,000,000	None	Note 27
2023.9.1	10	500,000,000	5,000,000,000	389,267,090	3,892,670,900	Cash capital increase of NT\$200,000,000	None	Note 28

Month/Year	Issue price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Sources of Capital	Capital Increased by Assets Other than Cash	Others
2024.3.13	10	500,000,000	5,000,000,000	389,271,614	3,892,716,140	Corporate bonds converted to shares of NT\$45,240	None	Note 29

Note 1: The par value per share was changed from NT\$100 to NT\$10 on August 30, 1994.

Note 2: Capital increase approved in the (86) Tai-Cai-Zheng (1) No. 49756 Letter of the Securities and Futures Institute (SFI) dated June 20, 1997.

Note 3: Capital increase approved in the (87) Tai-Cai-Zheng (1) No. 47698 Letter of the Securities and Futures Institute (SFI) dated June 1, 1998.

Note 4: Capital increase approved in the (88) Tai-Cai-Zheng (1) No. 86186 Letter of the Securities and Futures Institute (SFI) dated September 30, 1999.

Note 5: Capital increase approved in the (89) Tai-Cai-Zheng (1) No. 101706 Letter of the Securities and Futures Institute (SFI) dated December 20, 2000.

Note 6: Capital increase approved in the (90) Tai-Cai-Zheng (1) No. 154105 Letter of the Securities and Futures Institute (SFI) dated August 28, 2001.

Note 7: Capital increase approved in the Tai-Cai-Zheng (1) No. 0910152190 Letter of the Securities and Futures Institute (SFI) dated September 19, 2002.

Note 8: Capital increase approved in the Tai-Cai-Zheng (1) No. 0920137438 Letter of the Securities and Futures Institute (SFI) dated August 19, 2003.

Note 9: Approved in Jing-Shou-Shang No. 09301146050 Letter dated August 13, 2004 and 09301149710 Letter dated August 17, 2004.

Note 10: Approved in Jing-Shou-Shang No. 09301198810 Letter dated October 29, 2004.

Note 11: Approved in Jing-Shou-Shang No. 09301221720 Letter dated November 22, 2004.

Note 12: Approved in Jing-Shou-Shang No. 09401116330 Letter dated June 28, 2005.

Note 13: Approved in Jing-Shou-Shang No. 09501186410 Letter dated August 23, 2006.

Note 14: Approved in Jing-Shou-Shang No. 09601013410 Letter dated January 19, 2007.

Note 15: Approved in Jing-Shou-Shang No. 09601080570 Letter dated April 16, 2007.

Note 16: Approved in Jing-Shou-Shang No. 09601184910 Letter dated August 01, 2007 and 09601215500 Letter dated August 31, 2007.

Note 17: Approved in Jing-Shou-Shang No. 09601254340 Letter dated October 18, 2007.

Note 18: Approved in Jing-Shou-Shang No. 09701002880 Letter dated January 09, 2008.

Note 19: Approved in Jing-Shou-Shang No. 09701202660 Letter dated August 22, 2008.

Note 20: Approved in Jing-Shou-Shang No. 09801185570 Letter dated August 19, 2009.

Note 21: Approved in Jing-Shou-Shang No. 09901050820 Letter dated March 18, 2010.

Note 22: Approved in Jing-Shou-Shang No. 10201051230 Letter dated March 25, 2013.

Note 23: Approved in Jing-Shou-Shang No. 10401100970 Letter dated June 26, 2015.

Note 24: Approved in Jing-Shou-Shang No. 10401213880 Letter dated October 14, 2015.

Note 25: Approved in Jing-Shou-Shang No. 10701163600 Letter dated December 28, 2018.

Note 26: Approved in Jing-Shou-Shang No. 11101008360 Letter dated January 22, 2022.

Note 27: Approved in Jing-Shou-Shang No. 11101231790 Letter dated December 13, 2022.

Note 28: Approved in Jing-Shou-Shang No. 11230164950 Letter dated September 1, 2023.
Note 29: Approved in Jing-Shou-Shang No. 11330005370 Letter dated March 13, 2024.

3. Shelf Registration for Issuing Bonds N/A.

(II) List of major Shareholders (list all shareholders with a stake of 5% or greater, or the names of the top ten shareholders, and specify the number of shares and stake held by each shareholder on the list)

April 27, 2025

Major Shareholder's Name	Number of shares held	Shareholding ratio (%)
Luo Pan Investment Corp.	32,910,027	8.45
Pei Lin Investment Corp.	15,264,319	3.92
Huo Da Investment Corp.	14,574,437	3.74
Vista Investment Company	3,974,783	1.02
Chung Ai Investment Co., Ltd.	3,878,031	1.00
Citigroup manages UBS European SE investment account	3,187,058	0.82
Liao, Yi-Kai	1,957,035	0.50
Deutsche Bank Managed SPDR(R) Index Emerging Markets	1,941,265	0.50
Citibank's managed DFA emerging market core securities investment account	1,525,634	0.39
Chen, Chun-Ding	1,400,000	0.36

(III) Dividend Policy and Implementation Status

1. Dividend Policy in the Articles of Incorporation

- (1) In case the Company makes a profit in the current year (profits refer to income before tax and before the distribution of remuneration to the employees and Directors), no less than 2% shall be allocated as the employees' remuneration and no more than 5% as the Directors' remuneration. However, should the Company accumulate losses (including adjustment on non-distributed earnings), the Company ought to set aside a part of the surplus profit first for making up the losses.

The aforementioned employee remuneration may be distributed in stocks or cash and the Directors' remuneration may only be distributed in cash. The procedures in the two preceding paragraphs must be approved by the Board of Directors and reported to the shareholders' meeting.

Any earnings in the final accounts of the Company for the fiscal year shall be allocated to make up for cumulative losses (including adjustments for undistributed earnings) and the Company shall set aside 10% of the earnings as statutory surplus reserve. However, this requirement shall not apply if the cumulative statutory surplus reserve has reached the Company's total paid-up capital. In addition, a special

reserve shall be set aside or reversed pursuant to the laws or regulations of the competent authority. The net deduction of other rights and interests accumulated in the previous period shall be included in the special surplus reserve of the same amount from the undistributed surplus of the previous period. If there is still insufficient, the net profit of the current period plus the net profit after tax of the current period shall be included in the current period. The amount of undistributed surplus is withdrawn. The Board of Directors shall draft an earnings distribution proposal regarding the remainder of the surplus as well as accumulated undistributed earnings at the beginning of the period (including adjusted and undistributed earnings) for approval at the shareholders' meeting to allocate dividends and bonuses to shareholders.

The Board of Directors shall distribute the dividends, bonuses, capital reserve, and statutory surplus reserve, in part or in whole, in cash after a resolution by a majority in a meeting attended by at least two thirds of the Directors. Such resolution shall be submitted to the shareholders' meeting and the requirement for a resolution in a shareholders' meeting in the preceding paragraph shall not apply.

- (2) In response to the competition in the sea freight market, the Company's dividend distribution policy shall be focused on maintaining the soundness of the Company's long-term financial and the growth and expansion of future operations. The Company shall prioritize the retention of funding necessary for operations and expansion before distributing the remaining earnings in the form of cash dividends or stock dividends. Cash dividends shall not be lower than 10% of total dividends.
- (3) Implementation status of the aforementioned dividend policy approved by the shareholders' meeting: As the Company incurred losses in 2024, it did not distribute remuneration to employees or directors in the 2025 shareholders' meeting.

2. Implementation Status

Current-year dividend distribution proposal to shareholders' meeting: (Passed by the Board of Directors but not yet approved by the shareholders' meeting)

The proposed distribution in the Company's 2024 deficit compensation statement passed by the Board of Directors on March 25, 2025 is as follows.

It is filed to the 2025 shareholders' meeting for ratification:

- (1) Shareholder bonus: None.
- (2) Director's remuneration: None.
- (3) Employee's remuneration: None.

3. Analysis of expected major changes: None.

(IV) Effects of the Stock Dividends Proposed by the Shareholders' Meeting on the Company's Business Performance and Earnings Per Share

Not applicable.

(V) Remuneration of Employees and Directors

1. Percentage or range of remuneration distributed to employees and Directors as stipulated in the Company's Articles of Incorporation: Article 32 of the Articles of Incorporation: Should the Company make a profit in the current year (profits refer to income before tax and before the distribution of remuneration to the employees and Directors), no less than 2% shall be allocated as the employees' remuneration and no more than 5% as the Directors' remuneration. However, should the Company accumulate losses (including adjustment on non-distributed earnings), the Company ought to set aside a part of the surplus profit first for making up the losses.

The aforementioned employee remuneration may be distributed in stocks or cash and the Directors' remuneration may only be distributed in cash. The procedures in the two preceding paragraphs must be approved by the Board of Directors and reported to the shareholders' meeting.

2. Basis for estimating the amount of remuneration of employees and directors , basis for calculating the number of shares to be distributed as employee remuneration , the actual distributed amount for the current period, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated amount:

Not applicable. The Company had a net loss before tax in 2024 and therefore does not distribute remuneration to employees or Directors.

3. Remuneration distribution passed by the Board of Directors:

- (1) Employee and director, and supervisor remuneration will be distributed in cash or stocks. The amount of, reason for, and treatment of discrepancy, if any, from the recognized costs should be disclosed:

The Company had a net loss before tax in 2024 and therefore does not distribute remuneration to employees or directors.

- (2) The amount of employee bonus to be paid in stocks out of the current

company-level financial statement in terms of the sum of net profit after tax and employee remuneration : Not applicable. There is no distribution of employee's remuneration in stock dividends in this period.

4. Actual distribution of employee bonuses and remuneration of Directors and Supervisors of the previous year (including number of shares, amount and stock price); and discrepancies, if any, from the recognized remuneration for employee and remuneration for Directors and Supervisors and the causes and treatments of the discrepancies:

The Company had a net loss before tax in 2023 and therefore does not distribute remuneration to employees or directors. There is no difference between the estimated amount and the actual amount distributed

(VI) Buyback of Treasury Stock: None.

II. Issuance of Corporate Bonds (Including Overseas Corporate Bonds):

Issuance of Corporate Bonds

Type of corporate bonds	Sixth Domestic Secured Convertible Bonds	Seventh Domestic Secured Convertible Bonds
Issue (transaction) date	June 21, 2023	December 17, 2024
Face value	NT\$100,000	NT\$100,000
Place of issue and trading	Taipei Exchange/ Republic of China	Taipei Exchange/ Republic of China
Issue price	NT\$107.7100	NT\$102.4400
Issue amount	NT\$500,000,000	NT\$600,000,000
Coupon rate	0%	0%
Term	3 years Maturity date: June 21, 2026	3 years Maturity date: December 17, 2027
Guarantor	Sunny Bank Ltd.	First Commercial Bank
Trustee	Trust department of Hua Nan Commercial Bank Ltd.	Bank SinoPac
Underwriter	Sino Pac Securities	Sino Pac Securities
Attesting lawyer	Jheding International Law Offices / Chen, You-Liang	Louis & Charles Attorneys at Law / Charles Chiu
Attesting CPA	Not applicable	Not applicable
Redemption method	Lump sum payment in cash upon maturity except for conversion conducted in accordance with Article 10 of the Company's Regulations Governing the Issuance and Conversion of Sixth Domestic Secured Convertible Bonds or early redemption in accordance with Article 18 of the aforementioned regulations by bondholders or buyback conducted by TPEX.	Lump sum payment in cash upon maturity except for conversion conducted in accordance with Article 10 of the Company's Regulations Governing the Issuance and Conversion of Seventh Domestic Secured Convertible Bonds or early redemption in accordance with Article 18 of the aforementioned regulations by bondholders or buyback conducted by TPEX.
Unredeemed balance	NT\$499,900,000	NT\$600,000,000
Conditions for redemption or early redemption	Please refer to Article 18 of the Company's Regulations Governing the Issuance and Conversion of Sixth Domestic Secured Convertible Bonds	Please refer to Article 18 of the Company's Regulations Governing the Issuance and Conversion of Seventh Domestic Secured Convertible Bonds
Restrictive covenants	None	None
Name of rating agency, date and result of rating	Not applicable	Not applicable

Other rights	The monetary amount of common shares, global depositary receipts, or other securities already converted, exchanged, or subscribed up to the annual report publication date	NT\$100,000 , equal to 4,524 shares	Not yet converted
	The issuance and conversion, exchange, or subscription rules	Please refer to Offering Memorandum	Please refer to Offering Memorandum
The possible dilution of shareholding and influence on shareholder equity caused by the issuance and conversion, exchange, or subscription rules and the terms of issuance.		If all the convertible bonds are converted into common shares at the conversion price NT\$22.10, the shares of common stock to be exchanged will be 22,624 thousand shares, the share dilution will be around 3.10%, which would not cause a material adverse effect on the shareholders' equity.	If all the convertible bonds are converted into common shares at the conversion price NT\$19.3, the shares of common stock to be exchanged will be 31,088 thousand shares, the share dilution will be around 7.40%, which would not cause a material adverse effect on the shareholders' equity.
Name of the custodian institution of the exchangeable underlyings		Not applicable	Not applicable

Convertible Corporate Bonds

Type of corporate bonds		Sixth Domestic Secured Convertible Bonds		
Fiscal year		2023	2024	As of May 9, 2025
Market price of convertible corporate bonds	Maximum	119.50	128.00	116.50
	Minimum	103.00	100.20	100.00
	Average	107.70	111.85	108.53
Conversion price		22.1	22.1	22.1
Issue (transaction) date and conversion price at issuance		June 21, 2023 NT\$23.8		
Method for performance of conversion obligations		Issuance of new shares		

Type of corporate bonds		Seventh Domestic Secured Convertible Bonds		
Fiscal year		2023	2024	As of May 9, 2025
Item				
Market price of convertible corporate bonds	Maximum	—	103.00	125.00
	Minimum	—	101.65	101.00
	Average	—	102.44	109.01
Conversion price		—	19.3	19.3
Issue (transaction) date and conversion price at issuance		December 17, 2024 NT\$19.3		
Method for performance of conversion obligations		Issuance of new shares		

III. Preferred Shares: None.

IV. Issuance of Global Depositary Receipts: None.

V. Employee Stock Options: None.

VI. Restricted Stock Awards: None.

VII. New Share Issue for Merger or Acquisition of other Companies: None.

VIII. Implementation of Capital Allocation Plan:

(1) Plan:

As of the first quarter of the annual report, previous issue or private placement of securities has not been completed or completed in the last three years and the project benefits have not yet appeared: None

(2) Implementation:

For the purpose of each plan in the preceding paragraph, the analysis per item is conducted during the first quarter before the printing date of the annual report. Implementation and comparison with the original expected benefits: None

D. Operational Highlights

Shipping

I. Business Activities

(I) Business Scope:

1. Main areas of business operations:

- (1) Shipping agency services
- (2) Shipping transportation
- (3) Wholesale of ship and component parts
- (4) Retail sale of ship and component parts
- (5) All business items that are not prohibited or restricted by law, except those subject to special approval.

