國泰建設
Cathay Real Estate

2025
Sustainability Report

Sixty Years of Persistence:
Building Good Homes That Last a Lifetime

Aligning with International Sustainability Disclosure Standards with the Same Persistence We Bring to Building Homes

Planning and Implementation of IFRS Sustainability Disclosure Standards Adoption

Construction quality comes from exacting standards for every step of the process — and so does the disclosure of sustainability information. The Financial Supervisory Commission is driving TWSE/TPEx listed companies to align with the IFRS Sustainability Disclosure Standards; the Company falls within the first phase of applicable companies and is required to announce sustainability-related financial information for fiscal 2026 in 2027. This report has been prepared ahead of schedule in the spirit of those standards, linking sustainability information with financial information to respond to stakeholders' concerns with more transparent and comparable content.

2024 Q4

Analysis and Planning

Completed

- Establish a cross-departmental project team
- Complete the IFRS standards gap analysis
- Identify consolidated reporting entities
- Formulate a complete adoption plan

2025 Q2 – Q4

Design and Implementation

Completed

- Identify risks, opportunities, and financial impacts
- Establish the inventory checklist and allocation of responsibilities
- Adjust financial and non-financial reporting processes and internal controls
- Internal audit completed

2026 Q3

Adoption

In progress

- Trial preparation of the dedicated sustainability information chapter of the annual report
- Review against the IFRS S2 assessment form published by the Accounting Research and Development Foundation

2027 Q1

Statutory Filing

Statutory timeline

- Submit the dedicated sustainability chapter to the Board of Directors for approval
- Complete the adoption plan filing


ESG

Honors and Recognition

2025 Taipei City Government Department of Labor Labor Safety Award – Outstanding Organization

2025 New Taipei City Government Occupational Safety Award – Outstanding Organization Award

2025 New Taipei City Government Friendly Construction Site Award

2025 Taipei City Outstanding Green Procurement Private Enterprise and Organization

27th National Architecture Golden Quality Award

2025 TCSA Taiwan Corporate Sustainability Awards – Sustainability Report Platinum Award

2025 Reader's Digest Trusted Brand — Real Estate Developer Category, Gold Award

Special Feature of the Year | Implementing the TISFD Spirit of Social Inclusion, Building a Family-Friendly, Flexible Workplace

Corresponding TISFD Disclosure Topics

Labor rights | Well-being | Economic Security | Human rights protection

Governance: The Sustainability Committee coordinates policy planning and oversight

Strategy: Marriage- and childbirth-friendliness as the core of the talent retention strategy

Impact and Risk Management: Identifying work-family conflict risks at the marriage and childbearing stages

Indicators and Goals: Tracking quantitative indicators such as the number of applicants

Economic support measures for marriage and childbearing

Marriage Subsidies

NT$11,000 per instance (3 applications in 2025)

Childbirth allowance

NT$20,000 per instance (2 applications in 2025)

Children's Education Subsidies

153 instances(NT$329,000 disbursed in 2025)

Group Insurance

100% coverage (2025, employees and dependents)

Flexible work arrangements

Flexible working hours

Implemented company-wide

Special childcare shift schedules

Applicable to 7 people

Parental Leave

Gender equality protection

Employee Physical and Mental Health

- EAP counseling newly launched in 2025
- Nurse consultations 3 times/month
- Physician consultations 3 times / year

Family care activities

Cumulative participation of **2,003 person-times**

Activity	Session	Employees (persons)	Dependents (persons)	Dependent subsidies (persons)
Family Day	1	106	214	214
Walking (4)	4	593	494	384
Trips (2)	2	303	293	269

Annual Feature | Aligning with International Human Rights Due Diligence Trends

In accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs), Cathay Real Estate Development is committed to embedding human rights due diligence into the core of its operations, systematically identifying, assessing, and responding to potential human rights impacts on employees, refining the content of its Human Rights Policy based on the identification results, and formulating management measures to address high-risk human rights issues.

92 Number of questionnaire respondents

9 Human rights issues assessed

100% Below the high-risk issue threshold

Human Rights Risk Assessment Dimensions

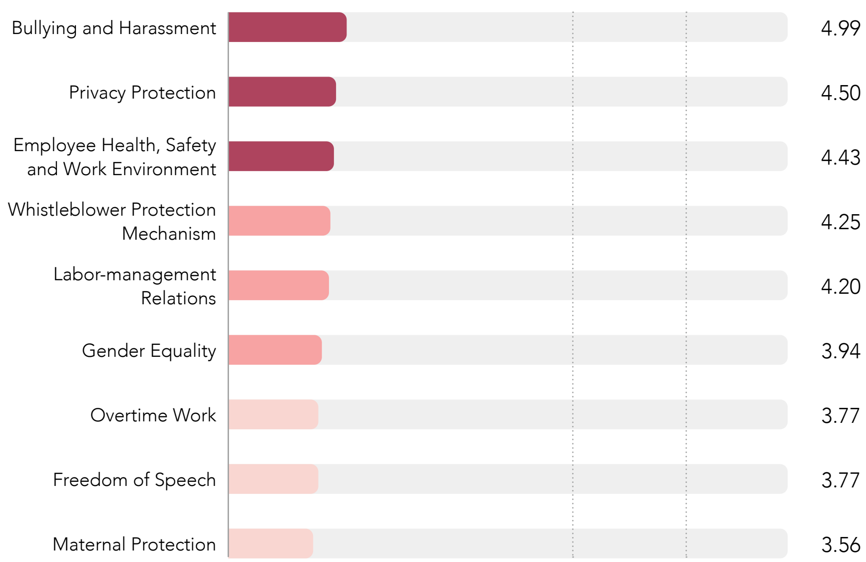
Impact Level	Severity of the impact on human rights
Irremediability	Whether the impact is difficult to remedy or irreversible
Scope of impact	Number of people affected and coverage
Likelihood of occurrence	Probability of the impact actually occurring

Calculation formula

Average severity score = (degree of impact + scope of impact + irremediability) ÷ 3

Risk score = average severity score × average likelihood score (rating scale: 1–5)

Risk Scoring Results by Issue



Note: The maximum risk score for each issue is 25 points; risk thresholds are pre-set as: high ≥ 20, medium 15–20, low < 15

High-Risk Human Rights Items and Response Measures

Bullying and Harassment

Diverse confidential grievance channels | Established independent grievance channels for sexual harassment prevention and related matters

Professional counseling | Introduced an external EAP wellbeing platform providing professional psychological counseling

Abnormal workload control | Managing overwork and abnormal workloads to comprehensively reduce the risk of psychological harm

Privacy and Personal Data Protection

Partner compliance requirements | Requiring strategic partners to jointly comply with the Personal Data Protection Act, privacy statements, and confidentiality obligations

Sound reporting mechanisms | Established a rapid review and investigation mechanism for personal data incidents to ensure timely response

Regular audits and awareness | Regularly conducting personal data security and privacy protection awareness education for internal staff

Health, Safety and Work Environment

100% site safety inspections | Regularly conducting personal data security and privacy protection awareness education for internal staff

International occupational safety certification | Working toward implementing ISO 45001 at over 90% of active construction sites by 2026

Supply chain sustainability clauses | 100% of contracts incorporate sustainability clauses; suppliers in serious breach are subject to removal

Safety observation and medical care | Quarterly safety demonstration meetings; 36 sessions of on-site medical services provided in 2025

Preface

About This Report

GRI 2-2 GRI 2-3

To fully present Cathay Real Estate Development's commitment to sustainable development, the Company has issued its 12th sustainability report, disclosing in detail its sustainability path and implementation highlights for 2025. The report's scope comprehensively covers key topics including corporate governance, integrity management, environmental conservation, and social participation. In this year marking the Company's 61st anniversary, we not only take this milestone as a basis for reviewing past achievements, but also use it to enhance the efficiency of our communication with stakeholders. Through transparent disclosure of operating performance and strategic direction, we transform Cathay Real Estate's spirit of sustainability into a tangible driving force for future growth. Compared to the "2024 Sustainability Report", there have been no significant changes in organizational size, structure, ownership, or supply chain, nor has there been any restatement of information due to changes in measurement methods or business nature.

Reporting Principles

This report has been prepared in accordance with key domestic and international guidelines, including the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, the United Nations Sustainable Development Goals (SDGs), the Organisation for Economic Co-operation and Development (OECD) Principles, the Ten Principles of the United Nations Global Compact (UNGC), and the ISO 26000 Social Responsibility Guidelines, to enhance the alignment of report content with international standards. This report focuses on 14 material topics, evaluating their potential internal and external impacts in the short-, medium-, and long-term. By outlining the impacts, management strategies, and goals for each issue, stakeholders are provided with a comprehensive view of the risks and opportunities Cathay Real Estate faces on its path to sustainable development.

The statistical data disclosed in this report is derived from Cathay Real Estate's own statistics and surveys, and measured and presented using internationally accepted indicators. Any estimates are noted in the relevant sections.

Compliance Standards	
Sustainability Principle	• Compliant with GRI 2021 Standards • AA1000 Accountability Principles Standard • ISAE 3000 International Standard on Assurance Engagements • Sustainability Accounting Standards Board (SASB) • Task Force on Climate-related Financial Disclosures (TCFD) • Task Force on Nature-related Financial Disclosures (TNFD), New in 2025 • Task Force on Climate-related Financial Disclosures (TISFD), New in 2025
Financial Principle	• 2013 Taiwan-IFRSs • Regulations Governing the Preparation of Financial Reports by Securities Issuers • International Financial Reporting Standards, International Accounting Standards, and interpretations endorsed and issued into effect by the Financial Supervisory Commission

Report Writing and Quality Management

The dedicated promotion unit of Cathay Real Estate Development's "Corporate Sustainability Development Executive Committee" is responsible for the preparation of the report.