2. Revenue distribution (consolidated revenue distribution in 2023 and 2024)

Unit: %

Business activities	2023	2024
Rental revenue	93	95
Cargo revenue	0	0
Other operating revenue	7	5
Service revenue	0	0
Total	100	100

3. Main services:

The Company provides maritime shipping services. As of the end of April 2025, including vessels owned by Company's 100%-owned Panamanian subsidiaries and sub-subsidiaries, the Company operates a fleet of 26 vessels. Trading areas are as follows:

- (1) Kamsarmax and Panamax: 3 vessels. Global trading with commodities such as iron ore, coal, grains, and industrial materials.
- (2) Ultramax and Supramax: 5 vessels. Global trading with commodities such as iron ore, coal, grains, and industrial materials.
- (3) Handy: 16 vessels. Global trading with commodities such as steel products, iron ore, coal, cement clinker and industrial materials .
- (4) MPP vessels: 1 vessels. They carry machineries/mechanical equipment, chemical products, fertilizer and or dry bulk and general cargo trading in the Indian Ocean, Pacific Ocean and Asia.

- (5) Coastal passenger ship: 1 vessel. Coastal trading in Taiwanese waters.
- 4. New services development:

The Company operates the fleet on short or long term time charters trading in compliance with the international trading regulations and is able to provide services for any new route with reasonable remuneration.

(II) Industry Overview

1. Current Status and Future Development of the Industry:

In 2024 , the shipping market is still impacted by war, inflation, and high interest rates, the global economic remained inactive.

- (1) The Baltic Dry Index (BDI) saw a slight increase in the first half of 2024. China's stimulus for infrastructure, the rise in coal shipping from Indonesia to China and India, along with iron ore exporting largely from India contributed to BDI increasing up to the highest point of the year, 2,419, in March. Due to drought-induced lower water levels, congestion in the Panama Canal disrupted shipping, reaching its peak in January. However, with the arrival of the rainy season and rising water levels, restrictions on the Panama Canal have eased. The situation turned down in Q2. The loose Chinese monetary policy provided temporary stimulus for recovery. United States election created uncertainties and the usual vigorous peak season which everyone expected for in Q4 did not materialize, leading to no stimulation to the market. The BDI reached the lowest, 976, in early December, continuing into a sluggish start for 2025. The weak demand of steel in China further pressured the market. According to data from the World Steel Association, global steel production in 2024 was significantly lower than in 2023, reflecting a clear downturn in market conditions. With expectations for a continued decline in 2025, the industry is facing increasingly challenging supply and demand dynamics.

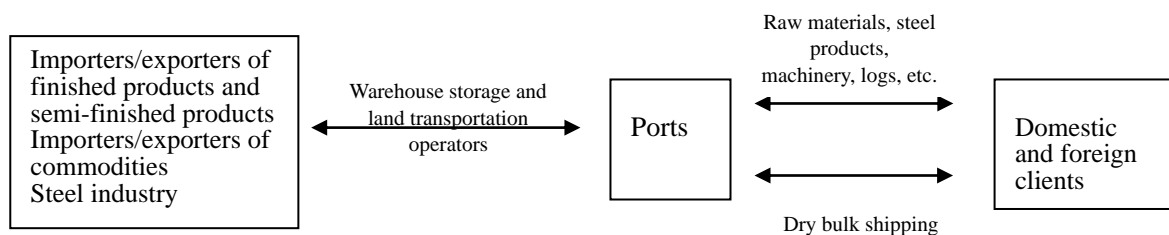
In terms of market demand, bulk shipping mainly focuses on commodities such as iron ore, coal, and grains. The commodities are mostly raw materials and semi-finished products. The market demand and global

commodities trading volume are closely connected. The International Monetary Fund (IMF) stated in its January "World Economic Outlook Report" that the global economic growth for 2024 is 3.2% and forecast for 2025 is 3.3%. Market forecasts remain fundamentally supported in 2025, yet geopolitical tensions, war-related economic challenges, oil price fluctuations, and the development of alternative energy sources continue to introduce uncertainty. The International environmental regulations are accelerating the demolition of vessels, but the delivery of new tonnages is still limited. The overall fleet growth is expected to be low. Due to climate change, vessel are expecting longer port stay. It appears supply and demand are in equilibrium in 2025. The industry is optimistic about the outlook for the bulk shipping market this year.

2. Relationship with Up-, Middle- and Downstream Companies

The maritime shipping industry is a part of the transportation service industry and mainly provides maritime shipping services for cargo. It is different from the general manufacturing industry and does not involve production of goods or supply of raw materials. There is no clear presence of up-, middle- and downstream relationships in the industry.

Dry bulk and general cargo shipping industry in Taiwan



3. Overview of Industry Trends:

- (1) The current world shipping regulations are mainly characterized by measures for reducing environmental hazards caused by the emissions of vessels. These measures include calculating the carbon footprint of ships, using low-sulfur fuel to reduce sulfur oxide emissions, retrofitting ships with ballast water management systems to reduce water pollution, building future environmentally friendly ships that reduce nitrogen oxide emissions, or replacing fossil fuels with natural gas and marine biofuels as the power source of vessels.

(2) Shipbuilders will focus on building new vessels that are energy efficient and protect the environment. Shipbuilders respond to international regulatory requirements and set goals for building new types of vessels that do not cause pollution.

(3) The trend for the future is a modern, environmentally friendly and fuel-efficient fleet.

4. Competition in the Industry

The fierce competition in the global shipping market and the implementation of international regulations for preventing environmental pollution compel shipping companies to invest in the modification of vessels in operation, strengthen management, retrofit equipment when required and pursue economies of scale to reduce costs. We work with high-quality shipyards to construct energy-efficient and environmentally-friendly new buildings to maintain a highly competitive fleet.

(III) Research and Development

The Company is a shipping company, not a manufacturing company. We do not have a R&D department and this is therefore not applicable.

(IV) Long-term and Short-term Development Plans

1. Long-term Development:

Focus on dry bulk shipping to modernize the fleet, optimize vessel operations and cargo loading capacity and enhance management performance to increase competitiveness.

2. Short-term Development:

(1) Enhance vessel management performance and reduce operational losses.

(2) dispose older tonnages or tonnages for which the market requirement is declining.

(3) Form strategic alliances with competitors to create economies of scale in the cost of procurement and repairs.

II. Market and Sales Overview:

(I) Market Analysis

1. Service Region

The Company provides shipping services and operates a diversified fleet of 25 vessels (excluding the small coastal passenger ship). The routes trade is between China, Japan, Korea, Taiwan, South East Asia, India, Persian Gulf the Arab countries and trade the five continents globally.

2. Market Share

Shih Wei vs Global fleet (in Unit and Deadweight):

End of April 2025	Handysize		Handymax		Panamax/Kamsarmax	
	10,000 - 44,999 (DWT)		45,000 - 69,999 (DWT)		70,000 - 99,999 (DWT)	
	No.	DWT	No.	DWT	No.	DWT
Global	2,970	100,700,000	3,993	231,200,000	3,184	259,200,000
Shih Wei	17	503,766	5	300,213	3	235,196
Market Share	0.572%	0.5%	0.125%	0.13%	0.094%	0.091%

Source: Braemar Research Dry Bulk Monthly Fleet Change as at end April 2025

3. Future Market Supply and Demand and Growth Potential

Recent fluctuations in the green transition have impacted tonnage supply, leading to an overall slowdown in tonnage growth.. In February, 2025 Clarksons reported that the dry bulk fleet capacity in 2024 increased by approximately 3%, with Capesize rising by 2%, Panamax by 3%, Handymax by 4%, and Handy vessels by 3%. Dry bulk transportation volume reached a record high in 2024, with reduced Panama Canal traffic leading to rerouting. The escalation of attacks by Houthi militants on ships in the Gulf of Aden increased the need for detours, resulting in higher ton-nautical mile demand. Overall, the dry bulk market in 2024 saw a growth in cargo volume of approximately 3.4%, influenced by various factors. The global economy faces increased volatility due to the trade war between China and the United States and geopolitical tensions. However, as the global economy gradually stabilizes, maritime demand will steadily increase. China's demand for dry bulk commodities remains a crucial foundation for global maritime trade, while India and Southeast Asia are poised to become important regions for maritime growth. In 2025, supply

and demand are expected to be balanced, maintaining an optimistic outlook for the dry bulk market.

4. Competitive Niches

(1) Strategic alliance:

Form strategic alliances with competitors on cost to create economies of scale and mitigate costs.

(2) Increase vessel utilization:

Maintain the flexibility of fleet to profit from the Chartering market and reduce the in ballast period in order to maximize fleet performance.

5. Opportunities and Challenges for Future Development and Strategic Responses

(1) Opportunities:

- a. In recent years, regulatory updates, challenges associated with aging fleets, and rising green shipping standards have driven continuous optimization of vessel specifications. Energy-saving devices are being progressively installed on the existing fleet, along with the application of silicone-based or high-efficiency anti-fouling marine paints, and installation of Engine Power Limitation System (EPL). These modifications require professional teams and involve significant capital investment to comply with all related regulations. The Company works with shipyards and maintains good relations with skilled repair shops, shipyards, suppliers and consultant companies. We can thus acquire new designs at reasonable cost, which are installed by qualified repair shops and or shipyards to meet regulatory requirements.
- b. The conflict has led to a redistribution of cargo demand and adjustments in routes. Due to logistical restrictions in Russia, buyers have gradually shifted to importing coal from Australia and Indonesia. This change is expected to increase ton-mile demand, providing some support to the shipping market.

Meanwhile, aged tonnages are being demolished of. In the dry bulk market downturn, vessels are opting for slower steaming to reduce fuel costs, which will, to some extent, alleviate the issue of excess capacity.

(2) Challenges:

a. Demand side:

- (a) Extreme weather factor: Severe weather off the southern coast of Africa is affecting alternative shipping routes. Extreme conditions in the region have led to vessel groundings, cargo losses, and other incidents, increasing maritime risks."Extreme weather have increasingly challenged the growth of agricultural, impacting the global agricultural market and the fluctuation of commodity prices accordingly. The drought has caused serious blockage of the Panama Canal, affecting the movement of global trade. Severe weather off the southern coast of Africa affects the usual detour routes. Extreme conditions in the region have led to ship groundings, cargo losses and other incidents, increasing maritime risks.
- (b) Political factor: If vessel resume sailing via the Red Sea passage, it will increase vessel turnover and availability, leading to a short-term drop in freight rates and charter hire. In addition, tariff barriers may impact market demand, requiring timely strategic plans.
- (c) Economic factor: The slowdown of global economic growth leading to a decline in import and export demand, which effects overall shipping demand. Rising interest rates have increased financing costs, affecting new shipbuilding orders, fleet modernization, and investment willingness.
- (d) International crude oil prices: The crude oil market is currently under pressure from supply increase and demand decrease, which may continue to press on prices in the short term. However geopolitical risks and policy adjustments by OPEC+ may still affect the market, it is necessary to closely monitor the

relevant developments.

b. Supply side:

- (a) Shipbuilding market: Newbuilding orders for dry bulk segment have declined. Market uncertainty and high newbuilding prices, which have discouraged new investment in fleet expansion.
- (b) Environmental pollution: The shipping industry is facing pressure to reduce carbon emissions. Under the supervision from customers, vendors, and various stakeholders along with commercial incentives, as well as commercial factors, shipping companies are actively renewing aging fleets. However, identifying the most effective way to reduce emissions and transition to low- or zero-carbon fuels remains a significant challenge. Achieving net-zero emissions by 2050 will require greater global effort and transition.

(3) Strategic responses:

We will continue to monitor the impact of policies of nations on economic conditions and respond promptly to market reactions, shipping capacity adjustments and supply chain diversification under the new carbon emission reduction regulation to maintain our competitiveness. Dynamically adjust route diversification and resource integration to implement the best operational strategies.

(II) Production Procedures of Main Products

We are a shipping company therefore not applicable.

(III) Supply Status of Main Materials:

Despite no procurement of raw materials for shipping company, the expenditure of marine fuel and lubricants used takes a significant proportion of the annual operating costs. The main suppliers are CPC Corporation, Taiwan (CPC) and foreign petroleum companies/Major suppliers for regular and stable supply. The Company maintains rigorous control over the bunkering ports and the bunker quantities on board.

Tourism

I. Business activities

(I) Business Scope:

1. Main areas of business operations:

- (1) Tourist hotel business.
- (2) Restaurant business.
- (3) Conference and exhibition services.
- (4) Athletics and recreational sports stadium.
- (5) Waterside entertainment activities business.
- (6) All business items that are not prohibited or restricted by law, except those subject to special approval.

2. Revenue Distribution: Please refer to D. Operational Highlights and I. Business Activities, Consolidated revenue distribution in 2023 and 2024.

3. Main Service Items and New Services under Development:

Parks: the usage of its unique Japanese style atmosphere of the park and various activities will provide a unique travel experience.

Hotel: an own-brand holiday hotel with unique features with diverse travel experiences. Volume on the online room reservation, gifts and online ticketing channels.

Cuisines: Comprehensive improvement of the food and beverage quality and supply of fresh local food from the market.

Villa: Enhanced services and training to offer unique services to differ us from the high-end B&Bs.

Banquets: The hotel is the only one in Taiwan that offers a choice between Chinese, western, and authentic Japanese wedding venues.

Conferences: In addition to general hotel and conference services, we provide attendees with experience in the park or customized team building activities.

Events: Flexible use of the overall environment of Dancewoods to attract a variety of customized activities and events.

New Services Under Development:

After making Dancewoods Hotel's debut with O'ruru Café, the brand has

expanded into therapeutic cat cafes and the women's fitness industry, aiming to establish brand loyalty.

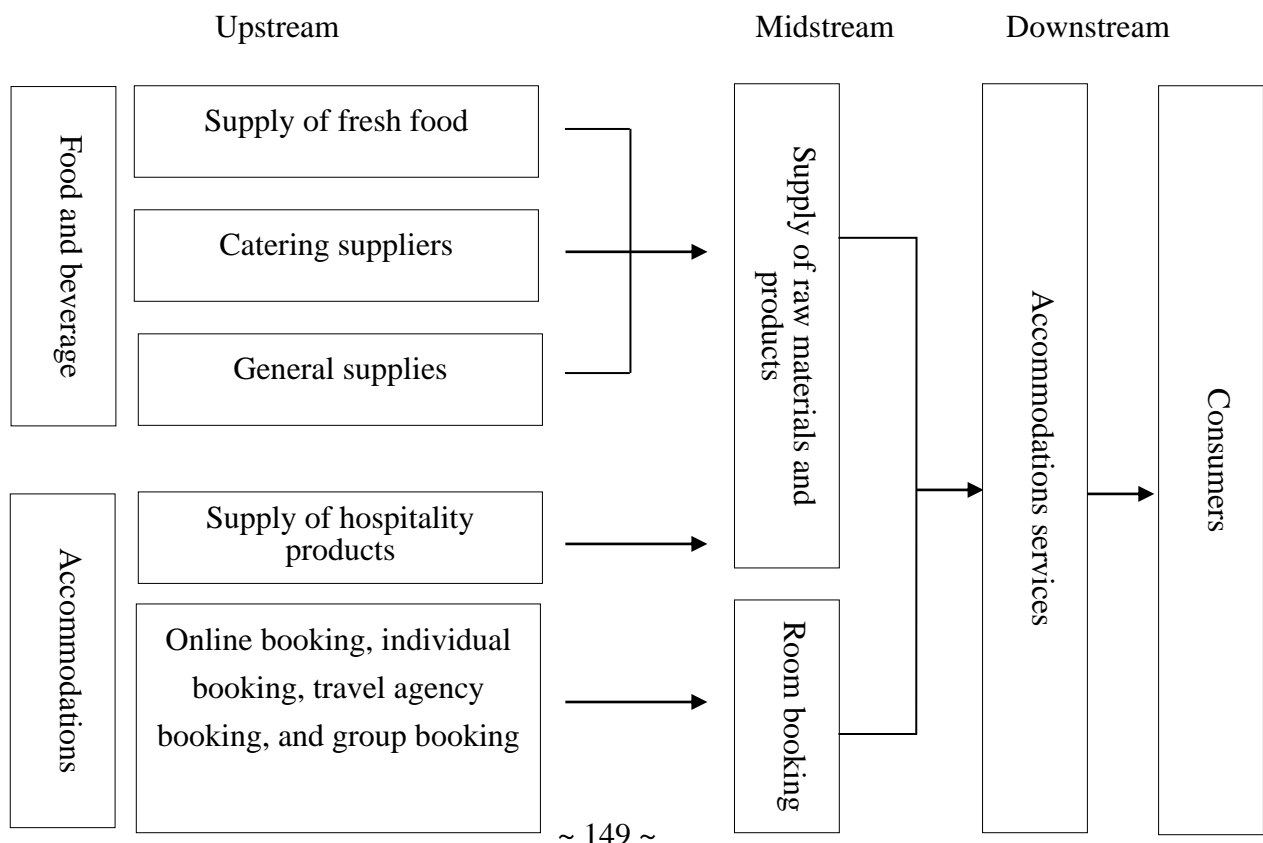
(II) Industry Overview:

1. Current Status and Future Development of the Industry:

After Taiwan's borders opened up, outbound and inbound tourism market began to liven up in-sync. The participation of Taiwanese people in cross-border tourism had a direct impact on the domestic market. In addition to adjustments of room rates and competing on the price of products, hotel operators also offer different products for different markets to diversify their business risks. To attract more global tourists to Taiwan, various businesses are not only optimizing their product offerings but also actively seeking cross-industry collaboration opportunities, such as coordinating with events like sports competitions or concerts. In terms of services, it is essential to continue providing high-quality service to maintain customer relationships and ensure stable profitability.

2. Relationship with Up-, Middle- and Downstream Companies:

Tourist and leisure hotel operators mainly provide accommodations, catering, vacation, leisure, conference facilities, and sports facilities to meet the diverse needs of visitors.



3. Overview of Industry Trends:

(1) Hotel platform

Online room reservation has become increasingly popular and consumers have become accustomed to shopping online with their mobile phones as online and app reservations gain popularity. Tourist hotels have also invested more resources in social media marketing which has increased their marketing expenses and commissions paid to online travel agencies.

(2) Product differentiation

In response to diversity in consumer interests, the hotel has gradually been transformed from a stop in the journey to an important experience in the trip. Therefore, hotels have become increasingly focused on developing their own unique features. In an era of intense competition and consumer focus on quality, the key future trend for hotels is that they must differentiate their products and be competitive.

4. Competition in the Industry:

The domestic market in Taiwan benefited from several rounds of travel subsidies provided by the government. However, the supply has long surpassed demand in the market without a significant increase in the number of visitors to Taiwan. In addition to adjustments of room rates and competing on the price of products, hotel operators also offer different products for different markets to diversify their business risks. Due to the intense competition in hotel rooms, hotel operators have also actively expanded other sources of revenue, such as shifting their focus to self-service catering, providing various chef menu, and focusing on fresh and high-quality ingredients. They also create their own brands for export sales. Continue to provide high quality service for good customer relationship and stable profit.

(III) Research and Development

Not applicable.

(IV) Long-term and Short-term Development

1. Long-term Development:

- (a) Continue to nurture talents and pass on professional knowledge and skills to continue to provide heartwarming services.
- (b) Improve software and hardware facilities. Dancewood Hotel focuses on providing differentiated and customized products and offers products with detailed categorization, personalization, and settings to strengthen the benefits of differentiation factors. Unlike other tourist hotels that are confined to indoor spaces, the Japanese style park area, a large area originally intended for landscaping, has been transformed into an event venue that combines various outdoor experiences and services provided by dedicated personnel.

2. Short-term Development:

- (a) Enhance the quality of hotel services through external marketing channels and internal marketing
- (b) The new hotels in Yilan are homogeneous and offer little variation in their services which consist mostly of children's playrooms, video games, and electric cars. The Hotel uses the advantages of the venues to highlight the distinguishing features and create a new customer experience.

II. Market and Sales Overview:

(I) Market Analysis

1. Service Region

Although Yilan is a region with intense competition in the hotel industry, it has long been a region for tourism development and thus has abundant tourism resources. In response to intense market competition, the Hotel aims to create differentiated products and offers products with detailed categorization, personalization and settings to expand in the Yilan catering and tourism market.

2. Market Share

The Hotel is the first resort in Taiwan with hotel and Japanese garden. This advantage has allowed the hotel to enhance and diversify its local development.

3. Future Market Supply and Demand and Growth Potential

After the borders reopened, the domestic tourism market was impacted. If

the return of domestic consumers can be managed and the development of foreign markets can be achieved, overall revenue can be stabilized. In addition to continuously improving language skills and digitization, diversifying the development of sub-brands to increase brand loyalty and social media engagement is expected to drive overall growth.

4. Competitive Niches

The major high-end tourist hotels in Yilan are homogeneous and most are crowded in Jiaoxi Township, which is already full of hotels. By comparison, the Hotel is located in a beautiful location with a view of Guishan Island in the Pacific Ocean and the Central Mountain Range. It offers unobstructed views of the natural scenery and is a large resort area that is unique in Yilan. As we increase our brand visibility, we expect the number of visitors to continue to increase.

5. Opportunities and Challenges for Future Development and Strategic Response

(1) Opportunities:

- a. Citizens have increased their vacation time as society places more value on leisure travel.
- b. The government actively promotes domestic travel and tourism policies for foreigners to visit Taiwan. The increase in the number of flights and routes has made it convenient for foreign tourists to visit Taiwan.
- c. Continuous improvement in the service quality of the tourism industry.

(2) Challenges:

- a. Yilan County is the most critical battlefield for the hotel industry. Jiaoxi is home to the highest number of new hotels and the supply has always outpaced the demand in the market.
- b. As the Hotel is a singular brand, its bargaining power in joint procurement is relatively weak compared to other hotel chains. In addition, the revenue of leisure hotels varies greatly between weekdays and peak days. The payment methods for suppliers are

also relatively inflexible when compared to other large hotels.

- c. Camping has become increasingly popular and the number of consumers who love nature has increased.

(3) Strategic Response:

Make full use of the large Japanese style garden to enhance differentiated advantages. Offer close interactions with animals and bring nature to consumers. Increase the precision of food procurement, increase the number of suppliers, and inspect the quality of suppliers whenever necessary.

(II) Production Procedures of Main Products:

The Company's main products include the lease of hotel rooms, supply of food and beverage, and provision of conference rooms and related facilities to maximize customer satisfaction.

(III) Supply Status of Main Materials:

The Company mainly operates hotel room leases, product sales, and food and beverage services. The main raw materials are paper used for printing, customer supplies, and fresh ingredients for catering services. The company enjoys good relations with many suppliers and the supply conditions are stable.

(IV) Major Suppliers and Clients in the Last Two Fiscal Years:

1. Major Suppliers

Major Suppliers in the Last Two Fiscal Years

Unit: NT\$ thousands %

	2023				2024				2025 as of March 31			
Item	Company Name	Amount	Percentage (%)	Relationship with Issuer	Name	Amount	Percentage (%)	Relationship with Issuer	Name	Amount	Percentage (%)	Relationship with Issuer
1	GULF OIL MARINE	39,451	18	None	GULF OIL MARINE	54,922	27	None	GULF OIL MARINE	7,178	10	None
2	EXXONMOBIL	34,641	16	None	OCEAN TRIDENT	30,487	15	None	EXXONMOBIL	6,494	9	None
3	OCEAN TRIDENT	31,486	14	None	EXXONMOBIL	29,671	15	None	OCEAN TRIDENT	4,654	7	None
4	Others	114,787	52	None	Others	85,114	43	None	Others	52,789	74	None
5	—	—	—	—	—	—	—	—	—	—	—	—
	Net Total Supplies	220,365	100		Net Total Supplies	200,194	100		Net Total Supplies	71,115	100	

Note: Provide a list of any suppliers accounting for 10 percent or more of the company's total procurement amount in the 2 most recent fiscal years, the amounts bought from each, and the percentage of total procurement accounted for by each. Where the company is prohibited by contract from revealing the name of a supplier, 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.

The main materials purchased by the Company are marine fuel used to power vessels and lubricants used to lubricate vessel machinery and equipment.

2. Major Clients

Major Clients in the Last Two Fiscal Years

Unit: NT\$ thousands %

	2023				2024				2025 as of March 31			
Item	Name	Amount	Percentage (%)	Relationship with Issuer	Name	Amount	Percentage (%)	Relationship with Issuer (%)	Name	Amount	Percentage (%)	Relationship with Issuer
1	BALTNAV	555,528	16	None	Others	3,492,772	100	None	STARBOARD	83,791	10.69	None
2	CARGILL	491,994	14	None	—	—	—	—	Others	699,745	89.31	None
3	DAMPSKIB SSELSKAB ET NORDEN A/S	348,023	10	None	—	—	—	—	—	—	—	—
4	WESTERN BULK	334,138	10	None	—	—	—	—	—	—	—	—
5	Others	1,731,449	50	None	—	—	—	—	—	—	—	—
	Net Sales	3,461,132	100		Net Sales	3,492,772	100		Net Sales	783,536	100	

Note: Provide a list of any clients accounting for 10 percent or more of the company's total sales amount in the 2 most recent fiscal years, the amounts sold to each, and the percentage of total sales accounted for by each. 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.

- (1) The fleet is bulker and general cargo ships carrying commodities such as grain, coal, steel products, wooden products, fertilizers and industrial chemicals. Our main business activities including chartering and merchant marine transportation.
- (2) Clients who accounted for more than 10% of annual operating revenues have changed due to changes in the business model.