Interview with the Sustainability Development Executive Committee

The coordinating unit conducted one-on-one interviews with the five task groups of the Corporate Sustainability Development Executive Committee, consolidating sustainability-related topics and conducting an internal data inventory, to gain an in-depth understanding of each group's highlight initiatives and performance results for 2025.

Responsible units：President's Office; the five task groups of the Sustainable Development Executive Committee

Compilation and Drafting

The coordinating unit conducted one-on-one interviews with the five task groups of the Corporate Sustainability Development Executive Committee, consolidating sustainability-related topics and conducting an internal data inventory, to gain an in-depth understanding of each group's highlight initiatives and performance results for 2025.

Responsible units：President's Office; the five task groups of the Sustainable Development Executive Committee

Internal Review and External Audit

The finalized content is submitted to an impartial third party for independent assurance; upon completion of assurance, it is submitted to the Corporate Sustainability Development Executive Committee for review, and signed off by the President and the Chairman.

Responsible units：President, Chairman, external assurance provider

Submission and Publication

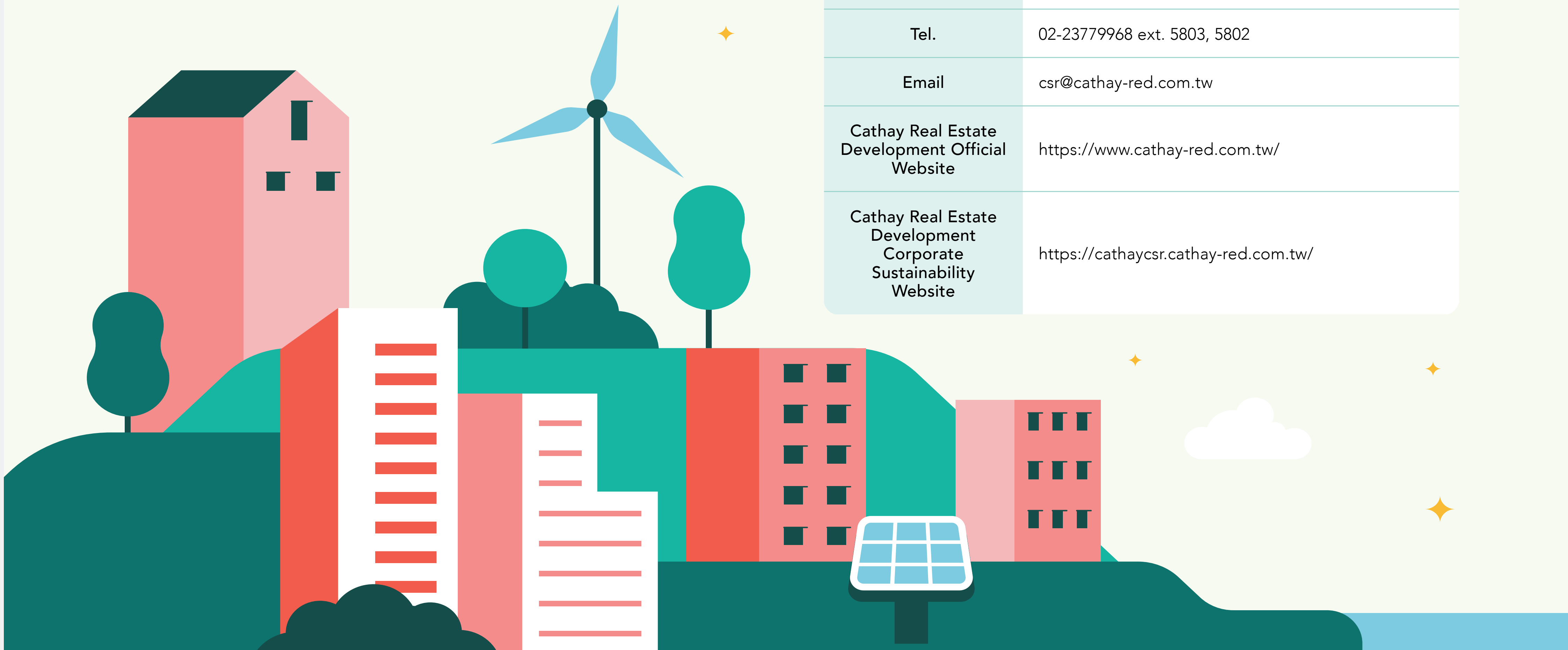
The approved report content is submitted to the Board of Directors, and is officially published after Board approval.

Responsible units：Board of Directors

Scope and Boundaries

The information disclosure period of this report runs from January 1, 2025 to December 31, 2025, with official publication expected in August 2026. To ensure consistency between sustainability information and financial data, the disclosure scope of this year's report is aligned with the consolidated financial statements; in addition to Cathay Real Estate itself, it also covers subsidiaries within the consolidated statements (selected performance of Cathay Real Estate Management, Cathay Healthcare Management, Cathay Hospitality Consulting, San Ching Engineering, and Lin Yuan Property Management).

To align with the FSC's ESG evaluation requirements and international sustainability disclosure trends, this year we have deepened our environmental information disclosure, proactively presenting greenhouse gas, energy, and water consumption data covering 2 or more consecutive years.



Feedback

We hope that through this report, stakeholders will gain a better understanding of Cathay Real Estate's efforts in promoting corporate sustainability. If you have any suggestions or advice regarding Cathay Real Estate's 2025 Sustainability Report, please feel free to contact us through the following methods:

Contact Information	
Contact Person	Cathay Real Estate Development Co., Ltd. Corporate Sustainability Development Executive Committee Secretaries / Mr. Chia-Hao Liu, Ms. Chun-Wei Hung
Address	2F., No. 218, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City
Tel.	02-23779968 ext. 5803, 5802
Email	csr@cathay-red.com.tw
Cathay Real Estate Development Official Website	https://www.cathay-red.com.tw/
Cathay Real Estate Development Corporate Sustainability Website	https://cathaycsr.cathay-red.com.tw/

Letter from the Chairman

GRI 2-22

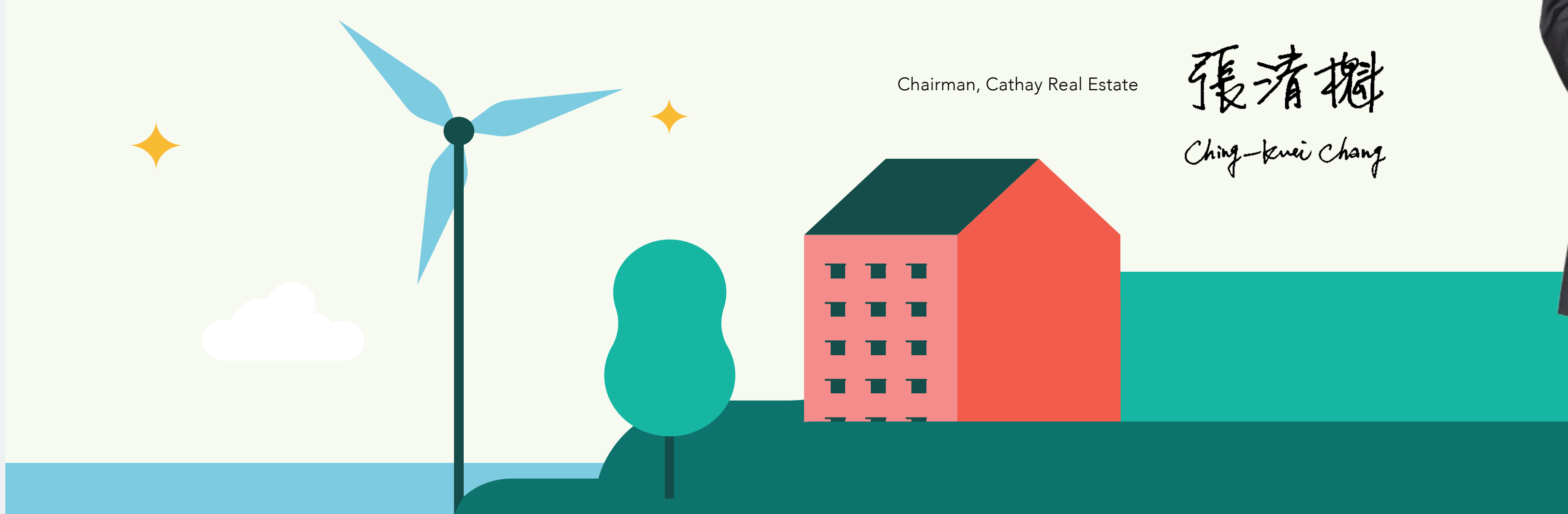
As government policy moves toward the vision of net-zero emissions by 2050 — progressively driving the building sector toward nearly zero-carbon buildings, studying the legalization of energy efficiency assessments for new private buildings — and with the carbon fee system formally taking effect, the construction industry faces an increasingly clear and stringent regulatory environment. Low-carbon construction methods and green buildings have become issues that cannot be overlooked in the transformation ahead; at the same time, extreme climate events pose increasingly severe challenges to construction safety, operational continuity, and supply chain resilience. Facing these issues, as Cathay Real Estate reaches the new milestone of its 61st anniversary, the Company continues to uphold its core values of "integrity and uprightness, professionalism and responsibility, and steady operation," actively promoting green building design, strengthening the climate resilience of construction sites, and embedding sustainability thinking deep into operational decisions and every construction project. This year, Cathay Real Estate was also honored with the 27th National Golden Award for Architecture, once again affirming the market's deep recognition of the Company's brand and construction quality.

To deepen sustainability governance, the Company established a Board-level functional committee — the Sustainability and Nomination Committee — with the Sustainability Development Executive Committee coordinating sustainability policies and action strategies, strengthening the Board's oversight function on sustainability issues. The Company has also formally incorporated climate change issues into its Risk Management Policy, regularly reporting to the Board on risk management operations and climate change response measures; at the same time, in line with IFRS S2 disclosure requirements, it has introduced climate scenario analysis to assess the potential financial impacts of extreme weather and policy changes on operations, construction projects, and the supply chain.