III. Information of the number of employees, average years of service, and education in last two fiscal years:

	2023		2024		As of March 31, 2025	
On-shore personnel	254		254		233	
Seafarers	540		497		480	
Total	794		741		713	
Average age	41.92		42.99		44.03	
Average years of service	5.05		5		5.25	
Education background distribution	Number of people	%	Number of people	%	Number of people	%
Ph.D	1	0.13	1	0.13	1	0.14
Master's	20	2.52	19	2.56	18	2.52
University/College	443	55.79	471	63.56	462	64.8
High school	301	37.91	223	30.09	204	28.61
Below high school	29	3.65	27	3.64	28	3.93

IV. Environmental Protection Expenditure

List the losses suffered by the Company due to pollution of the environment in the last two fiscal years up to the publication date of this annual report (including compensation and results of environmental protection audits that violated environmental protection laws and regulations; specify the date of the penalty, penalty number, violated articles in regulations, contents of violation, and the contents of penalties), and disclose the estimated amount arising both at present and in the future and the corresponding countermeasures. If the amount can not be reasonably estimated, the reason for the inability to provide a reasonable estimation shall be explained: Nil.

V. Labor Relations:

(I)1. Employee welfare

- (1) The Company provides employee welfare in accordance with the Labor Standards Act, including but not limited to, Mid-Autumn Festival bonus, year-end bonus and party, performance evaluation bonus, and subsidies for marriage and bereavement. The Company purchases group

insurance coverage for the employees in addition to the statutory coverage under the Labor Insurance Program and the National Health Insurance Program. The Company also organizes small contests for each department for different festivities or group activities based on ESG values such as environmental protection seminars, beach or mountain cleaning activities, environment-friendly Christmas market setup, fire education and training, team-building activities, or supporting local arts and cultural activities, hand-made red envelopes for Lunar New Year decorations, etc. to improve employee cohesion and foster camaraderie among colleagues.

- (2) The Company has set up the Employee Welfare Committee to provide subsidies for marriage, bereavement, childbirth, illnesses and injuries, and scholarships; it also organizes birthday parties and offer birthday bonuses.
- (3) According to the Labor Standards Act, the company has two days off per week and 7 hours of daily working hours (better than the Labor Standards Act). At present, employees also apply for various types of leave in accordance with regulations, such as annual leave, physiological leave, parental leave, and paternity leave. At the same time, in order to protect the safety of employees, the implementation of typhoon days without duty, without deducting salary and leave. We also encourage our employees and their family dependents to actively donate blood in exchange of compensatory leave. In addition, flexible shifts are adopted for commuting to and from work, facilitating employees to adjust their schedules to balance work and family life
- (4) Crewmembers welfare

Provide excellent working conditions that exceed regulatory requirements :

- a. Crewmembers are entitled to "seniority/rejoining bonuses," "festival additional bonuses," "newspapers and magazines allowance," and "high risk area bonuses."
- b. If the vessel navigates to piracy areas (e.g., the Gulf of Aden), the company will deploy armed security personnel onboard, arrange for naval escort, provide anti-theft facilities (e.g., razor wire), and offer generous bonuses.
- c. If the crewmember disembarks at any port for treatment due to injury or sickness, in addition to the medical benefits stipulated by the contract, they are entitled to graded disability compensation specified in the agreement if they suffer permanent disability due to an accident.

- d. Contracts for Taiwanese crewmembers are established according to the "Employment Contract for Employing Seafarers" prescribed by the Seafarers Act and the Ministry of Transportation and Communications, and a collective bargaining agreement with the National Chinese Seamen's Union.
- e. China manning agency provide crewmembers with five social insurances and one housing provident fund: main programs include endowment insurance, medical insurance, unemployment insurance, employment injury insurance, maternity insurance, and housing provident fund. Due to the unique nature of seafarer, these social security contributions are generally fully paid by the manning agency on behalf of the crewmembers, and cannot be arbitrarily suspended. Crewmembers maintain full and regular monthly contributions regardless of whether they are on board or on vacation.
- f. Strictly adhere to the working and rest hours arrangements of the Maritime Labour Convention (MLC) and pay crewmembers overtime wages for extra hours worked.
- g. The fixed-term contracts signed by crewmembers are for a period of 10 months. If the crewmember has served on board for 7 months and the vessel calls at a convenient and economical port, those who wish to take leave early can be given the benefit of having the contract considered as fully completed.
- h. Signed a telemedicine service agreement with Taipei Medical University Hospital to ensure that crew members receive timely and professional medical guidance in the event of illness or accidents, effectively alleviating physical discomfort and psychological stress.

Promote physical and mental well-being, create a balanced environment for work and life :

- a. Ensure crewmembers have suitable accommodation and recreational facilities on board.
- b. Ensure crewmembers be provided meals prepared according to hygiene standards; employ trained and certified cooks and provide excellent cooking equipment.
- c. Provide epidemic prevention supplies to ensure crewmembers can effectively reduce the risk of infection.

- d. Provide crewmembers with 2 hours of free Wi-Fi daily, allowing them to communicate with family and friends via messaging apps.
- e. Offer remittance services for crewmembers, assisting them in legal transferring accumulated cash across borders in a safe, convenient, and low-fee. Regularly hold the "Seafarer's Photo Activity" allowing crewmembers to relieve stress through photography and offer generous prizes.
- f. Regularly hold the "Seafarer's Photo Contest" allowing crewmembers to relieve stress through photography and offer generous prizes.
- g. Progressively installing RO (reverse osmosis) maifan stone water filtration system on the fleet. This initiative not only improves the quality of drinking water on board, but also reduces the amount of bottles as well as the out-of-pocket expenses.
- h. The Company covers the cost of shore pass permits for crew members, enabling them to go ashore more easily, thereby enhancing interpersonal interaction and cultural exchange.

2. Employee education and training

- (1) The Company has established the "Employee On-the-Job Training Management Regulations" to encourage employees to pursue further education and replenish their professional knowledge and skills to improve work efficiency.
- (2) To assist employees about new (amended) maritime regulations and to improve the safety management of the fleet, we send employees to attend external training courses on the ISM Code and ISPS Code whenever necessary.
- (3) To improve employees' foreign language skills in response to internationalization, the Company subsidizes the foreign language courses.
- (4) In addition to the new employee orientation trainings, the company arranges continuing education for accounting manager (staff), chief auditor (staff), and corporate governance officer every year, for which the Company covers the full cost. In 2024, the Company's employees participated in courses on professional skills and training in a total of 3,017.95 hours in 151 sessions. 1,238 employees attended the courses and the total cost was NT\$197,796.

3. Diversity and equality in workplace

The Company does not determine employee pay and promotion by gender, age, nationality, or race in any way. It achieves equal pay for equal work and equal promotion opportunities for both men and women, and the percentage of female executives (senior manager and above) in the Company is as high as 75%. In 2024, the Company employed one expatriate and one aboriginal employee, reflecting our commitment to workplace diversity and inclusion.

The Company has established the “Measures of Prevention, Correction, Complaint and Punishment of Sexual Harassment in the Workplace”. In 2024, the Company invited the Women and Children Protection Division of the Taipei City Police Department to deliver an in house training session. Gender equality training(s) is held to uphold gender equality and respect for individual dignity in the workplace.

4. Employee remuneration

The Company's year-end bonus system is based on the Company's after-tax operating profits, which is distributed to all employees as encouragement after considering their seniority and annual performance review.

The Company has implemented an employee profit sharing system to closely integrate the employees' personal career development with the Company's corporate vision and share the fruits of management together.

Business performance is reflected in employee compensation :

Article 32 of the Articles of Incorporation: Should the Company make a profit in the current year (profits refer to income before tax and before the distribution of remuneration to the employees and Directors), no less than 2% shall be allocated as the employees' remuneration and no more than 5% as the Directors' remuneration. However, should the Company accumulate losses (including adjustment on non-distributed earnings), the Company ought to set aside a part of the surplus profit first for making up the losses.

5. Retirement system and implementation status

The Company has established an employee retirement policy in accordance with the Labor Standards Act and the Labor Pension Act. The employees' pension is paid based on the number of years of service and the regular salary and benefits before retirement. The Company previously appropriated 5.2% of employees' total monthly salary payments to a retirement reserve fund, which is managed by the Labor Pension Supervisory Committee and

deposited the fund into the Bank of Taiwan for custody and utilization. The Company complied with the implementation of the Labor Pension Act (new system) starting from July 1, 2005. For employees eligible for the original regulations who opt for the calculation of years of services in the new system and employees recruited after the implementation of the new system who opt for the appropriation system, the Company appropriates pension 6% of the monthly salary and deposits the funds in the personal labor pension account set up for each employee.

6. Employee-employer agreements and protection of employee rights and interests

The Company's employees are all qualified and the Company fully upholds its business philosophy and management policies. We have created internal communication channels such as the meetings for staff and management representatives, the Employee Welfare Committee as well as the manager's meetings. Over the years, both labor and management have been able to communicate successfully while respecting labor ethics, and no major labor disputes have occurred.

7. Protection Measures for the Work Environment and Employees' Personal Safety

(1) To ensure work safety of on shore staff and on board crew members, the Company has assigned the Administration Department, Crew Management Department, and Risk Management Department to take charge of providing all employees with a safe and healthy work environment. Via training and awareness campaigns, we manage to reduce the occurrence of occupational hazards. If an employee perceives an immediate risk in the workplace, they are entitled to cease operations and withdraw to a safe location.

(2) Employees can participate in the formulation or implementation of workplace safety and health management in our company through the following channels:

- ◆ Our company collaborates with labor representatives to establish the "Safety and Health Work Code" in accordance with the law.
- ◆ In preventing unlawful infringements, each department selects labor representatives to serve as evaluators and reviewers for hazard identification and risk assessment.
- ◆ We provide a hotline and dedicated email address for employees to express opinions and file complaints.

- ◆ Through "labor-management meetings," we gather colleagues' opinions to promptly respond and implement various safety and health promotion measures, such as replacing RO reverse osmosis water dispensers and installing alcohol in restrooms, etc.

(3)The Company established the "Safety and Health Work Rules" in accordance with Article 34 of the Occupational Safety and Health Act. The contents include:

- Plan, supervise, and promote safety and health audits and management in each department.
- Appoint a occupational safety and health supervisor.
- Implement safety and health education and training, and regularly conduct quarterly safety and health education campaigns.
- Periodically assign colleagues to participate in safety education and training provided by professional institutions and obtain certifications.
- Regularly or irregularly conduct inspections to provide improvements in work methods.
- Maintain and inspect machinery, equipment, or devices.
- Review work safety and health standards.
- Provide health guidance and management measures.
- Prepare, maintain, and use protective equipment.
- Report and document accidents.
- Handle other matters related to occupational safety and health management.

(4)The Company established the "Sexual Harassment Preventive Measures, Complaint and Punishment Regulations" on October 1, 2005. The Regulations were communicated to all employees and disclosed on the Company's website.

(5)Caring for employee health, we conduct employee health check-ups.

(6)The Company regularly inspects fire safety and fire extinguishing equipment once a year by qualified and certified technicians to confirm the effectiveness of the equipment to ensure a safe working environment for employees.

(7)We provide RO reverse osmosis water dispensers, refrigerators, steamers, and microwaves, promoting environmentally friendly and non-toxic tableware. We encourage employees to bring their own lunchboxes to pay attention to balanced nutrition.

(8)The Company conducted health promotion training to raise employee

awareness of metabolic syndrome prevention associated with prolonged sedentary office work. Additionally, our office equipped with yoga balls to reduce the risk of occupational hazards from prolonged sitting. Since 2022, we have been holding annual table hockey championship to promote employees' physical health and relieve stress.

- (II) List the losses suffered by the Company due to labor disputes in the most recent two fiscal years up to the publication date of this annual report (including violations of the Labor Standards Act in the results of labor inspections; specify the date of the penalty, penalty number, violated articles in regulations, contents of violation, and the contents of penalties), and disclose the estimated amount arising both at present and in the future and the corresponding countermeasures. If the amount cannot be reasonably estimated, the reason for the inability to provide a reasonable estimation shall be explained: None

VI. Cyber Security Management

- (I) Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management :

1. The cyber security risk management framework

ShihWei Navigation has always valued information and communication security. The Company has established a Cyber Security Management Task Force, led by the head of the IT department. Members include certified cyber security officer, dedicated cyber security personnel, departmental heads, and IT staff. The task force regularly meets to discuss and review various cyber security issues within the Company.

2. Cyber security policy

To maintain the stable operation of its network information systems, ensure the security of information transmission and transactions, and protect the confidentiality and integrity of data processing, the Company has implemented measures to safeguard its data, systems, equipments, and network security. All operations are conducted in accordance with the Information Operations Cycle Procedures, the Information Security Organization and Management Guidelines, the IT Business Continuity Plan, and the Personal Data Protection Management Guidelines. .

3. Concrete management programs

In addition to the annual internal audits conducted by the Internal Audit Department, the company also commissions an accounting firm each year to perform an information operations cycle audit. The company actively responds to and implements improvements based on the recommendations provided in the audit reports. The following measures have been implemented as part of our cyber security efforts:

- (1) Internal control management of IT and cyber security
- (2) Management of personal data and confidential information
- (3) Enhancement of overall information system integration
- (4) Server virtualization, cloud deployment, and strengthened security management
- (5) Irregular sharing of cybersecurity news, social engineering drills, employee training programs, and support for obtaining relevant certifications
- (6) Regular execution of critical system recovery drills, spot checks for licensed software, and internal and external audits covering the information operations cycle and cybersecurity

4. Investments in resources for cyber security management

In 2024, the Company continued to strengthen its cyber security defenses by investing in the maintenance and upgrades of software and hardware for aboard and on shore computers, antivirus software, email protection systems, the corporate website, and data center equipment.

IT personnel participated in cyber security engineer training programs organized by the Industrial Technology Research Institute (ITRI) and obtained relevant certifications during the year.

The Company implemented an employee portal using Microsoft Azure cloud servers and adopted a cloud-based HR system to replace the previous shore-based and onboard HR systems, thereby enhancing system redundancy.

The satellite systems for the fleet were also upgraded with backup satellite connections and physical firewalls. In addition, more comprehensive cyber security training and drills for crew members were introduced and effectively carried out this year..

- (II) List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and

measures being or to be taken. If a reasonable estimate cannot be made, an explanation of the facts of why it cannot be made shall be provided : Nil

VII. Important Contracts

Important existing contracts or important contracts expired in past year

April 30, 2025

Nature of contract	Counterparty	Period	Major Contents	Restrictions
Management consulting agreement	Dong Lien Maritime S.A. Panama	No restriction on duration which started on January 1, 1996. A 30-day advance notice shall be required for the termination of the Agreement.	Representation of the company in entry and exit and cargo loading and unloading matters in international ports	None
Management consulting agreement	Genius Pescadores S.A.(Panama)	No restriction on duration which started on November 30, 1995. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Brave Pescadores S.A.	No restriction on duration which started on December 21, 1998. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Brilliant Pescadores S.A.	No restriction on duration which started on December 18, 1996. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Elegant Pescadores S.A.(Panama)	No restriction on duration which started on December 18, 1996. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Moon Bright Shipping Corporation	No restriction on duration which started on July 18, 1995. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Gallant Pescadores S.A.	No restriction on duration which started on December 18, 1996. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Excellent Pescadores S.A.(Panama)	No restriction on duration which started on October 20, 2002. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting	Bright Pescadores S.A. Panama	No restriction on duration which started on August 20, 2003. A 30-day advance notice	Same as above	None

Nature of contract	Counterparty	Period	Major Contents	Restrictions
agreement		shall be required for the termination of the Agreement.		
Management consulting agreement	Honor Pescadores S.A. Panama	No restriction on duration which started on September 15, 2003. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Grand Overseas S.A. Panama	No restriction on duration which started on January 16, 2004. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Unicorn Brilliant S.A. Panama	No restriction on duration which started on January 13, 2004. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Superior Pescadores S.A. Panama	No restriction on duration which started on June 1, 2005. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Leader Pescadores S.A. Panama	No restriction on duration which started on February 24, 2006. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Glaring Pescadores S.A. Panama	No restriction on duration which started on January 25, 2006. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Fortunate Maritime S.A. Panama	No restriction on duration which started on November 27, 2006. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Valor Pescadores S.A. Panama	No restriction on duration which started on April 1, 2008. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Trump Pescadores S.A. Panama	No restriction on duration which started on October 28, 2008. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Huge Pescadores S.A. Panama	No restriction on duration which started on January 12, 2009. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None

Nature of contract	Counterparty	Period	Major Contents	Restrictions
Management consulting agreement	Fair Pescadores S.A. Panama	No restriction on duration which started on March 26, 2009. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Vigor Pescadores S.A. Panama	No restriction on duration which started on May 19, 2009. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Patriot Pescadores S.A. Panama	No restriction on duration which started on July 31, 2009. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Wise Pescadores S.A. Panama	No restriction on duration which started on March 19, 2010. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Forever Pescadores S.A. Panama	No restriction on duration which started on April 27, 2010. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Fourseas Pescadores S.A. Panama	No restriction on duration which started on June 10, 2010. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Federal Pescadores S.A. Panama	No restriction on duration which started on January 11, 2011. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Eternity Pescadores S.A. Panama	No restriction on duration which started on February 8, 2011. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Skyhigh Pescadores S.A. Panama	No restriction on duration which started on June 28, 2011. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Modest Pescadores S.A. Panama	No restriction on duration which started on February 21, 2012. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Penghu Pescadores S.A. Panama	No restriction on duration which started on April 15, 2012. A 30-day advance notice shall be required for the	Same as above	None

Nature of contract	Counterparty	Period	Major Contents	Restrictions
		termination of the Agreement.		
Management consulting agreement	Danceflora Pescadores S.A. Panama	No restriction on duration which started on May 24, 2012. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Stamina Pescadores S.A. Panama	No restriction on duration which started on August 6, 2012. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Spinnaker Pescadores S.A. Panama	No restriction on duration which started on November 14, 2012. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Dancewood Pescadores S.A. Panama	No restriction on duration which started on July 1, 2013. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Audrey Pescadores S.A. Panama	No restriction on duration which started on June 1, 2014. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Wonderful Pescadores S.A. Panama	No restriction on duration which started on August 1, 2014. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Summit Pescadores S.A. Panama	No restriction on duration which started on October 1, 2014. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Indigo Pescadores S.A. Panama	No restriction on duration which started on November 1, 2014. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Management consulting agreement	Endurance Pescadores S.A. Panama	No restriction on duration which started on April 10, 2015. A 30-day advance notice shall be required for the termination of the Agreement.	Same as above	None
Medium -term loans contract	Shih Wei Navigation and Agricultural Bank Of Taiwan	2023.7~2025.7	Credit Agreement	None
Medium -term loans contract	Shih Wei Navigation and First	2023.11~2026.11	Credit Agreement	None

Nature of contract	Counterparty	Period	Major Contents	Restrictions
	Commercial Bank			
Long-term loans contract	Sub-Subsidiary and Land Bank Of Taiwan	2014.6~2026.5	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Land Bank Of Taiwan	2015.4~2027.4	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Land Bank Of Taiwan	2014.7~2026.7	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Land Bank Of Taiwan	2013.7~2025.7	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Land Bank Of Taiwan	2014.10~2027.3	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Mega International Commercial Bank	2011.1~2026.1	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Mega International Commercial Bank	2011.7~2026.7	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Mega International Commercial Bank	2011.2~2026.2	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Mega International Commercial Bank	2010.5~2026.5	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Mega International Commercial Bank	2014.10~2026.10	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Mega International Commercial Bank	2012.2~2026.2	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Mega International Commercial Bank	2012.4~2026.4	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Taiwan Cooperative Bank	2024.6~2030.3	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Taiwan Cooperative Bank	2024.8~2028.5	Credit Agreement	None
Long-term loans contract	Sub-Subsidiary and Taiwan Cooperative Bank	2024.5~2028.2	Credit Agreement	None
Long-term loans contract	Dancewoods and Taishin international Bank	2024.7~2027.7	Credit Agreement	None

Nature of contract	Counterparty	Period	Major Contents	Restrictions
Long-term loans contract	Dancewoods and Land Bank Of Taiwan	2015.11~2030.11	Credit Agreement	None
Long-term loans contract	Dancewoods and Land Bank Of Taiwan	2020.5~2025.5	Credit Agreement	None
Long-term loans contract	Dancewoods and First Commercial Bank (Syndicated Loans)	2017.5~2029.5	Credit Agreement	Financial Ratios

E. Review and Analysis of Financial Status and Business Results, and Risk Items

I. Financial Status Comparison Analysis Sheet

1. Consolidated Balance Sheet

Unit: NT\$ thousand

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	3,255,307	4,122,457	(867,150)	(21.03)
Property, plant and equipment	16,313,287	16,489,518	(176,231)	(1.07)
Intangible assets	—	—	—	—
Other assets	1,293,946	535,851	758,095	141.47
Total assets	20,862,540	21,147,826	(285,286)	(1.35)
Current liabilities	2,700,542	5,185,579	(2,485,037)	(47.92)
Non-current liabilities	7,883,286	6,258,445	1,624,841	25.96
Total liabilities	10,583,828	11,444,024	(860,196)	(7.52)
Share capital	3,892,716	3,892,716	—	—
Capital surplus	3,305,627	3,267,784	37,843	1.16
Retained earnings	2,109,509	2,385,454	(275,945)	(11.57)
Other equity	803,852	(62,286)	866,138	(1390.58)
Equity attributable to the parent company	10,111,704	9,483,668	628,036	6.62
Non-controlling interests	167,008	220,134	(53,126)	(24.13)
Total equity	10,278,712	9,703,802	574,910	5.92

Note: Main reasons for major changes and their impact (changes of 20% or more)

- (1) Current assets: Due to decrease in cash equivalents in 2024.
- (2) Other assets: Due to increase in prepayments for equipment in 2024.
- (3) Current liabilities: Due to decrease in long-term borrowings, current portion in 2024.
- (4) Non-current liabilities: Due to increase in long-term borrowings and bonds payable in 2024.

(5) Other equity: Due to exchange differences arising from the translation of the financial statements of foreign operations.

(6) Non-controlling interests: Due to net loss of reinvested companies in 2024.

2. Impact of Financial Status Change: In order to ensure the long-term development of the Company's operations, enrich working capital, and improve the financial structure to reduce the Company's financial operating risks, it will, when deemed appropriate, conduct domestic public offerings or private placement of cash capital increase and issuance of common shares to raise long-term capital. The implementation of this plan is expected to strengthen the Company's competitiveness and enhance the effectiveness of operating efficiency, which will have a positive effect on shareholders' equity and creditors.

3. Future response plan: The Company will continue to strengthen its internal management operating policy and implement measures to increase revenue and reduce expenditure to reduce operating costs and improve the Company's competitiveness.

II. Review and Analysis of Financial Performance

(I) Financial Performance Comparison Analysis Sheet

1. Comprehensive Consolidated Income Statement

Unit: NT\$ thousand

Item \ Year	2024	2023	Increase (decrease) amount	%
Operating revenues	3,492,772	3,461,132	31,640	0.91
Gross operating profit (loss)	312,411	136,087	176,324	129.57
Net operating profit (loss)	16,398	(167,208)	183,606	(109.81)
Non-operating revenues and expenses	(446,252)	(326,398)	(119,854)	36.72
Net profit (loss) before tax	(429,854)	(493,606)	63,752	(12.92)
Net profit (loss) for the current period	(404,915)	(571,888)	166,973	(29.20)
Other comprehensive income for the current period (net, after-tax)	868,022	(20,497)	888,519	(4,334.87)
Total comprehensive income for the period	463,107	(592,385)	1,055,492	(178.18)

Item \ Year	2024	2023	Increase (decrease) amount	%
Net profit (loss) attributable to the parent company	(269,253)	(476,000)	206,747	(43.43)
Net profit (loss) attributable to non-controlling interests	(135,662)	(95,888)	(39,774)	41.48
Total comprehensive income attributable to the parent company	598,769	(496,497)	1,095,266	(220.60)
Total comprehensive income attributable to non-controlling interests	(135,662)	(95,888)	(39,774)	41.48
Earnings (losses) per share (NT\$)	(0.69)	(1.26)	0.57	(45.24)

Note: Analysis and explanation of the increase or decrease of ratio: (Changes of 20% or more)

- (1) Gross operating profit (loss): Mainly due to the increase in operating revenue and the decrease in operating costs in 2024.
- (2) Net operating profit (loss): Mainly due to the increase in operating revenue and the decrease in operating costs in 2024.
- (3) Non-operating revenues and expenses: Mainly due to the increase in foreign exchange losses in 2024.
- (4) Net profit (loss) for the current period: Mainly due to the increase in operating revenue and the decrease in operating costs in 2024 .
- (5) Other comprehensive income for the current period (net, after-tax): Mainly due to exchange differences falling from the translation of the financial statements of foreign operations.
- (6) Total comprehensive income for the period: Mainly due to the increase in operating revenue and the decrease in operating costs in 2024.
- (7) Net profit (loss) attributable to the parent company: Mainly due to the increase in operating revenue and the decrease in operating costs in 2024 .
- (8) Net profit (loss) attributable to non-controlling interests: Due to net loss of reinvested companies in 2024.
- (9) Total comprehensive income attributable to the parent company: Mainly due to the increase in operating revenue and the decrease in operating costs in 2024 .
- (10) Total comprehensive income attributable to non-controlling interests: Due to net

loss of reinvested companies in 2024.

- (11) Earnings (losses) per share: Mainly due to the increase in operating revenue and the decrease in operating costs in 2024 .

2. Expected sales volume and its basis, the possible impact on the company's future financial business and the response plan:

The Company is in the bulk shipping industry and its Voyage Charter and Time Charter teams provide services to its clients. Main impact factors for the continued growth or decline of the market in the future are detailed in the compilation of the Company's Annual Reports and the market, production and sales overview of the operational highlights: market analysis.

III. Cash Flow Review and Analysis Sheet

- (I) Analysis of cash flow changes in the most recent year

Unit: NT\$ thousand

Item	2024	2023	Difference	
			Amount	%
Net cash flows from operating activities	838,539	411,600	426,939	103.73
Net cash flows from investing activities	(1,353,841)	578,844	(1,932,685)	(333.89)
Net cash flows used in financing activities	(1,008,911)	(2,987,457)	1,978,546	(66.23)

- (1) Increase in net cash inflow from operating activities, Mainly due to the increase in operating revenue and the decrease in other current assets in 2024, the net cash inflows from operating activities during the current period was NT\$838,539 thousand.

- (2) Increase in net cash outflow from investing activities, Mainly due to the increase in the acquisition of property, plant and equipment in 2024, the net cash outflows from investment activities during the current period was NT\$1,353,841 thousand.

- (3) Decrease in net cash outflow used in financing activities, Mainly due to the decrease in the repayment of long-term borrowings and insurance of converted corporate bonds in 2024, the net cash outflows from financing activities during the current period was NT\$1,008,911 thousand.

- (II).Remedial actions for cash deficit and liquidity analysis: Not applicable.

(III).Analysis of cash flow changes in the coming year (2024):

Unit: NT\$ thousand

Estimated Cash and Cash Equivalents, Beginning of Year (1)	Estimated non-financing income (2)	Estimated non-financing expenses and financing net cash inflows (outflows) (3)	Cash Surplus (Deficit) (1)+(2)+(3)	Leverage of Cash Surplus (Deficit)	
				Investment plans	Financing plans
2,203,455	1,121,730	(2,129,694)	1,195,491	—	—

1. Analysis of change in cash flow for current year:

- (1) Non-financing income : It's mainly to estimate the cash outflow generated from operating activities and the distribution of dividends by subsidiaries.
- (2) Non-financing expenses : It's mainly to estimate the cash outflow generated by operating activities, the distribution of dividends and the estimated transfer to subsidiaries.
- (3) Net cash flow from financing : It's mainly due to the estimated repayment of borrowings, resulting in net cash outflows from financing activities throughout the year.