Declining birthrates are also a social issue Taiwan must confront in the future. In 2025, the Company promoted marriage- and childbirth-friendliness, implementing flexible working hours so that colleagues with child pick-up and drop-off needs can balance work and family; it also referenced the principles of the Taskforce on Inequality and Social-related Financial Disclosures (TISFD) for inclusion in the sustainability report's disclosures, continuing to deepen the Company's management of social and employee topics.

Looking ahead, climate change and social inclusion remain long-term issues that enterprises must confront directly. Upholding "more than sixty years of persistence," Cathay Real Estate will continue to move forward hand in hand with all stakeholders — with steady operational strides and a forward-looking sustainability vision — toward the sustainable vision of the next sixty years.

Chairman, Cathay Real Estate 張清櫆
Ching-Kuei Chang



About the Company

GRI 2-1 GRI 2-6 GRI 201-1

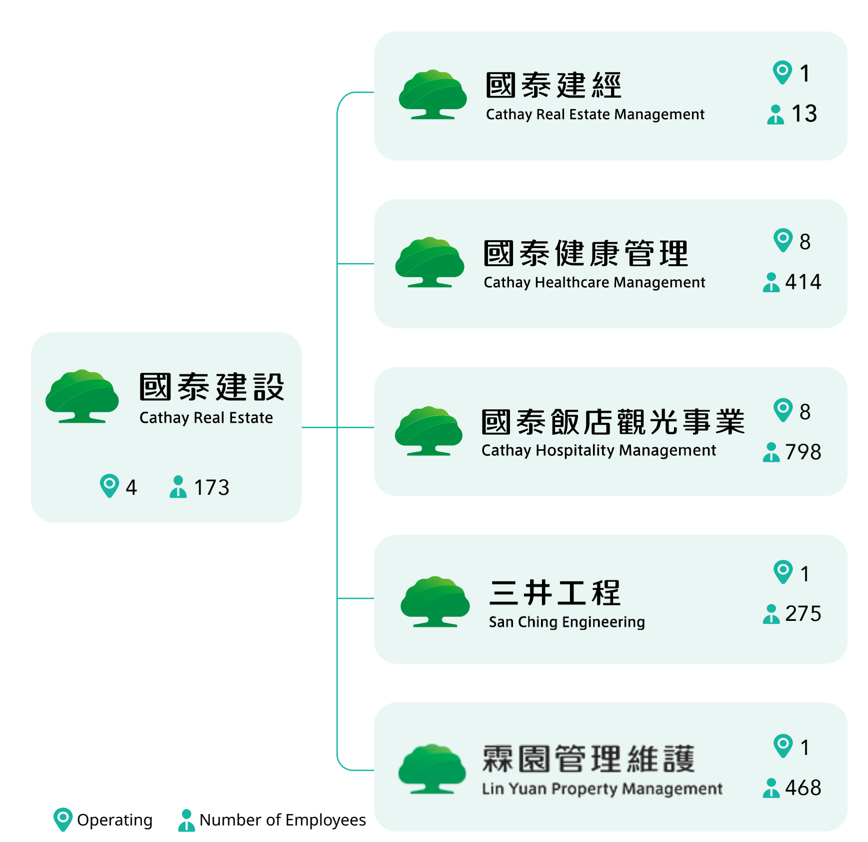
Cathay Real Estate stands on the core values of "Integrity, Accountability, and Innovation"; throughout our long cultivation of the real estate sector, we have continuously strengthened our professional foundation through a steady operating pace. By integrating diverse business entities under the Company — including San Ching Engineering, Cathay Real Estate Management, Lin Yuan Property Management, Cathay Healthcare Management, and Cathay Hospitality Consulting — we have successfully extended our service scope from the building itself to comprehensive lifestyle care and property management, realizing the corporate vision of an "integrated developer." This pursuit of a complete service system symbolizes our long-term commitment to and protection of residents' quality of life.

Note: For more information on subsidiaries, please refer to: Official Website

Contact

Company Name	Cathay Real Estate Development Co., Ltd.
Establishment Time	Sep. 14th, 1964
Headquarters Location	F2, No. 218, Sec. 2, Dunhua S. Rd., Taipei
Main Products and Services	Construction of residential and commercial buildings for lease and sale, accepting commissions for urban planning, land joint construction planning, design, consulting services, and the operation and investment of other related businesses.
Core Values	Integrity, Accountability, Innovation
Paid-in Capital	NT$11.596 billion
Net Income After Tax	NT$3.282 billion
Number of Employees	173 personnels
Total Households Nationwide	As of the end of 2025, Cathay Real Estate had a cumulative total of 58,811 households across Taiwan (total floor area of 2,803,448 ping) • Northern region (north of Hsinchu): 40,789 households • Taichung: 7,095 households • Tainan: 4,487 households • Kaohsiung: 6,440 households

Cathay Real Estate and Its Subsidiaries Business Overview



Note: Statistics as of December 31, 2025.

Cathay Real Estate Historical Financial Performance

Items	2023	2024	2025
Operating Revenue	6,829,160	13,081,648	13,543,253
Operating Costs and Expenses	(4,206,782)	(10,639,681)	(9,484,248)
Taxes Paid to Government	(227,521)	(600,194)	(474,624)
Employee Salaries and Benefits	(230,120)	(264,330)	(302,271)
Social Investment/ Donation Expenses	(300)	(43)	(50)
Net Income After Tax	2,164,437	1,577,400	3,282,060
Dividends Paid to Shareholders	(1,159,561)	(1,159,561)	(1,391,473)
Retained Economic Value	1,004,876	417,839	1,890,587

Unit: NT$ Thousands

Note1: This information is from the individual financial statements of Cathay Real Estate Development Co., Ltd. The 2025 financial statements are being audited by Deloitte & Touche.
Note2: Cathay Real Estate did not receive any financial subsidies from the government.
Note3: Cathay Real Estate allocates 0.1% and no more than 1% of pre-tax profit before distribution of employee and director/supervisor remuneration, amounting to NT$3,567 thousand and NT$2,400 thousand respectively (0.22% of pre-tax profit).
Note4: Dividend data is calculated based on the dividend per share in the year of the report's publication.

Industry and Public Influence: Participation in Industry Associations

GRI 2-28

In addition to continuously strengthening its sustainable governance and management practices, Cathay Real Estate actively participates in various external initiatives and industry alliances. Through cross-industry exchanges and multi-stakeholder dialogues, we not only monitor industry trends and policy developments but also work with industry partners and regulatory authorities to build a forward-looking sustainable vision.

Name of Industry Association	Reason for Participation
The Real Estate Development Association of Taipei	Cooperate with project submission for review and obtain the latest market, legal and policy information
Taoyuan Real Estate Development Association	
Hisin Chu Real Estate Development Association	
Taichung real estate development association	
The Real Estate Development Association of Tainan	
The Real Estate Development Association of Kaohsiung	
The Real Estate Development Association of Kaohsiung City	
FIACBI-Taiwan	Obtain the latest information and closely connect with the industry
Taichung Architecture Development Assocation	
Tainan Judicious Creative Architecture Association	
Kaohsiung Housing Research Organization	
The Third Wednesday Club	
The Taipei Leasing Association, R.O.C	Obtain required information for leasing small passenger cars and the latest regulatory information
Taiwan Stock Affairs Association	A bridge for communicating opinions with competent authorities; the association conveys member opinions and suggestions to competent authorities as a reference for policy formulation.
The Institute of Internal Auditors, R.O.C.	Obtain the latest laws, regulations and policy changes

Note: The above are the organizations Cathay Real Estate currently belongs to; the Company holds no positions and provides no special sponsorship in any of them, paying only annual membership fees.

ESG in Practice Across the Value Chain

Environmental Friendly · Social Inclusion · Governance Framework · Supply Chain Management

Upstream

Development Planning · Contractor Selection

Development Planning
- Site selection favoring land that meets market demand and carries lower risk
- Selecting urban planning zones while balancing ecology

Contractor Selection
- Cooperating with suppliers on the principle of social responsibility clauses

Stakeholders Covered: Upstream Land Owners, Financial Institutions, Construction Contractors

Midstream

Project Construction · Construction Supervision · Friendly Design

Project Construction
- Construction waste management
- Air and water pollution prevention
- Protection of the surrounding ecology

Construction Supervision
- Comprehensive engineering quality control system (the three-level quality management system)

Friendly Design
- Friendly, Inclusive, All-Age Facilities

Stakeholders Covered: Development companies, sales agencies, construction management companies

Downstream

Project Sales · After-sales Service

Project Sales
- Sound inspection and handover process
- Establish clear operational procedures at various stages of contracting to protect customer rights and interests

Customer Relationship Management
- Organized community care events
- Sustainable after-sales service

Stakeholders Covered: Homebuyers, Corporations

Sustainability Philosophy and Blueprint

Core Values
- Integrity
- Accountability
- Creativity

Four Promises
- Deliver Perpetual Services
- Clear Property Right
- Deliver House On-time
- Build as Planned

Cathay Real Estate's Sustainability Blueprint and Strategy

Sustainability Mission	Implement Corporate Governance	Develop Sustainable Environment	Promote Social Prosperity	Strengthen Information Disclosure
Strategies Approach	The Board implements corporate social responsibilities and policies in accordance with relevant regulations, while assessing implementation performance in a timely manner.	Comply with environmental regulations and international standards to appropriately protect the natural environment. When carrying out operational activities and internal management, strive to achieve environmental sustainability goals.	Comply with relevant regulations and international human rights conventions, implement gender equality, employment equality, transparent grievance channels, and protect various freedom rights of employees.	Handle information disclosure in accordance with relevant regulations and the Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, fully disclose corporate social responsibility-related information, and enhance information transparency.
Material Topics	• Corporate Governance and Regulatory Compliance • Supply Chain Management • Project and Construction Quality Management	• Energy Resource and Emissions Management • Construction waste management • Sustainable Design and Architecture	• Sustainable Service and Brand Value • Social Inclusion and Reconstruction • Happy Workplace and Talent Cultivation • Occupational Health and Safety	• Corporate Governance and Regulatory Compliance • Sustainable Service and Brand Value
Corresponding SDGs	11, 12, 16	6, 7, 13	1, 4, 10	16, 17
Disclosure Chapter	1.1 Blueprint I: Sustainable Governance 1.2 Blueprint II: Corporate Governance 1.3 Blueprint III: Climate Governance 3.1 Commitment I: Uncompromising Construction Standards	4.1 Commitment I: Sustainable Happy Homes 4.2 Commitment II: Pollution Prevention at Construction Sites 4.3 Commitment III: Circular and Renewable Architecture 6.3 Pillar III: Energy and Resource Management	2.1 Commitment I: Brand Vision Aligned with Customer Needs 2.2 Commitment II: Safe and Sustainable Customer Service 6.1 Pillar I: Happy Workplace 6.2 Pillar II: Employee Health and Safety 6.4 Pillar IV: Creating Social Impact	1.2 Blueprint II: Corporate Governance 2.1 Commitment I: Brand Vision Aligned with Customer Needs

Sustainable Development Goal Promotionmotion

		Short-term (2026)	Medium-term (2028)	Long-term (2030)
E Environmental Protection	Green Procurement	• Green procurement amount accounts for 0.1% of total contract amount • Local Procurement ≧ 90%	• Annual increase rate of green procurement amount: 0.5% • Local Procuremen ≧ 90%	• Annual increase rate of green procurement amount: 1% • Local Procurement ≧ 90%
	Construction Waste Management	25% of construction sites implement construction waste sorting	50% of construction sites implement construction waste sorting	100% of construction sites implement construction waste sorting
	Green Building Materials and Circular Regeneration	25% use recyclable and renewable green building materials (calcium silicate board, tiles, permeable bricks)	50% use recyclable and renewable green building materials (calcium silicate board, tiles, permeable bricks)	100% use recyclable and renewable green building materials (calcium silicate board, tiles, permeable bricks)
	Green Buildings and Smart Buildings	New project application for green building certification ratio 20%	• New project application for green building certification ratio 30% • Commercial project smart building certification ratio 5%	• New project application for green building certification ratio 40% • Commercial project smart building certification ratio 10%
	R&D and Product Competitiveness	Conduct research on new building materials and new construction methods every quarter to enhance product competitiveness.	Conduct research on new building materials and new construction methods every quarter to enhance product competitiveness.	Conduct research on new building materials and new construction methods every quarter to enhance product competitiveness.
	GHG Management	In compliance with greenhouse gas inventory requirements, all consolidated subsidiary companies' inventory information is disclosed in the Sustainability Report	In compliance with greenhouse gas inventory requirements, all consolidated subsidiary companies' inventory and assurance information is disclosed in the Sustainability Report	In compliance with greenhouse gas inventory requirements, all consolidated subsidiary companies' inventory and assurance information is disclosed in the Sustainability Report
S Social Inclusion	Community Education and Talent Promotion	Talent education activities: 9 branches in Northern, Central, and Southern regions completed course offerings	Talent education activities: 9 branches in Northern, Central, and Southern regions completed course offerings	Talent education activities: 9 branches in Northern, Central, and Southern regions completed course offerings
	Participation in Charity Events	Cathay Charity Group activities: 5 educational events, 1 blood donation drive	Cathay Charity Group activities: 5 educational events, 1 blood donation drive	Cathay Charity Group activities: 5 educational events, 1 blood donation drive
	Volunteer Community Service	Number of Volunteer Club activities held: 1	Number of Volunteer Club activities held: 2	Number of Volunteer Club activities held: 2
	Support for Disadvantaged Groups and Social Welfare Organizations	• Number of sponsorships for small farmers' products: 1 • Number of sponsorships for social welfare organizations: 1	• Number of sponsorships for small farmers' products: 2 • Number of sponsorships for social welfare organizations: 2	• Number of sponsorships for small farmers' products: 2 • Number of sponsorships for social welfare organizations: 2
	Advocacy and Resource Integration	-	-	Actively advocate, integrate industry, government, and academia to develop diverse service models.

		Short-term (2026)	Medium-term (2028)	Long-term (2030)
G Corporate Governance	Corporate Governance	• The percentage of contracts with suppliers that include CSR/Sustainability clauses reaches 100%. • The Corporate Sustainability Development Executive Committee holds regular meetings every year to track and review and regularly submit reports to the Board of Directors • Supplier implementation audit rate >92% • Formulating governance strategies to earn additional ESG evaluation scoring items • 90% of construction sites introduce ISO 45001.	• The percentage of contracts with suppliers that include CSR/Sustainability clauses reaches 100%. • The Corporate Sustainability Development Executive Committee holds regular meetings every year to track and review and regularly submit reports to the Board of Directors • Evaluate the possibility of participating in other sustainability awards, and actively participate in award submissions. • Supplier implementation audit rate >95%	• The percentage of contracts with suppliers that include CSR/Sustainability clauses reaches 100%. • The Corporate Sustainability Development Executive Committee holds regular meetings every year to track and review and regularly submit reports to the Board of Directors • Evaluate other disclosure contents that can enhance communication with stakeholders, report to the public on Cathay Real Estate Group's sustainable practices • Supplier implementation audit rate >96%
	Product Quality	• A 100% inspection rate for construction quality and health and safety is achieved at each construction site every month • Participate in design or construction quality awards with 1 project each year	• A 100% inspection rate for construction quality and health and safety is achieved at each construction site every month • Participate in design or construction quality awards with 1 project each year	• A 100% inspection rate for construction quality and health and safety is achieved at each construction site every month • Participate in design or construction quality awards with 1 project each year
	Customer Service	• Conduct customer customization and handover satisfaction statistics annually, with an average of over 9/10 points • Conduct monthly after-sales service satisfaction statistics, with an average of over 9/10 points • Carefully select business partners and achieve sales service satisfaction of 9/10 points or more • The Sales Agency Selection Measures and Designer Selection Measures are reviewed and revised as appropriate each year • Planning 30 community care activities across northern, central, and southern Taiwan and Kaohsiung	• Continue to integrate group resources, complete the one-stop service vision, and establish sustainable brand value • Promote the real estate group's philosophy to each subsidiary and increase the exposure of sustainable management efforts • Improve satisfaction through feedback from satisfaction surveys, with an increase of 1% in satisfaction ratio	• Extending from the core construction business into property and healthcare management, consolidating brand value and maximizing company value • Improve satisfaction through feedback from satisfaction surveys, with an increase of 2% in satisfaction ratio
	Happy Workplace Team	• Improve supervisors' basic management capabilities in identifying and cultivating talents • Strengthen colleagues' basic professional and competency. • Deepen the talent cultivation and development mechanism. (new employee selection, cultivation, evaluation, campus recruitment) • Conduct workplace lighting and carbon dioxide concentration inspections twice a year, once in the first and second half of the year. • Hold at least 1 hour of employee health seminar once a year.	• Strengthen colleagues' professional and competency gaps, promote and implement personal development plans. • Improve supervisors' basic management capabilities. • Establish a talent cultivation and development mechanism.	• Continue to refine and improve training and development. • Continue to enhance supervisors' management competencies. • Continue to operate the talent cultivation and development system.

Sustainability Highlights and and Performance

E Environmental

Climate Risk Management

Scenario Analysis

Assessing the financial impact of physical and transition risks under each climate scenario

Greenhouse Gas Reduction

↓ 19.2%

Scope 1 and 2 emissions decreased compared with 2024

Office Energy Improvement

↓ 18.5%

International Building lighting upgraded to LED, reducing electricity use

Green Building Promotion

28.6%

Share of new projects incorporating green building design exceeded the original 20% target

Green Procurement

NT$9.57 million

Adopting water-saving toilets and faucets bearing the water efficiency label

Nature and Biodiversity

TNFD Disclosure Framework

Using the ENCORE tool to identify impacts on natural ecosystems

S Social Aspect

Community Care Events

31 Sessions

Community care activities held across Taiwan, simultaneously promoted on the official website and social media

Children Fulfilling Their Dreams

More than 4,800 students

Cumulative rural schoolchildren supported by the Cathay Schoolchildren Dream Realization Program

Customer Service

2,108 items

2025 Service Review Committee customer service cases filed; 12 joint meetings

Relations with Neighboring Properties

Third-party appraisal

Pre-construction construction impact analysis conducted by an impartial third party

Volunteer Community Service

1 beach cleanup

Annual beach cleanup by the employee volunteer club, implementing environmental inclusion

Rural Education

53 schools

Cathay charitable group × Teach For Taiwan (TFT) 2025 partner schools

G Governance Aspect

Sustainable Governance Structure

Corporate Sustainability Development and Nomination Committee

A Corporate Sustainability Development and Nomination Committee has been established under the Board of Directors

Board Diversity

11%

Female director ratio target achieved (target ≥ 10%)

Board Performance Evaluation

Exceeding the standard

Board of Directors and all functional committee evaluations reached the highest grade