2. Estimated remedial actions for cash deficit and liquidity analysis : Not applicable

IV. Effect of capital expenditure on financial performance in the most recent year: None

V. Investment policy in the most recent year, profit/loss analysis, improvement plan, and investment plan for the coming year:

Maritime shipping:

The Company has formulated its "Rules Governing Financial and Business Matters Between this Corporation and its Related Parties" which manages all of the Company's subsidiaries and sub-subsidiaries. The financial and business operations of its subsidiaries and sub-subsidiaries are coordinated by the parent company's management and scheduling. Subsidiaries reconcile each other's accounts on a monthly basis so that the Company can continually stay up-to-date on the financial and business

conditions of its subsidiaries and sub-subsidiaries. The following is an explanation of the Shih Wei Navigation's overall management of the financial and business conditions of its subsidiaries and sub-subsidiaries:

(I) Business:

The Company has a valid management consulting contract with each ship of its subsidiaries and sub-subsidiaries to operate ships on its behalf. Based on the requirements of client (charterers), the Company will enter into a contract with the counterparty on the behalf of ship owner.

(II) Finances:

The establishment of subsidiaries and sub-subsidiaries abroad is based on the shipping industry's approach to enhance its competitiveness; the Company has not established local manpower or institutions for operations, so its funds for operations and ship procurement are all funded by parent and subsidiary companies' capital increase by cash for reinvestment, parent company's endorsements and guarantees for subsidiaries and sub-subsidiaries, and fund loans between affiliates, as well as bank loans, to meet operational needs.

(III) Reasons for profits or losses of subsidiaries and improvement plans:

The profitability of subsidiaries differs due to various reasons, such as cargo carried, routes, freight, age of vessel, etc. On the whole, since the fleet is dispatched by the Company, the Company will schedule and dispatch the ships in consideration of overall profit. In the future, the Company will continue to modernize its fleet, and continue to strengthen management, training, auditing, and dispatching capabilities, with a view to stably operating and improving operating performance in the fiercely competitive global shipping market.

(IV) Investment plan for the following year:

The Company has long-term cooperation with Japanese shipyards, and has close discussions on new fuel-efficient designs or ship types with insufficient market segments. It is necessary to invest in the latest models at the most competitive price and at the best time in order to achieve the maximum benefit for shareholders. It is expected that one new Ultramax (Eco Bulker) ship will be delivered in 2025.

Tourism:

Reason for loss:

Due to the significant amount of investment and the limited number of rooms, payback time will be longer. However, for the combination of Japanese style theme parks, various activities are increasingly provided each year, the premise being that it can better fit the market and create market demand. Thus, it can achieve the purpose of increasing revenue. After the borders reopened, the domestic travel market was impacted, revenue decreased. However, the impact from insufficient workers in the tourism industry and inflation increased the operating costs relatively.

Improvement plan:

Oversupply of accommodations in Yilan, including bed and breakfasts (B&B) and tourist hotels, is a severe test for new hotels. Dancewoods Hotel must continue to expand its awareness, build on its reputation, establish a brand image, and establish consumer recognition. After the borders reopened, the domestic travel market was impacted but the hotel has been becoming to a diversified and dynamic platform of services in Taiwan. By integrating resources or accumulating the non-operating income, the profit has been climbing up by month as well as the reputation and market share of the hotel. In view of ESG spirit, power saving and tech-monitor management system has gradually introduced to assist the profitability.

VI. Risk Analysis and Assessment

The Company's management team continuously stays alert to and controls the following risks, and each department takes response measures in accordance with the scope of its work. For example, the Financial Department is responsible for economic, and financial risk management; the Business Department is responsible for credit, market, and other risk management; the Crew Management Department, Risk Management Department, and Marine Department are responsible for the risk management of crew and ship safety; the IT Office is responsible for information security risk management, so that the company's operations can operate normally without major impacts.

- (I) Impact of interest rate and exchange rate changes and inflation on the company's income in the most recent year and up to the publication date of this Annual Report and future response

measures:

1. Interest rate risk:

The Company borrows funds at fixed or floating interest rates, thus generating interest rate risk. The Company regularly evaluates trends in market interest rates, stays up-to-date on trend in interest rate changes, and maintains a certain level of profit while taking into account safety and liquidity conditions to reduce the impact of interest rate changes. The interest expenses in 2023 and 2024 were NT\$614,485 thousand and NT\$514,108 thousand respectively, and the interest income were NT\$184,395 thousand and NT\$117,751 thousand respectively. The ratio of net interest expense to net revenue was about 12.42% and 11.34% respectively.

2. Exchange rate risk:

The Company's operating activities are mainly based on foreign currency transactions, so foreign currency exchange rate risks have occurred. In order to avoid the decrease in the value of foreign currency assets and the fluctuation of future cash flow due to exchange rate changes, the Company continues to stay up-to-date on exchange rate changes, and makes appropriate adjustments to foreign currency positions based on future capital demand conditions and existing foreign currency positions to reduce the impact of exchange rate changes on the Company's income. The exchange profit was NT\$23,690 thousand in 2023 and the exchange loss was NT\$ 156,082 thousand in 2024 . The ratio of exchange profit or loss to net revenue was about 0.68% and 4.46 %. The exchange rate changes will not have a significant impact on the Company's income.

3. Inflation risk:

The Company has not sustained any material impact on its income from inflation. If operating costs rise due to inflation, the Company may adjust prices when signing contracts.

- (II) Policy regarding high-risk, high-leverage investments, loans to others, endorsements, guarantees, and derivatives, reasons for

profit or loss, and response measures in the most recent year and up to the publication date of this Annual Report:

- 1.The Company operates based on stable and healthy principles and practical business philosophies. Aside from focusing on our main field of business, we do not engage in high-risk, high-leveraged investments.
2. The Company and its subsidiaries' loans and endorsements mainly involve the Company and its subsidiaries, and are necessary for the successful outcome of their businesses. Relevant operations are all handled in accordance with the procedures stipulated in the Company and its subsidiaries' Procedures for the Acquisition or Disposal of Assets, Procedures for Extending Loans to Others, and Procedures for Endorsements and Guarantees, as well as with the relevant laws and regulations. The Company's endorsements and guarantees are made to its subsidiaries and sub-subsidiaries, and the endorsements and guarantees will cease until the loan is fully paid off. In the future, depending on the Company's operating conditions and changes in market trends, it will regularly evaluate and flexibly adjust hedging strategies.
- 3.The derivative transactions of the Company are all handled in accordance with the procedures stipulated in the Procedures for the Acquisition or Disposal of Assets. If the Company buys and sells derivatives to hedge against risk of exchange rate changes such as payment of foreign currency liabilities, there is no additional cash outflow, and the contract exchange rate has been determined, so there will be no significant cash flow risk. Counterparties are all credit-worthy banks, and the possibility of credit risk is extremely small; they are also evaluated regularly in accordance with regulations.

(III) Future R&D programs and expected R&D investment in the most recent year and up to the publication date of this Annual Report:

The Company is a shipping company and this is therefore not applicable.

(IV) Impact of key domestic or international policy or industry changes on the company's finances and sales and response measures in the most recent year and up to the publication date of this Annual Report:

The Company uses consulting and evaluation suggestions from relevant professionals in legal and accounting fields, and plans related response measures to coordinate with policy and legal changes and thus reduce the impact on the Company's financial business.

The Company implements safety management for ships. Each vessel in the Company's fleet is equipped with environmental protection and safety equipment has obtained the Safety Management Certificate (SMC) and International Ship Security Certificate and Pollution Prevention Certificate from a ship classification society. Therefore, the possibility of a port reporting violation of environmental protection regulations is low. In this regard, strict implementation of safety management and environmental protection management to avoid oil, air, and seawater pollution as well as other environmental pollution is the response strategy to reduce this legal risk.

Ship financing contracts are signed only after review by lawyers, and ship mortgage is used as collateral. Financing security is high and legal risk is extremely low.

In addition to the Protection and Indemnity (P&I) insurance and Hull and Machinery (H&M) insurance, the fleet has also been insured for freight, demurrage, defense insurance and Loss of hire. In 2025, the insurance for Trade Disruption Insurance is added, which means that in major maritime incident, in addition to the basic protection of the shipowner's liability during operation of ships and carry of commodity , compensation for damage to the ship's hull and machinery and equipment, Loss of revenue compensation due to suspension of vessel operations caused by other risk factors. All kinds of marine legal disputes that may arise from the operation of ships can be consulted by legal assistance through the insurance company. The insurance function provides the corresponding risk management for all kinds of ship operation and harm risk.

Relevant departments of the Company continue to pay attention to any changes in domestic and foreign policies and laws related to company

operations. To the current date, such changes have not had a significant impact on its financial business.

- (V) Impact of technological and industry developments on the company's finance and sales and response measures in the most recent fiscal year and up to the publication date of this Annual Report:

Refer to D. Operational Highlights / VI. Cyber security management.

After a comprehensive assessment of cyber security, there have not been found any factors affecting major operational risks.

- (VI) Impact of corporate image change on crisis management and response measures in the most recent fiscal year and up to the publication date of this Annual Report: None.

- (VII) Anticipated benefits and possible risks associated with mergers and acquisitions, and countermeasures in the most recent fiscal year and up to the publication date of this Annual Report: None.

- (VIII) Expected benefits and potential risks of factory expansion and response measures in the most recent fiscal year and up to the publication date of this Annual Report: None.

- (IX) Concentration risk in procurement or sales and response measures in the most recent fiscal year and up to the publication date of this Annual Report:

I. Concentration risk in procurement and response measures:

The Company belongs to the shipping business, and its main business is ship chartering and bulk cargo transportation. Our main suppliers are fuel oil and lubricating oil suppliers. Fuel is one of the key operating expenses in the shipping industry. Therefore, shipping companies pay great attention to international fuel price fluctuations, and the differences in fuel types and prices at various refueling ports. The Company will reference the fuel prices and brands supplied at each refueling port to purchase from varied sources and weigh the costs. We are also open to new suppliers; in addition to quality, product yield, delivery date, and supply stability, we will take into

consideration for the evaluation of partnership possibilities the new suppliers' performance in terms of the environment and human rights to disperse the risk of purchase of goods from concentrated sources.

II. Concentration risk in sales and response measures:

The Company is in the shipping business, so the main income is from rental revenue, service revenue , cargo revenue , and other operating revenue . The Company's top fourth largest customers in 2024 accounted for 8%, 8%, 6% and 6% of the year's revenue respectively; the remaining customers accounted for less than 6% of the annual revenue individually, so the Company has no risk of sales concentration.

- (X) Impact of and risks in large transfer or change of equity among directors, supervisors, or principal shareholders with over 10% stake in the company and response measures in the most recent fiscal year and up to the publication date of this Annual Report: None.
- (XI) Impact of and risks in change of management for the company and responding measures in the most recent fiscal year and up to the publication date of this Annual Report: None.
- (XII) Litigious or Non-litigious Matters:
1. Major litigation, non-litigation, or administrative events in the most recent year and up to the publication date of this Annual Report that have been determined by verdict of the court or are still pending, the results of which may have a significant impact on shareholders' equity or securities prices, and the facts in dispute, the amount of the subject matter, date of commencement of litigation, main parties involved in litigation, and current handling situation: None.
 2. Events in which the Company's directors, supervisors, presidents, substantial persons-in-charge, major shareholders holding more than 10% of shares, or subordinate companies are involved that have been determined by verdict of the court or

are still pending in a major litigation, non-litigation, or administrative litigation in the last two fiscal years and up to the publication date of this Annual Report, the outcome of which may have a significant impact on shareholder equity or securities prices: None.

(XIII) Other major risks and response measures in the most recent fiscal year and up to the publication date of this Annual Report: None.

VII. Other Important Information: None.

F. Special Records

I. Information on Affiliates

Please visit the website of the MOPS of the Taiwan Stock Exchange

(website:https://mopsov.twse.com.tw/mops/web/t57sb01_q10)(Company Code: 5608)

inquiry.

II. Status of private placement of securities in the most recent year and up to the publication date of this Annual Report:

Please visit the website of the MOPS of the Taiwan Stock Exchange

(website: <https://mops.twse.com.tw/mops/#/web/t116sb01>)(Company Code: 5608)

inquiry.

III. Other supplemental information: None.

G. Corporate events with material impact on shareholders' equity or stock prices set forth in Article 36, Paragraph 3, Subparagraph 2 of Securities and Exchange Act in the most recent year and up to the publication date of this Annual Report should be listed individually: None.