Supplier sustainability clauses

100%

Corporate Social Responsibility/ Sustainability Clause signing rate

Information Security

ISO 27001

Completed the information security management system surveillance audit

Employee Education and Training

5,476hr

Annual education and training hours, with 1,268 participations

Advancing Sustainability Together with Our Subsidiaries

	國泰健康管理 Cathay Healthcare Management	國泰飯店觀光事業 Cathay Hospitality Management	三井工程 San Ching Engineering	霖園管理維護 Lin Yuan Property Management
Sustainability Management System				
	Corporate Sustainability Development Committee	CS Corporate Sustainability Committee	Corporate Sustainability Development Task Force	Sustainability Promotion Task Force
Convener	Chairperson	Chairman (Convener), Chief Executive Officer (Chief Commissioner)	President (Chairperson)	Coordinated by the Administration Department
Convener	Convened regularly each year	Convened regularly every six months, with quarterly meetings for continuous optimization	Convened quarterly (changing to every six months from 2026)	Regular drills every six months
Promotion Structure	5 Task Forces: Environmental Protection, Social Welfare, Happy Workplace, Customer Care, Corporate Governance	5 Task Forces: Corporate Governance, Customer Care, Employee Care, Environmental Protection, Social Welfare	ESG 3 Task Forces: Environmental Protection, Social Inclusion, Corporate Governance	4 Task Forces: Corporate Governance, Employee Care, Customer Care, Environmental Protection
Promotion Axes				
E	• Carbon Inventory • Energy Management • Waste sorting • Environmental certification	• Carbon Inventory • Water and electricity conservation • Green Tourism • Eco-friendly Certification	• Low-carbon construction • Carbon Inventory • Renewable Energy • Waste Management	• Digitalized energy data management • Energy conservation and carbon reduction • Emissions monitoring
S	• Environmental certification • Talent Cultivation • Occupational Health and Safety	• Senior-Friendly • Food waste reduction promotion • Deepening industry-academia cooperation • DEI-friendly workplace	• Occupational Health and Safety • Sustainable Supply Chain • Talent Cultivation	• Employee Education and Training • Cross-unit collaboration training
G	• Medical accreditation and certification • Supplier audits • Quality Management	• Legal Compliance • Cybersecurity Management • Supplier Evaluation and Traceability	• 29 ESG targets established • Legal Compliance • Internal Audit	• Management system optimization • SOP Establishment • Strengthening the Information Disclosure Process

2025 ESG Highlights and and Performance

	國泰健康管理 Cathay Healthcare Management	國泰飯店觀光事業 Cathay Hospitality Management	三井工程 San Ching Engineering	霖園管理維護 Lin Yuan Property Management
Environment E	• Continuing to promote daily environmental management at all locations • Environment • Strengthening supplier carbon emissions and quality control	• Responding to Earth Hour • 99% of public-area lighting at all properties replaced with LED tubes	• Headquarters electricity use down 19.87% from 2024 • Introduction of low-carbon construction technologies and materials	• Strengthening energy data collection and analysis • Enhancing the implementation effectiveness of energy conservation management
Society S	• Five dedicated task groups established, with each group leader responsible for implementation tracking • Cathay Baby Care Center's four locations received the IMDA Golden Awards for Distinctive Postpartum Care Centers • Common Health Magazine Trusted Brand – first place among health screening centers for the eighth consecutive year	• HR Asia Best Companies to Work for in Asia Award • HR Asia Diversity, Equity and Inclusion Award • Food/goods donations to the disadvantaged; promoting the cherishing of imperfect produce	• Occupational safety excellence awards from four authorities (Ministry of Labor, Taipei, New Taipei, Kaohsiung) • Occupational safety awareness conference: 244 people from 126 vendors	• Establishing emergency response SOPs for fires and elevator failures • Regular on-site drills every six months
Governance G	• Implementing sustainability information disclosure • Planning and implementing medical and environmental accreditation and certification	• Sustainability e-book published on the official website • Continuing to strengthen transparent ESG disclosure • Hotel Cozzi Taoyuan has obtained GSTC certification	• Cathay THE PARK won the national grand prize of the National Golden Award for Architecture • Establishing 29 priority ESG targets and short-, medium-, and long-term indicators	• Promoting the digital and data-driven transformation of the management model • Continuously optimizing internal management systems and information disclosure

Future Directions and Development Goals

	國泰健康管理 Cathay Healthcare Management	國泰飯店觀光事業 Cathay Hospitality Management	三井工程 San Ching Engineering	霖園管理維護 Lin Yuan Property Management
Environment E	• Continuing to promote daily environmental management at all locations • Strengthening supplier carbon emissions and quality control • Planning applications for environmental protection and energy conservation certifications	• Continuing to promote energy- and water-saving measures in line with business conditions, enhancing water and electricity efficiency, and continuously refining energy management • Obtained ISO 50001 Energy Management System certification • Each hotel progressively obtains environmental protection related certificates	• Completing greenhouse gas inventory verification by 2027 • 100% of construction machinery at EIA sites bearing the clean emissions label • Local procurement ≥ 90%; green procurement accounting for more than 1% of contracted amounts • Construction site waste sorting ratio reaching 50% by 2027	• Planning the establishment of a building energy data system and patent applications • Participating in the Ministry of Environment's green procurement excellence competition • Establishing a smart building energy management technology platform and promoting the scaled application of patented technologies
Society S	• Continuing to deepen the organization of social welfare activities • Enhancing talent development and employee health promotion • Promoting medical and service quality accreditation and certification	• Maintaining the turnover rate target of ≤ 35% • Key position successor coverage rate reaches 75% internally • Broadly recruiting diverse talent and deepening industry-academia exchange • Continuing to promote the cherishing of imperfect produce and expanding charitable donation recipients	• Raising the construction site AED installation rate to 95% by 2027 • Holding health promotion lectures and smoke-free awareness activities each year • Purchasing produce from local small farmers each year and promoting corporate charitable activities • Continuing to provide employee welfare items (2025: 2 or more)	• Continuing to conduct professional skills training for employees • Strengthening cross-unit collaboration capabilities and enhancing service quality • Establishing a systematic talent development mechanism
Governance G	• Improving the customer data protection management system • Strengthening each group's performance tracking and information disclosure	• Incorporating anti-corruption clauses into supplier contracts, raising the Grade A procurement ratio year by year • Strengthen "cyber resilience" to upgrade server and network system protection • Continuing to maintain the personal data management system, with audits and improvements every six months	• Corporate social responsibility clauses are 100% included in contracts with suppliers • Regular monthly occupational safety and quality inspections, introducing technology-based disaster reduction applications • Recruiting 4 industry-academia mechanical and electrical interns each year • Participating in occupational safety competitions and construction quality awards each year	• Continuously optimizing internal management systems and information disclosure processes • Strengthening existing property management expertise and promoting systematic management • Continue to make improvements in accordance with the Corporate Sustainability Development Guidelines

Sustainability Highlights of Subsidiaries

國泰飯店觀光事業
Cathay Hospitality Management

Highlight Project Introductions	Resources Invested	2025 Implementation Results and Performance	Short-term Goal (2026)	Medium-term Goal (2028)	Long-term Goal (2030)
Sustainable Seafood Promotion	Increase in operating costs	• Across the seven properties, the proportion of menus not proactively offering high-carbon-emission or ecologically damaging fish species reached 99%. • Continuing to develop suppliers and sustainable products, increasing substitutability.	Proportion of menus at all properties not proactively offering such species: 80%	Introducing ≥ 2 sustainable seafood products, with flexible menu configuration, continuing to exclude high-risk fish species.	Introducing ≥ 2 sustainable seafood products, with flexible menu configuration, continuing to exclude high-risk fish species.
ESG-related Certifications Obtained	Hardware facility optimization and certification-related expenditures	• GSTC (Global Sustainable Tourism Council) certification: Taoyuan property • Silver-level Green Mark hotel certification: Tainan and Kaohsiung properties	Each property obtains certification for its designated certification items	• GSTC third-year audit • Second-year surveillance audit for ISO 50001 Energy Management System certification • All properties must obtain Green Mark hotel certification	• Continuing to review relevant certifications at each property • Obtaining required certifications in accordance with regulations and evaluating the continued acquisition of hospitality industry certifications
Supporting Local Partners — Sponsorship of Remote Rural Primary and Secondary Schools / Student Aid Organizations	Sponsorship funding	Sponsoring Padan Indigenous Elementary and Junior High School, investing in local education and community sustainable development through concrete action, echoing the SDGs and promoting diverse positive impacts.	Sponsoring remote rural primary and secondary schools / student aid organizations and conducting cross-industry cooperation activities ≥ 2	Sponsoring remote rural primary and secondary schools / student aid organizations and conducting cross-industry cooperation activities ≥ 2	Sponsoring remote rural primary and secondary schools / student aid organizations and conducting cross-industry cooperation activities ≥ 2
Caring for the Disadvantaged — Charitable Donation Activities	Hotel products and services, idle assets, sponsorship funding	• Headquarters donated Mid-Autumn Festival gift boxes to two social welfare organizations, "Glimmer Box" and "Little Grass Treehouse," reaching marginalized families (youth in adversity / low-income families) • HOTEL COZZI Minsheng and Zhongxiao donated 30 LCD televisions and 70 hair dryers to the Good Shepherd Social Welfare Foundation in the Hualien area and the Hualien County Indigenous Diverse Care Association • HOTEL COZZI Tainan arranged an experiential stay for a child with leukemia • HOTEL COZZI Kaohsiung donated room-stay meal-enrichment funds to Shou Shan Zoo, and joined the Kaohsiung City Government Social Affairs Bureau in donating mattresses to disadvantaged families • MADISON TAIPEI participated in Marriott International Taiwan Charity Golf Day, with proceeds going to the Down Syndrome Foundation R.O.C. • Courtyard by Marriott Taipei participated in the Road to Give 2025 Daxi charity run, raising funds for the Taiwan Association for Happy Breathing Children	• Charitable donations to disadvantaged organizations ≥ 1 • Mooncake donations to disadvantaged organizations ≥ 1	• Charitable donations to disadvantaged organizations ≥ 1 • Mooncake donations to disadvantaged organizations ≥ 1	• Charitable donations to disadvantaged organizations ≥ 1 • Mooncake donations to disadvantaged organizations ≥ 1

國泰健康管理
Cathay Healthcare Management

Highlight Project Introductions	Resources Invested	2025 Implementation Results and Performance	Short-term Goal (2026)	Medium-term Goal (2028)	Long-term Goal (2030)
Improvement Program for Metabolic Syndrome	• Digital tool development: AI algorithm models, lifestyle database construction, integration of personal health check reports, modularized nutrition prescriptions, personalized health education graphics push notifications • Professional R&D (health managers, dietitians, physicians)	• Responding in real time and providing professional health management advice based on health data and customer needs • International forum presentations and national-level award recognition: 1. Research presented at the International Forum on Quality and Safety in Healthcare (BMJ × IHI) 2. IHF World Hospital Congress 2025 of the International Hospital Federation 3. National Innovation Award: Smart Healthcare and Health Technology (NutriX Health+) 4. SNQ Symbol of National Quality: National Biotechnology and Medical Care Quality Award • Number of friends surpassed 7,000	• Number of friends > 200,000 • Monthly active users > 100,000	• Number of friends > 1,000,000 • Monthly active users > 300,000	Number of friends > 1,000,000

三井工程
San Ching Engineering

Highlight Project Introductions	Resources Invested	2025 Implementation Results and Performance	Short-term Goal (2026)	Medium-term Goal (2028)	Long-term Goal (2030)
Green Investment - Continue developing renewable energy and actively seek renewable energy investment opportunities	Investment in Cathay Power Inc. (holding 30% equity)	• As of the end of 2025, the invested Cathay Power Inc. has connected a total of 224 renewable energy power generation sites to the grid, with a total power generation capacity of 282.5MW. • It provides approximately 353 million kWh of green electricity annually, which can reduce total greenhouse gas emissions by approximately 167,000 metric tons ($MtCO_2e$), equivalent to the carbon reduction effect of 430.3 Daan Forest Parks. • Announced the signing of an agreement with Ørsted to acquire a 55% equity stake in the Greater Changhua 4 Southwest offshore wind farm (624 MW), expected to be completed by the end of 2026	• Solar power: 295 MW • Wind power: 65 MW	• Solar power: 350 MW • Wind power: 65 MW	• Solar power: 450 MW • Wind power: 65 MW

霖園管理維護
Lin Yuan Property Management

Highlight Project Introductions	Resources Invested	2025 Implementation Results and Performance	Short-term Goal (2026)	Medium-term Goal (2028)	Long-term Goal (2030)
Building energy efficiency assessment and improvement planning services	• Equipment Procurement • Education and Training • Engaging consultants • Adding personnel	Inventoried 30 buildings, helping owners pass review for 7, of which 4 obtained both the "nearly zero-carbon building" energy efficiency label and the Diamond-level green building label	3 buildings with label applications in progress	Continuing the inventory of 76 buildings	Completing the inventory of 123 buildings (expected to be completed early, in 2028)

CH 1 Sustainable Development Blureprint

2025 Sustainability Highlights and and Performance

Corporate Governance

- Completed the risk management policy and implementation plan
- Adopting IFRS S1 and S2, enhancing the transparency of sustainability information
- Strengthening stakeholder communication, with **2** investor conferences held in 2025
- Completed ISO 27001 Information Security Management System version update
- Conducted social engineering drills and education and training; **100%** of employees passed the information security test, and the phishing email trigger rate fell from 2.60% to **0.87%**
- Completed a company-wide personal data inventory, classification and grading, and risk assessment, and formulated a risk improvement plan and personal data protection system

Climate and Nature Governance

- All subsidiaries completed greenhouse gas inventories in 2025
- Aligning with IFRS S2, completed climate risk scenario analysis
- The Taipei headquarters completed its office lighting renewal project, fully replacing the original T5 fixtures with LED panel lights, with electricity use down **18.5%** from 2024
- Scope 1–2 emissions decreased by **19.2%** compared with 2024 (excluding subsidiaries)

1.1 Blueprint I: Sustainability Governance

Sustainability Governance and Executing Units

GRI 2-1 GRI 2-6 GRI 201-1

Corporate Sustainability Development and Nomination Committee Structure and Operation

To strengthen sustainability governance and integrate the nomination function, Cathay Real Estate established the "Corporate Sustainability Development and Nomination Committee" under the Board of Directors, appointed by Board resolution, with no fewer than three members and at least one director participating in supervision, implementing the Board's oversight responsibility for the Company's sustainability strategy. The Committee operates under the authorization of the "Sustainable Development Best Practice Principles" and the "Organizational Regulations of the Corporate Sustainability Development and Nomination Committee." Its powers cover nominating director candidates, formulating and promoting sustainable development policies and annual plans, tracking sustainability implementation results, and supervising sustainability information disclosure and reviewing the sustainability report, with regular reports to the Board of Directors.

Minimum number of members: **3**

Committee Composition

- No fewer than 3 members
- At least 1 director participating in supervision
- Members should possess sustainability expertise and capabilities
- Terms aligned with the Board's term; members may be re-elected
- Supplementary appointments to be made if membership falls below 3

Convened at least **once** a year

Meeting Format

- Ad hoc meetings may be convened at any time as needed
- Meeting notices to be delivered 7 days in advance
- Notices may be given in writing or electronically
- A convener elected by all members serves as chair
- Relevant personnel may attend to provide information

Reports to the Board: **regular**

Board Reporting Format

- The results of the Committee's exercise of its powers shall be reported to the Board
- The Executive Committee assists with implementation and reports regularly
- Matters that cannot be resolved due to recusal for conflicts of interest are reported to the Board
- The Committee is authorized to perform its duties with the due care of a good administrator

Main Powers of the Committee

Nomination

Nominating director candidates and reviewing qualifications

Sustainability Strategy

Formulating, promoting, and strengthening sustainability policies and annual plans

Performance Tracking

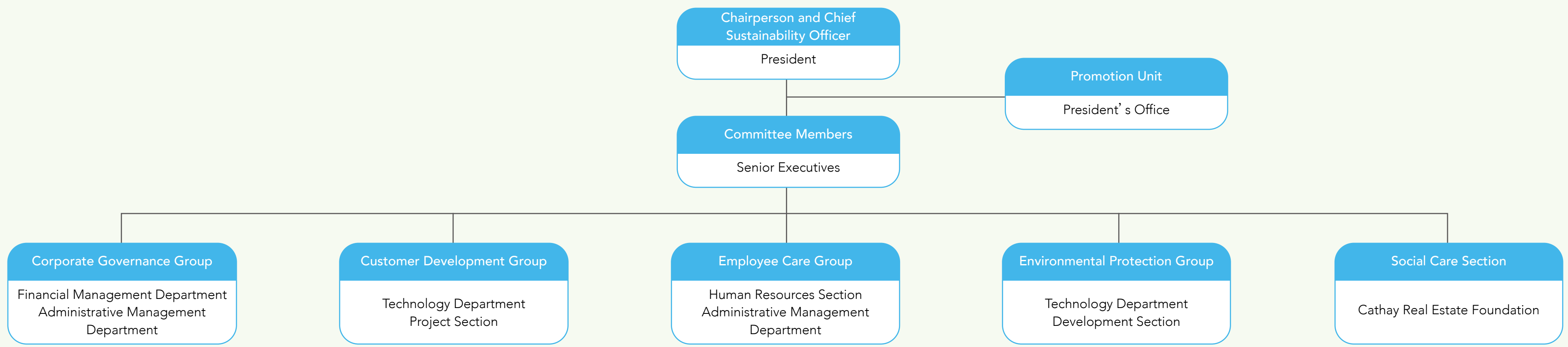
Reviewing, tracking, and revising sustainability implementation status and results

Information Disclosure

Supervising sustainability information disclosure and reviewing the sustainability report

Corporate Sustainability Development Executive Committee

Organizational Structure of the Corporate Sustainability Development Executive Committee



Responsibilities of the Five Task Forces under the Corporate Sustainability Development Executive Committee

Coordinating unit (President's Office): the Secretary-General is served by the head of the President's Office, who may select executive officers to assist, supporting the implementation and coordination of corporate sustainable development and integrity management.

Corporate Governance Group

- Corporate governance (Board diversity / independence / effectiveness)
- Anti-corruption and bribery / legal compliance / codes of conduct / whistleblowing mechanisms
- Financial performance and tax strategy
- Risk management
- Information disclosure
- Integrity management (culture and systems / internal audit and control) and anti-fraud measures

Customer Care Group

- Customer relationship and satisfaction management
- Personal data management, marketing ethics
- Assessing environmental / social / ethical risks and opportunities for products and services
- Formulating strategies and developing related products and services
- Developing green products and services
- Innovation mechanisms and strategies
- Integrity management (products and services / fair trade / consumer rights)

Employee Care Group

- Human rights (diversity / freedom of association / pay equality / prevention of discrimination)
- Remuneration management (executive remuneration / employee performance management)
- Talent cultivation, recruitment and retention
- Employee benefits and care (satisfaction / work-life balance)
- Shaping and communicating organizational culture
- Occupational health and safety
- Integrity management (employment conditions / education and training / personnel appraisal)

Environmental Protection Group

- Environmental policy and management mechanism
- Daily environmental operations management (greenhouse gases, energy, water, waste)
- Supply chain management (risk identification / supplier environmental and human rights management)
- Participating in green initiatives
- Integrity management (supplier activities / conflict-of-interest recusal)

Social Welfare Group

- Brand image management (brand value assessment / brand management strategy)
- Charity event promotion
- Corporate social welfare strategy and benefit (social giving) assessment
- Promoting industry development
- Integrity management (compliant donations and sponsorships)

Stakeholder Identification and Communication

GRI 2-16 GRI 2-29

Cathay Real Estate highly values engagement with stakeholders, viewing it as an important foundation for stable business operations. According to the AA1000 (SES), we have identified 7 core categories of stakeholder and utilize diverse communication methods to fully understand their sustainability concerns and expectations of our response measures.