Appendix 1

The Exiting Fleet

April 30, 2025

NO	NAME OF VESSEL	Relationship	Built	DWT	Flag / Class	Type
1.	Gaillardia SW	100% Owned Subsidiary Company	2009	18,966 KT	Panama / B.V.	Log/ Handy
2.	Forever SW	100% Owned Subsidiary Company	2010	58,186 KT	Panama / B.V.	Supramax
3.	Eternity SW	100% Owned Subsidiary Company	2011	58,098 KT	Panama / B.V.	Supramax
4.	Federal SW	100% Owned Subsidiary Company	2011	76,483 KT	Panama / B.V.	Panamax
5.	Skyhigh SW	100% Owned Subsidiary Company	2011	14,260 KT	Panama / N.K.	General Cargo
6.	Elegant SW	100% Owned Subsidiary Company	2011	37,163 KT	Panama / B.V.	Handy
7.	Penghu SW	100% Owned Subsidiary Company	2011	37,168 KT	Panama / B.V.	Handy
8.	Moonbright SW	100% Owned Subsidiary Company	2012	36,378 KT	Panama / N.K.	Handy
9.	Modest SW	100% Owned Subsidiary Company	2012	76,483 KT	Panama / N.K.	Panamax
10.	Pescadores SW	100% Owned Subsidiary Company	2012	82,230 KT	Panama / B.V.	Kamsamax
11.	Direction SW	100% Owned Subsidiary Company	2012	16,410 KT	Panama / N.K.	Log/ Handy
12.	Danceflora SW	100% Owned Subsidiary Company	2012	28,333 KT	Panama / B.V.	Handy
13.	Stamina SW	100% Owned Subsidiary Company	2012	28,378 KT	Panama / B.V.	Handy
14.	Spinnaker SW	100% Owned Subsidiary Company	2012	31,657 KT	Panama / N.K.	Log/ Handy
15.	Twinluck SW	100% Owned Subsidiary Company	2012	31,877 KT	Panama / N.K.	Log/ Handy
16.	Aquamarine SW	100% Owned Subsidiary Company	2012	37,119 KT	Panama / N.K.	Handy
17.	Dancewood SW	100% Owned Subsidiary Company	2013	29,065 KT	Panama / N.K.	Handy
18.	Audrey SW	100% Owned Subsidiary Company	2014	31,822 KT	Panama / N.K.	Handy

NO	NAME OF VESSEL	Relationship	Built	DWT	Flag / Class	Type
19.	Wonderful SW	100% Owned Subsidiary Company	2014	31,702 KT	Panama / N.K.	Log/ Handy
20.	Indigo SW	100% Owned Subsidiary Company	2014	36,371 KT	Panama / N.K.	Handy
21.	Summit SW	100% Owned Subsidiary Company	2014	37,055 KT	Panama / N.K.	Handy
22.	Dancewoods No. 1	Parent Company	2014	99.59 KT	Taiwan / C.R.	Passenger Ship
23.	Magpie SW	100% Owned Subsidiary Company	2015	34,302 KT	Panama / N.K.	Log/ Handy
24.	Genius SW	100% Owned Subsidiary Company	2015	60,200 KT	Panama / N.K.	Ultramax
25.	Endurance SW	100% Owned Subsidiary Company	2015	60,225 KT	Panama / N.K.	Ultramax
26.	SW Legend	100% Owned Subsidiary Company	2024	63,504 KT	Panama / N.K.	Ultramax

Shih Wei Navigation Co., Ltd.

Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
2024.02.22	<p>Reported matters:</p> <p>Report of the Finance Department: The board of directors of the wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA passed the resolution on January 2 in 2024 and on January 29 in 2024.</p> <p>Report of the Audit Office: Communication with Independent Directors on December 19 in 2023.</p> <p>Reports on other important issues: Submit the greenhouse gas inventory and verification schedule planning for the "parent company" and planning for the "subsidiaries," and report the execution progress to the board of directors on a quarterly basis for oversight.</p>	All directors in attendance were notified.	None
	<p>Matters for discussion:</p> <p>1. Discussion of the proposed of the company's 2023 financial statement and consolidated financial statement.</p>	The Chair passed the matter without objection from any directors in attendance and submitted it to the 2024 General Shareholders' meeting for ratification.	None
	<p>2. Discussion of the conversion of the sixth domestic secured convertible corporate bonds into common stock in the fourth quarter of 2023, and the establishment of a record date for the issuance of new shares and the registration of changes.</p>	The Chair passed the matter without objection from any directors in attendance.	None

Shih Wei Navigation Co., Ltd.

Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	3. Retroactive ratification of the wholly-owned subsidiary has applied to Mega International Commercial Bank for a supplementary explanation regarding the change in ship loan credit conditions.	The Chair passed the matter without objection from any directors in attendance.	None
	4. Retroactive ratification of the company's application for a short-term loan from the Hua Nan Bank Hsin Wei Branch.	The Chair passed the matter without objection from any directors in attendance.	None
2024.03.26	<p>Reported matters:</p> <p>Report of the Finance Department: The board of directors of the wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA passed the resolution on February 22 in 2024.</p> <p>Report of the Audit Office: There are no major deficiencies in the recent audit of personnel needs, recruitment and selection, promotion and transfer, employment training, and resignation processes.</p> <p>Reports on other important issues:</p> <ol style="list-style-type: none"> 1. The results of the internal performance evaluations for the Board of Directors, the functional committees (including the Audit Committee and Compensation Committee), and the self-assessments of individual board members are submitted for review. 2. The total amount of public welfare was NT\$1,266,893 donations by the company in 2023. 3. The company's ESG implementation results in 2023 and expected execution project report in 2024. 	All directors in attendance were notified.	None

Shih Wei Navigation Co., Ltd.
Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	Matters for discussion: 1. Discussion of the revisions to the company's "Board Meeting Regulations" and "Audit Committee Charter".	The Chair passed the matter without objection from any directors in attendance.	None
	2. Discussion of the company's intention to apply for the renewal of the loan limit from Taiwan Bank Minsheng Branch.	The Chair passed the matter without objection from any directors in attendance.	None
	3. Discussion of the proposal to review the company's certified public accountant's audit service fees and independence for 2024.	The Chair passed the matter without objection from any directors in attendance.	None
	4. Discussion of the proposal regarding the list of directors and supervisors appointed by our company for its subsidiary, Dancewoods Hotels and Resorts Co., Ltd.	The Chair passed the matter without objection from any directors in attendance.	None
	5. Request for deliberation of the company's 2023 Statement on Internal Control System.	The Chair passed the matter without objection from any directors in attendance, and published it in the 2023 Annual Report.	None

Shih Wei Navigation Co., Ltd.
Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	6. Request for the review of the company's 2023 business report.	The Chair passed the matter without objection from any directors in attendance and submitted it to the 2024 General Shareholders' Meeting for reporting.	None
	7. Discussion of the proposed for the company's employee allocation and director remuneration for 2023.	The Chair passed the matter without objection from any directors in attendance and submitted it to the 2024 General Shareholders' Meeting for reporting.	None
	8. Discussion of the proposal for the distribution of directors' remuneration for 2023.	The Chair passed the matter without objection from any directors in attendance and submitted it to the 2024 General Shareholders' Meeting for reporting.	None

Shih Wei Navigation Co., Ltd.

Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	9. Discussion of the proposal to allocate for discussion the deficit compensation statement for 2023.	The Chair passed the matter without objection from any directors in attendance and submitted it to the 2024 General Shareholders' Meeting for ratification.	None
	10. Request for deliberation of proposed revision of Company's Articles of Association.	The Chair passed the matter without objection from any directors in attendance and submitted it to the 2024 General Shareholders' Meeting for discussion.	None
	11. Discussion of the proposal for the deliberation of the date, location and venue for the company's 2024 general shareholders' meeting.	The Chair passed the matter without objection from any directors in attendance.	None
	12. Discussion of the proposal to sell the vessel MV Margaret SW owned by our wholly-owned subsidiary, Dong Lien Maritime S.A. Panama, for the overall benefit of the company.	The Chair passed the matter without objection from any directors in attendance.	None

Shih Wei Navigation Co., Ltd.
Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	13. Discussion of the proposal to sell the vessel MV Blessing SW owned by our wholly-owned sub-subsidiary, Fourseas Pescadores S.A. Panama, for the overall benefit of the company.	The Chair passed the matter without objection from any directors in attendance.	None
	14. Deliberation of the proposed for managers' 2023 annual performance appraisal and performance bonus.	The Chair passed the matter without objection from any directors in attendance.	None
	15. Discussion of the proposed for the company directors' and managers' salary and remuneration measures regulation, regarding the distribution of the 2024 annual dragon boat festival and mid-autumn festival bonus for the director and managers.	Except for directors who need to avoid interests, the Chair passed the matter without objection from any directors in attendance.	None
	16. Deliberation of the proposed for Chairwoman's 2023 annual performance bonus.	Except for directors who need to avoid interests, the Chair passed the matter without objection from any directors in attendance.	None

Shih Wei Navigation Co., Ltd.

Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
2024.05.09	<p>Reported matters:</p> <p>Report of the Finance Department: The board of directors of the wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA passed the resolution on March 26 and on April 12 in 2024.</p> <p>Report of the Audit Office: Communication with independent directors on March 26, 2024.</p> <p>Reports on other important issues: Submit the greenhouse gas inventory and verification schedule planning for the "parent company" and adjusted planning for the "subsidiaries," and report the execution progress to the board of directors on a quarterly basis for oversight.</p>	All the directors in attendance were notified.	None
	<p>Matters for discussion:</p> <p>1. Discussion of the proposal for the first quarter of company's 2024 consolidated financial statement.</p>	The Chair passed the matter without objection from any directors in attendance.	None
	<p>2. Discussion of the company's application for a short-term loan from the Shin Kong Bank Nan Dong Branch.</p>	The Chair passed the matter without objection from any directors in attendance.	None
2024.06.11	<p>Reported matters:</p> <p>Report of the Finance Department: The board of directors of the wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA passed the resolution on May 13 in 2024.</p> <p>Report of the Audit Office: The recent audit of the management operations of the Board of Directors meetings, shareholder rights operations, and the operations involving the addition, modification, insurance, inventory, and disposal of real estate, plants, and equipment revealed no major deficiencies.</p>	All the directors in attendance were notified.	None

Shih Wei Navigation Co., Ltd.

Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	Matters for discussion: 1. Retroactive ratification of the application by the company's wholly-owned sub-subsidiary to Taiwan Cooperative Bank for changes in ship loan credit conditions.	The Chair passed the matter without objection from any directors in attendance.	None
	2. Discussion of the proposal for the company's application to act as the joint guarantor for a credit limit for wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA.	The Chair passed the matter without objection from any directors in attendance.	None
	3. Discussion of the proposal for the company's application to act as a joint guarantor for its wholly-owned sub-subsidiary, FAIR PESCADORES S.A. PANAMA, to obtain a loan for the purchase of a new vessel.	The Chair passed the matter without objection from any directors in attendance.	None
2024.07.16	Reported matters: Report of the Finance Department: The board of directors of the wholly-owned subsidiary FAIR PESCADORES S.A. PANAMA passed the resolution on June 11 in 2024 and the board of directors of the wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA passed the resolution on June 11 in 2024, and July 4 in 2024. Report of the Audit Office: Communication with Independent Directors on May 9 in 2024. Reports on other important issues: Our company has changed the acting spokesperson.	All the directors in attendance were notified.	None

Shih Wei Navigation Co., Ltd.
Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	Matters for discussion: 1. Discussion of the proposal for the company to appoint a new corporate director representative for its wholly-owned subsidiary, Dong Lien Maritime S.A. Panama.	The Chair passed the matter without objection from any directors in attendance.	None
	2. Discussion of the proposal for the company to issue the seventh domestic guaranteed convertible corporate bond.	The Chair passed the matter without objection from any directors in attendance.	None
	3. Discussion of the company's application to the Changchun Branch of First Commercial Bank for a guarantee amount.	The Chair passed the matter without objection from any directors in attendance.	None
	4. Retroactive ratification of the company's acting as a joint guarantor for its subsidiary, Dancewoods Hotels and Resorts Co., Ltd.	The Chair passed the matter without objection from any directors in attendance.	None
	5. Retroactive ratification of the company's acting as a joint guarantor for its subsidiary, Dancewoods Hotels and Resorts Co., Ltd.	The Chair passed the matter without objection from any directors in attendance.	None

Shih Wei Navigation Co., Ltd.

Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
2024.08.13	<p>Reported matters:</p> <p>Report of the Finance Department: The board of directors of the wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA passed the resolution on July 16 in 2024.</p> <p>Report of the Audit Office: The recent audit of the cashier's cash transactions, tax payments, and related fees revealed no significant deficiencies.</p> <p>Reports on other important issues: The Group plans the greenhouse gas emissions inventory and verification schedule, and reports the execution progress to the board on a quarterly basis for monitoring.</p>	All the directors in attendance were notified.	None
	<p>Matters for discussion:</p> <p>1. Discussion of the proposal for the second quarter of company's 2024 consolidated financial statement.</p>	The Chair passed the matter without objection from any directors in attendance.	None
	2. Discussion of the proposed draft of the 2025 Budget Preparation Schedule.	The Chair passed the matter without objection from any directors in attendance.	None
	3. Discussion on the approval of the company's 2023 Sustainability Report.	The Chair passed the matter without objection from any directors in attendance.	None
	4. Request for deliberation of proposed Company's purchases of liability insurance for directors and important employees.	The Chair passed the matter without objection from any directors in attendance.	None

Shih Wei Navigation Co., Ltd.

Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	5. Discussion of the proposal to sell the vessel MV Vigor SW owned by our wholly-owned sub-subsidiary, Vigor Pescadores S.A. Panama, for the overall benefit of the company.	The Chair passed the matter without objection from any directors in attendance.	None
	6. Discussion of the proposal for participating in the cash capital increase of Thermolysis Co., Ltd. in 2024.	The Chair passed the matter without objection from any directors in attendance.	None
	7. Discussion of the proposal for participating in the cash capital increase of the subsidiary Dancewoods Hotels and Resorts Co., Ltd.	The Chair passed the matter without objection from any directors in attendance.	None
2024.11.12	Reported matters: Report of the Finance Department: The board of directors of the wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA passed the resolution on Aug 13 in 2024, and Oct 15 in 2024. Report of the Audit Office: A recent audit of credit management, accounts receivable, and financial statement preparation processes revealed no significant deficiencies.	All the directors in attendance were notified.	None
	Matters for discussion: 1. Discussion of the proposal for the third quarter of company's 2024 consolidated financial statement.	The Chair passed the matter without objection from any directors in attendance.	None

Shih Wei Navigation Co., Ltd.
Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	2. Discussion on the proposal for the establishment of the 'Sustainable Development Best Practice Principles' and the 'Organizational Regulations of the Sustainability Development Committee'.	The Chair passed the matter without objection from any directors in attendance.	None
	3. Discussion on the proposal to nominate and appoint the members of the Company's inaugural Sustainability Development Committee.	The Chair passed the matter without objection from any directors in attendance.	None
	4. Ratification of the Company's operational procedures for the endorsement and guarantee regarding the custody of seals.	The Chair passed the matter without objection from any directors in attendance.	None

Shih Wei Navigation Co., Ltd.

Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
2024.12.24	<p>Reported matters:</p> <p>Report of the Finance Department: Our company has issued its 7th domestic secured convertible bonds through a competitive auction process for public offering.</p> <p>Report of the Audit Office: Communication with Independent Directors on Aug 13 in 2024.</p> <p>Reports on other important issues:</p> <ol style="list-style-type: none"> 1. Operational and Implementation Status of Ethical Business Conduct for the Fiscal Year 2024. 2. Report on the Operational Status of Risk Management for the Fiscal Year 2024. 3. Intellectual Property Management Plan and Execution Status for the Fiscal Year 2024. 4. Review the qualifications of the company's independent directors during their tenure. 5. Report on the preparation of the company's 2024 Sustainability Report. 6. Submission of the adjusted schedule for the greenhouse gas inventory and verification planning for both the parent company and subsidiaries, with quarterly progress reports to the Board for monitoring. 	All the directors in attendance were notified.	None
	<p>Matters for discussion:</p> <ol style="list-style-type: none"> 1. Discussion on the proposed revision of the company's Internal Control System and Internal Audit System content. 		
	<ol style="list-style-type: none"> 2. Request for deliberation of proposed Company's 2025 Internal Audit Plan. 		
	<ol style="list-style-type: none"> 3. Discussion on the proposed plan to sell the vessels owned by our company's wholly-owned subsidiary, in consideration of the company's overall interests. 		

Shih Wei Navigation Co., Ltd.

Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
		objection from any directors in attendance.	
	4. Request for review of the Company's completed 2024 Financial Budget and Operating Plan.	The Chair passed the matter without objection from any directors in attendance.	None
	5. Retroactive ratification of the company's acting as a joint guarantor for its subsidiary, Dancewoods Hotels and Resorts Co., Ltd.	The Chair passed the matter without objection from any directors in attendance.	None
	6. Discussion of the proposal to establish the company's "Sustainability Information Management Regulations.	The Chair passed the matter without objection from any directors in attendance.	None
	7. Discussion of the proposal for the company's 2025 sustainability development strategy and goal planning.	The Chair passed the matter without objection from any directors in attendance.	None
	8. Discussion on the proposed revision of the Company directors and managers salary and remuneration measures.	The Chair passed the matter without objection from any directors in attendance.	None

Shih Wei Navigation Co., Ltd.
Summary of the 2024 Board Meeting Minutes

Date	Proposal summary	Resolution	Objection or qualified opinion from independent director
	9. Request for deliberation of proposed policies, systems, standards, and structure of directors and managers performance evaluation and salary remuneration.	The Chair passed the matter without objection from any directors in attendance.	None
	10. Deliberation of the proposed 2024 year-end bonus for the Chairwoman and managers.	Except for directors who need to avoid interests, the Chair passed the matter without objection from any directors in attendance.	None

Shih Wei Navigation Co., Ltd.

Operations of the Audit Committee in 2024

Date (term/meeting number) Period of the Board of Directors	Agenda content and follow-up	Audit Committee Results of resolutions	Matters listed in Article 14- 5 of the Securities and Exchange Act	Resolutions that are passed by a two-thirds majority or more of the directors but without being passed by the Audit Committee
2024.02.22 (3/5) First meeting in 2024	1. Discussion of the proposed of the company's 2023 financial statement and consolidated financial statement.	The Chair passed the matter without objection from any members in attendance.	V	None
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			
2024.03.26 (3/6) Second meeting in 2024	1. Discussion of the proposal to review the company's certified public accountant's audit service fees and independence for 2024.	The Chair passed the matter without objection from any members in attendance.	V	None
	2. Request for deliberation of the company's 2023 Statement on Internal Control System.	The Chair passed the matter without objection from any members in attendance.	V	None
	3. Request for the review of the company's 2023 business report.	The Chair passed the matter without objection from any members in attendance.	V	None
	4. Discussion of the proposal to allocate for discussion the deficit Compensation Statement for 2023.	The Chair passed the matter without objection from any members in attendance.	V	None
	5. Discussion of the proposal to sell the vessel MV Margaret SW owned by our wholly-owned subsidiary, Dong Lien Maritime S.A. Panama, for the overall benefit of the company.	The Chair passed the matter without objection from any members in attendance.	V	None
	6. Discussion of the proposal to sell the vessel MV Blessing SW owned by our wholly-owned sub-subsidiary, Fourseas Pescadores S.A. Panama, for the overall benefit of the company.	The Chair passed the matter without objection from any members in attendance.	V	None
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			

Shih Wei Navigation Co., Ltd.

Operations of the Audit Committee in 2024

Date (term/meeting number) Period of the Board of Directors	Agenda content and follow-up	Audit Committee Results of resolutions	Matters listed in Article 14- 5 of the Securities and Exchange Act	Resolutions that are passed by a two-thirds majority or more of the directors but without being passed by the Audit Committee
2024.05.09 (3/7) Third meeting in 2024	1. Discussion of the proposal for the first quarter of company's 2024 consolidated financial statement.	The Chair passed the matter without objection from any members in attendance.	V	None
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			
2024.06.11 (3/8) Fourth meeting in 2024	1. Discussion of the proposal for the company's application to act as the joint guarantor for a credit limit for wholly-owned subsidiary DONG LIEN MARITIME S.A. PANAMA.	The Chair passed the matter without objection from any members in attendance.	V	None
	2. Discussion of the proposal for the company's application to act as a joint guarantor for its wholly-owned sub-subsidiary, FAIR PESCADORES S.A. PANAMA, to obtain a loan for the purchase of a new vessel.	The Chair passed the matter without objection from any members in attendance.	V	None
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			
2024.07.16 (3/9) fifth meeting in 2024	1. Discussion of the proposal for the company to issue the seventh domestic guaranteed convertible corporate bond.	The Chair passed the matter without objection from any members in attendance.	V	None
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			
2024.08.13 (3/10) sixth meeting in 2024	1. Discussion of the proposal for the second quarter of company's 2024 consolidated financial statement.	The Chair passed the matter without objection from any members in attendance.	V	None
	2. Discussion of the proposal to sell the vessel MV Vigor SW owned by our wholly-owned sub-subsidiary, Vigor Pescadores S.A. Panama, for the overall benefit of the company.	The Chair passed the matter without objection from any members in attendance.	V	None
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			

Shih Wei Navigation Co., Ltd.

Operations of the Audit Committee in 2024

Date (term/meeting number) Period of the Board of Directors	Agenda content and follow-up	Audit Committee Results of resolutions	Matters listed in Article 14- 5 of the Securities and Exchange Act	Resolutions that are passed by a two-thirds majority or more of the directors but without being passed by the Audit Committee
2024.11.12 (3/11) Seventh meeting in 2024	1. Discussion of the proposal for the third quarter of company's 2024 consolidated financial statement.	The Chair passed the matter without objection from any members in attendance.	V	None
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			
2024.12.24 (3/12) Eighth meeting in 2024	1. Discussion on the proposed revision of the company's Internal Control System and Internal Audit System content.	The Chair passed the matter without objection from any members in attendance.	V	None
	2. Request for deliberation of proposed Company's 2025 Internal Audit Plan.	The Chair passed the matter without objection from any members in attendance.	V	None
	3. Discussion on the proposed plan to sell the vessels owned by our company's wholly-owned subsidiary, in consideration of the company's overall interests.	The Chair passed the matter without objection from any members in attendance.	V	None
	The Company's handling of the Audit Committee's opinions: Passed without objection from any directors in attendance.			

Summary of the 2024 Remuneration Committee Meeting Minutes

Date	Agenda content and follow-up	Results of resolutions	The Company's handling of the opinions of the Remuneration Committee members.
2024.03.26	1. Discussion of the proposed bonuses for the Chairwoman and Managers for the 2024 Dragon Boat Festival and Mid-Autumn Festival.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.
	2. Deliberation of the proposed for managers' 2023 annual performance appraisal and performance bonus.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.
	3. Deliberation of the proposed for Chairwoman's 2023 annual performance bonus.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.
	4. Discussion of the proposal for the distribution of directors' remuneration for 2023.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.
2024.12.24	1. Discussion on the proposed revision of the Company directors and managers salary and remuneration measures.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.
	2. Request for deliberation of proposed policies, systems, standards, and structure of directors and managers performance evaluation and salary remuneration.	The Chair passed the matter without objection from any members in attendance.	The resolution was submitted to the Board of Directors and passed without objection by all

Shih Wei Navigation Co., Ltd.
Summary of the 2024 Remuneration Committee Meeting Minutes

Date	Agenda content and follow-up	Results of resolutions	The Company's handling of the opinions of the Remuneration Committee members.
			directors in attendance.
	3. Deliberation of the proposed 2024 year-end bonus for the Chairwoman and managers.	The Chair passed the resolution without objection from any members in attendance, amending the Chairwoman's year-end bonus distribution ratio to two months, while maintaining the original ratios for other managers.	The resolution was submitted to the Board of Directors and passed without objection by all directors in attendance.

Appendix 5

Shih Wei Navigation Co., Ltd.

Code of Ethical Conduct

I. Purpose and Basis

Purpose: The Code of Ethical Conduct is established to help the Company's Directors and managerial officers (including the President or those with equivalent ranking, Vice Presidents or those with equivalent ranking, Assistant Vice Presidents or those with equivalent ranking, supervisor of the finance department, and other individuals who are authorized to manage affairs and sign on behalf of the company) comply with ethical standards in their conduct and help stakeholders of the Company gain a deeper understanding of the ethical standards of the Company.

II. Contents

The Code of Ethical Conduct to be established by the Company based on its conditions and needs must include at least the eight following items:

In the event of the following conditions, the relevant units must submit an approval document to the Chairperson for approval. Where the impact is significant, it shall be submitted to the Board of Directors for resolution.

(I) Prevention of conflicts of interest:

Conflicts of interest occur when personal interest affects or is likely to affect the overall interest of the company. As an example, it occurs when a Director, Supervisor, or managerial officer of the Company is unable to perform their duties in an objective and efficient manner, or when a person in such a position takes advantage of their position in the Company to obtain improper benefits for either themselves or their spouse or relatives within the second degree of kinship. The Company shall pay special attention to loans of funds, provisions of guarantees, major asset transactions, and major monetary transactions involving the affiliated enterprise at which the aforementioned individuals work. The Company shall establish policies for preventing conflicts of interest and offer appropriate means for the Directors or managerial officers to voluntarily explain whether their interests potentially conflict with those of the Company.

(II) Avoid opportunities for personal gain:

The management shall prevent Directors and managerial officers from taking the following actions:

- (1) Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions;
- (2) Obtaining personal gain by using company property or information or taking advantage of their positions;
- (3) Competing with the Company. When the Company has an opportunity for profit, it is

the responsibility of the Directors and managerial officers to maximize the reasonable and proper benefits that can be obtained by the Company.

(III) Confidentiality obligations:

The Directors and managerial officers of the Company shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its business transactions, except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the Company or the suppliers and customers.

(IV) Fair trade:

Directors and managerial officers shall treat all customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

(V) Protection and proper use of company assets:

All Directors and managerial officers have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the Company's profitability.

(VI) Legal compliance:

The management shall enhance the Company's compliance with the Securities and Exchange Act and other laws and regulations.

(VII) Encouraging reporting on illegal or unethical activities:

The Company shall raise awareness of ethics and encourage employees to report to the Audit Committee, managerial officer, chief internal auditor, or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the Code of Ethical Conduct. The Company also allows anonymous reports. The Company shall take all necessary measures to protect the safety of the whistleblowers. Any individual who informs the Company of a breach of ethics, suspected violation of laws on securities, or other misconduct in good faith shall not be subject to any form of retaliation (or threat of retaliation). Where any individual suffers retaliation (or threat or harassment), he/she shall report to the managerial officer or superior officer immediately.

(VIII) Disciplinary measures:

All Directors, managerial officer, and employees are responsible for carefully reading, understanding, and complying with the Code of Conduct. Individuals who fail to abide by the Code of Conduct, including supervisors who fail to report illegal conduct, may be penalized with the termination of their employment. The Company shall disclose the title and name of the individual who violated the Code of Ethical Conduct, the date of the violation, reasons for the violation, the provisions of the code violated, and the disciplinary

actions taken on the Market Observation Post System (MOPS) without delay.

III. Exemption Procedures

Where an exemption is applicable, the exemption of a Director or managerial officer of the Company from compliance with the Company's Code of Ethical Conduct shall require a resolution by the Board of Directors and the information on the date of the board resolution for exemption, Independent Directors' objections or qualified opinions, period of the exemption, reasons for the exemption, and principles behind the application of the exemption shall be disclosed on MOPS immediately for shareholders to evaluate whether the decision of the Board of Directors is appropriate. These procedures shall be taken to prevent arbitrary or suspicious exemptions from compliance with the Code of Ethical Conduct and ensure that any exemption is adequately monitored to protect the Company.

IV. Method of Disclosure

The Company shall publish the Code of Ethical Conduct on the Company's website, annual report, prospectus, and MOPS. The same shall apply to amendments.

V. Implementation

The Company's Code of Ethical Conduct shall be implemented following approval in the Board of Directors meeting and submitted to the shareholders' meeting. The same applies to all subsequent amendments.

VI. Establishment and effective date: January 28, 2005

The 1st amendment was on March 30, 2017.

The 2nd amendment was on March 26, 2021.