	Inventory	Confirmation	Response
Description	Reviewing the prior year's stakeholder identification conclusions, and reassessing each party's importance and degree of relevance across the five dimensions of "responsibility, influence, tension, diverse perspectives, and dependency" in accordance with the AA1000 SES engagement standard.	To ensure identification results promptly reflect changes in the external environment, this year we broadly incorporated sustainability regulatory developments, industry trends, and peer benchmark practices as references, re-examining and updating the scope of stakeholders to be considered.	Following internal evaluation and submission for approval, 7 categories of key stakeholders were formally established for this year, serving as the main audiences for communication and response in this report.
Reference Basis / Outputs	Systematic assessment following the five dimensions of the AA1000 SES engagement standard.	The finally confirmed stakeholders cover: customers/consumers, employees, partners, government agencies, investors, media, the general public, and neighboring communities.	The finally confirmed stakeholders cover: customers/consumers, employees, partners, government agencies, investors, media, the general public, and neighboring communities.

Stakeholder	Meaning and Importance to Cathay Real Estate	Topics of Concern	Communication Channels	Engagement Frequency	2025 Engagement Results
Clients/Consumer	Every piece of consumer feedback is a driving force for Cathay Real Estate's growth. We are committed to providing high-quality service to earn customers' lasting trust; at the same time, we hope to find directions for self-breakthrough and continuous improvement through customers' honest perspectives, joining hands with customers to create better service.	• Supply Chain Management • Sustainable Service and Brand Value • Energy Resource and Emissions Management	Unit Owner Assembly	Irregular	2025 Unit Owner Assembly: • Cathay You Yang • Cathay Xi Jing • Cathay He He • Cathay MOST+
			Inspection and Handover	Irregular	• Cathay You Yang 112 times • Cathay Shi Mei 37 time • Cathay Xi Jing 439 times • Cathay He He 342 times • Cathay MOST+ 96 times • Cathay THE PARK 218 times • Tainan: UNiPARK 268 times
			Customization	Once a month per floor during construction	• Cathay Yong Cui 40 times • River Park 193 times • Cathay Yang Hui 32 times • Cathay Yang Mu 197 times • Cathay Yi He 270 times
			Customer Service	Instantly	• Community Care Events: 31 nationwide • Customer service cases filed: 2,108 cases before the Service Review Committee in 2025, with 12 company-wide joint meetings

Stakeholder	Meaning and Importance to Cathay Real Estate	Topics of Concern	Communication Channels	Engagement Frequency	2025 Engagement Results
Employee	Every colleague at Cathay Real Estate is the most solid foundation of the brand. We care attentively for every partner's growth and development, and hope that everyone, in a well-supported environment, will continue to grow stronger together with Cathay Real Estate toward the future.	• Supply Chain Management • Happy Workplace and Talent Cultivation • Sustainable Design and Architecture	Departmental business training	Irregular	• Training: 1,268 attendees, 5,476 hours • Information Security Education and Training: 173 attendees, 1 hour • Health Consultations: A total of 36 sessions, 23 consultations • Occupational Safety and Health On-the-Job Training: 22 attendees, 2 sessions
Partners Suppliers, Construction Contractors, and Sales Agents	Cathay Real Estate treasures the cultivation of every cooperative relationship, committed to creating cooperation models that benefit both parties, allowing each other's expertise and resources to multiply, and realizing greater value through shared growth.	• Sustainable Service and Brand Value • Supply Chain Management • Construction Waste Management	Construction Management Meetings	Monthly	A total of 247 hours of courses across Taiwan in 2025
			Handover Briefings	Once every two weeks	A total of 98 hours of courses across Taiwan in 2025
			Sales-management Meetings	Weekly	A total of 277 hours of courses across Taiwan in 2025
			Design-management Meetings	Irregular	A total of 91 hours of courses across Taiwan in 2025
Government agencies	Compliance with laws and regulations is Cathay Real Estate's most basic and most important commitment to society. We actively cooperate with government policy directions, maintaining transparent, constructive communication with the competent authorities, internalizing compliance as part of the enterprise's daily operations rather than an externally imposed requirement.	• Supply Chain Management • Energy Resource and Emissions Management • Happy Workplace and Talent Cultivation	Official correspondence, administrative meetings	Irregular	• Actively integrated areas with urban renewal intentions and submitted them to the city government for review • Participated in briefing sessions and seminars on urban and building regulations; participated in 16 government investment promotion briefings; actively participated in government seminars
Investors	Cathay Real Estate's responsibility to investors goes beyond the presentation of financial figures — it lies in building long-term, equal relationships of trust. We actively maintain constructive interaction with investors, and regard external oversight as a driving force for corporate self-improvement, jointly laying a solid foundation for sustainable development.	• Supply Chain Management • Happy Workplace and Talent Cultivation • Implementing Occupational Health and Safety • Energy Resource and Emissions Management	Annual Shareholders' Meeting	Annually	Held the 2025 shareholders' meeting in June to report the Company's business to shareholders
			Financial Report Disclosure	Quarterly	Disclosed the financial reports quarterly, and audited by an accounting firm
			Investor conferences	Twice a year	Attended an institutional investor conference in the second quarter of 2025 to explain the Company's operating performance and strategy to investors.
			Official Website, Phone, E-mail	Instantly	Responded to shareholder services inquiries in accordance with regulations and shareholder requests; Announced revenue status on the Market Observation Post System (MOPS)
Media	The media is one of the main external communication channels. Maintaining appropriate media relations is a key to ensure the accuracy of information delivered by Cathay Real Estate and advance the Brand image.	• Corporate Governance and Regulatory Compliance	Press conferences, official website, YouTube, social media	Irregular/ Quarterly	• Quarterly release of Cathay Real Estate Index reports • The "Guarding the City Center, Reviving Kikumoto" special exhibition ran until early January 2025, with 8,306 visitors • 49 visiting groups

Stakeholder	Meaning and Importance to Cathay Real Estate	Topics of Concern	Communication Channels	Engagement Frequency	2025 Engagement Results
General Public	Construction is not just about building a structure — it leaves a lasting mark on a community. For precisely this reason, Cathay Real Estate regards neighboring residents as important partners not to be overlooked; through diverse mechanisms such as neighboring-property appraisals and construction briefing sessions, mutual trust is established before work begins, allowing every project to coexist harmoniously with the community.	• Project and Construction Quality Management • Construction Waste Management • Social Inclusion and Regeneration	Official website, Facebook community, charitable activities	Instantly	• LINE official account push notifications: 42 pushes, totaling 738,692 messages delivered • Community care activity promotions on Facebook / the official website / the corporate sustainability website: 31 each • 1 volunteer beach cleanup
			Customer Service Hotline/ Email	Irregular	• Pre-construction construction impact analysiss conducted by an impartial third party: a total of 4 cases in 2025

Material Topic Identification Process

GRI 3-1

To ensure sustainability management truly focuses on the core issues with the greatest impact on the enterprise and society, Cathay Real Estate, in accordance with the 2021 GRI Standards, reviewed the business activities of its value chain and its sustainability context, constructed a sustainability impact list, and examined the degree of impact and the importance of sustainability topics together with stakeholders.

Unlike in the past, the 2025 materiality assessment specifically responds to the emerging sustainability framework trends rising rapidly in the international arena in recent years, including the Taskforce on Nature-related Financial Disclosures (TNFD), Diversity, Equity and Inclusion (DEI), and the Taskforce on Inequality and Social-related Financial Disclosures (TISFD) frameworks, as well as the transformation that artificial intelligence technology is bringing to the industry. Cathay Real Estate has incorporated emerging issues such as biodiversity, human rights protection, diversity and inclusion, and AI technology applications into this year's sustainability topic assessment scope. With double materiality as the core principle, it assessed the importance ranking of each sustainability topic from the perspectives of "the financial impact of sustainability topics on the enterprise" and "the enterprise's impact on sustainability topics." The material topic analysis results not only serve as the basis for this report's content preparation and disclosure framework, but also lay a solid management foundation for the Company's alignment with the IFRS Sustainability Disclosure Standards, demonstrating its proactive action to align its sustainability governance with international practice.

Understand the Organization' s Context

- Through comprehensive organizational interviews and integration of internal sustainability initiatives and global trends, clarified the context of sustainable management at Cathay Real Estate.

Corporate Sustainability Development Executive Committee
Interview of the **5** Task Forces

Understand the Organization' s Context

Through comprehensive organizational interviews and integration of internal sustainability initiatives and global trends, clarified the context of sustainable management at Cathay Real Estate.

19 positive/negative, actual/potential impacts

Evaluate the Significance of Impacts

- Consolidating sustainability impacts into sustainability topics based on the relevance of impact items
- Through a materiality analysis questionnaire, invited internal and external stakeholders to jointly assess significance of impacts by evaluating both the "positive contributions" and the "negative effects" associated with each sustainability topic.
- In addition to "positive benefits" and "negative impacts," the senior management questionnaire also incorporated the "degree of financial impact" of sustainability topics into the assessment

97 stakeholder questionnaires collected
5 senior management questionnaires collected

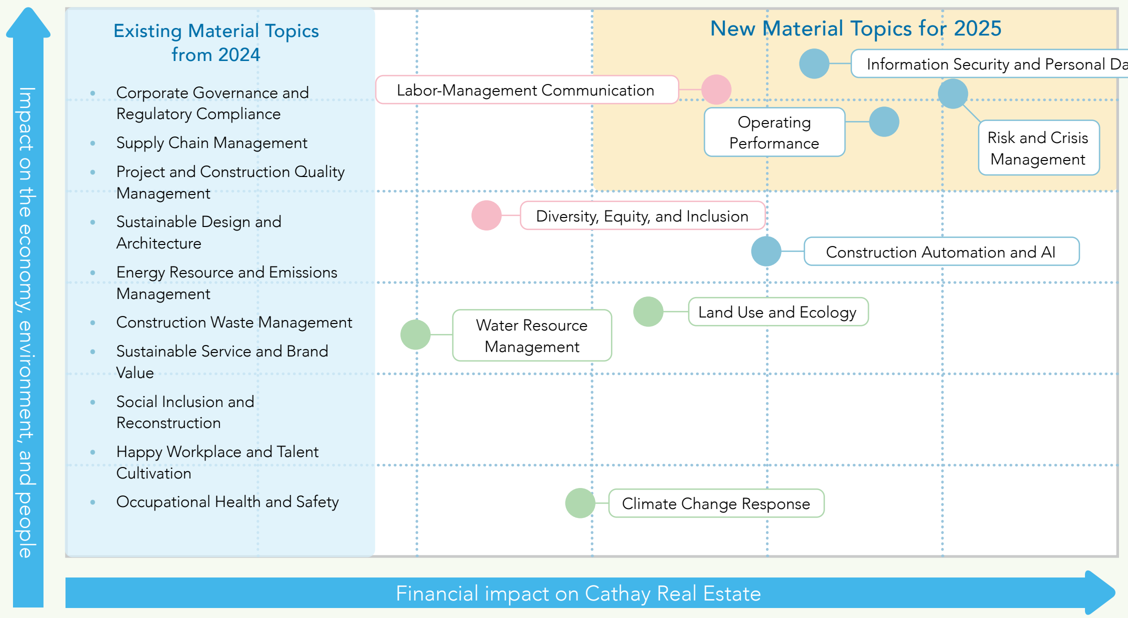
Prioritization and Disclosure of Material Topics

Based on qualitative interviews and questionnaire results, 4 new material sustainability topics were confirmed for 2025, and GRI reporting requirements were disclosed to establish management guidelines, serving as the core of sustainable development and effectively communicating with stakeholders.

4 new material sustainability topics for 2025

Material Topic Identification Results and Explanation of Changes GRI 3-1 GRI 3-2

Double Materiality Matrix of Material Topics



Note: Topics newly added this year were assessed under double materiality, simultaneously weighing impacts on the economy, environment, and people and the financial impact on the Company; existing topics carry forward the prior period's impact assessment results and remain listed as material topics.

2024 Material Topics	New Material Topics for 2025
Corporate Governance and Regulatory Compliance	Risk and Crisis Management
Supply Chain Management	Operating Performance
Project and Construction Quality Management	Information Security and Personal Data Protection
Sustainable Design and Architecture	Labor-Management Communication
Energy Resource and Emissions Management	
Construction Waste Management	
Sustainable Service and Brand Value	
Social Inclusion and Reconstruction	
Happy Workplace and Talent Cultivation	
Occupational Health and Safety	
Continuing existing management approaches, with regular review of effectiveness	Reviewing current management practices and related policies, continuously improving the formulation of management approaches

Material Topic	Financial impact on Cathay Real Estate	Impact on the economy, environment, and human rights		Impact on the Value Chain				Corresponding GRI Standards	Corresponding Chapter
				Within the Organization	Outside the Organization				
					Upstream	Midstream	Downstream		
		Positive	Negative	Cathay Real Estate	Land Owners, Financial Institutions	Architects, Construction Contractors	Sales Agents, Customers		
Corporate Governance and Regulatory Compliance Risk and Crisis Management Operating Performance Information Security and Personal Data Protection	A sound governance structure and strengthened information security incident and risk response help reduce legal risk and maintain investor confidence, thereby stabilizing the Company's share price and financing conditions	Strengthening internal control and legal compliance mechanisms, and enhancing the identification and management of operational and information security risks, improving the Company's reputation and long-term operational stability	Governance deficiencies or violations, and personal data leakage incidents, could lead to fines, litigation losses, and reputational damage	✔	✓		✓	GRI 205: Anti-Corruption (2016) GRI 405: Diversity and Equal Opportunity (2016)	1.2 Blueprint II: Corporate Governance

Note: ✔ = Directly causes this impact ✓ = Directly related to this impact through business relationships

Material Topic	Financial impact on Cathay Real Estate	Impact on the economy, environment, and human rights		Impact on the Value Chain				Corresponding GRI Standards	Corresponding Chapter
		Positive	Negative	Within the Organization	Outside the Organization				
				Cathay Real Estate	Upstream Land Owners, Financial Institutions	Midstream Architects, Construction Contractors	Downstream Sales Agents, Customers		
Supply Chain Management	Supply chain stability directly affects construction schedules and cost control; supplier risk management helps avoid losses from schedule delays	Integrating the resources of upstream and downstream partners, building a sustainable supply chain, and enhancing overall operational efficiency	Occupational safety, environmental, or social violations by suppliers could affect Cathay Real Estate's brand image and construction quality	✔	✔	✓		GRI 308: Supplier Environmental Assessment (2016) GRI 403: Occupational Health and Safety (2018) GRI 414: Supplier Social Assessment (2016)	3.2 Commitment II: Working Safely Environment
Project and Construction Quality Management	Construction quality directly affects sales results and customer satisfaction; high quality standards can reduce after-sales warranty costs and litigation risk	Rigorous construction procedures and a three-tier quality control system enhance product competitiveness and brand premium	Construction defects or deficiencies could trigger customer complaints, compensation, and damage to brand image	✔	✓	✓	✓	Industry-Specific Issues	3.1 Commitment I: Uncompromising Construction Standards
Sustainable Design and Architecture	Adopting green building and low-carbon technologies can raise the added value of projects and meet the competent authorities' increasingly stringent environmental regulatory requirements	Selecting environmentally friendly building materials and low-carbon construction methods, reducing carbon emissions across the building lifecycle, and enhancing products' environmental competitiveness	Failure to respond to green building regulatory trends could bring declining product competitiveness and the risk of market elimination	✔		✓		Industry-Specific Issues	4.3 Commitment III: Circular and Renewable Architecture
Energy Resource and Emissions Management	Energy-saving measures can effectively reduce operating costs; carbon emissions management helps avoid the financial risks of future carbon pricing policies	Promoting energy conservation, carbon reduction, and greenhouse gas inventories, actively responding to climate change policy, and reducing long-term climate risk	Exceeding carbon emission limits or failing to meet TCFD disclosure requirements could affect financing conditions and investor assessments	✔		✓		GRI 305: Emissions (2016)	1.3 Blueprint III: Climate Governance
Construction Waste Management	Waste sorting and resource recycling can reduce waste treatment costs and the risk of fines from improper disposal	Implementing construction site waste reduction and sorting, promoting resource recycling and reuse, and reducing environmental impact on neighboring communities	Improper waste management could lead to regulatory penalties, complaints from neighboring residents, and environmental pollution compensation liability	✔		✓		GRI 306: Waste (2020)	4.2 Commitment II: Pollution Prevention at Construction Sites

Note: ✔ = Directly causes this impact ✓ = Directly related to this impact through business relationships

Material Topic	Financial impact on Cathay Real Estate	Impact on the economy, environment, and human rights		Impact on the Value Chain				Corresponding GRI Standards	Corresponding Chapter
				Within the Organization	Outside the Organization				
		Positive	Negative	Cathay Real Estate	Upstream Land Owners, Financial Institutions	Midstream Architects, Construction Contractors	Downstream Sales Agents, Customers		
Sustainable Service and Brand Value	Enhanced brand trust helps maintain customer loyalty, strengthen sales momentum, and support product pricing power	Upholding the brand spirit of "Integrity, Accountability, and Innovation," building lifelong relationships of trust with residents and exerting positive brand influence	Damage to brand image or frequent customer complaints could lead to declining sales rates and weakened market competitiveness	✓	✓	✓	✓	Industry-Specific Issues	2.1 Persistence I: A Brand Vision Close to Customer Needs
Social Inclusion and Reconstruction	Active participation in community inclusion and urban renewal helps earn the trust of landowners in development projects and reduces resistance to land acquisition	Linking Lin Yuan Group resources to give back to society through concrete action projects, creating shared value and deepening corporate social influence	Neglecting community relations could trigger protests from neighboring residents, delaying development schedules and increasing communication costs	✓				Industry-Specific Issues	6.4 Cornerstone IV: Creating Social Impact
Happy Workplace and Talent Cultivation Labor-Management Communication	A quality talent development mechanism helps reduce employee turnover, lowering recruitment and training costs and maintaining core competitiveness	Establishing sound talent development systems and generous benefits, creating a happy, friendly workplace, and attracting and retaining outstanding talent	Talent loss or disharmonious labor-management relations could affect construction quality and organizational operating efficiency	✓				GRI 201: Economic Performance (2016) GRI 202: Market Presence (2016) GRI 401: Employment (2016) GRI 402: Labor/Management Relations (2016) GRI 404: Training and Education (2016) GRI 406: Non-discrimination (2016)	6.1 Cornerstone I: A Happy Workplace
Occupational Health and Safety	Construction site safety management effectively reduces the probability of occupational accidents, reducing work injury compensation, work stoppage losses, and legal liability	Guarding building quality and safety with a rigorous attitude, treating the on-site working environment safety of employees and suppliers as the top priority	Occupational accidents could cause schedule delays and compensation losses, and negatively impact corporate reputation and supplier relationships	✓				GRI 403: Occupational Health and Safety (2018)	6.2 Cornerstone II: Employee Health and Safety

Note: ✓ = Directly causes this impact ✓ = Directly related to this impact through business relationships

1.2 Blueprint II: Corporate Governance

Material Topics – Corporate Governance and Legal Compliance, Risk and Crisis Management, Operating Performance, Information Security and Personal Data Protection

Management Policy

Guided by its core values of "Integrity and Accountability," Cathay Real Estate works to strengthen corporate governance performance, maintain rigorous legal compliance, and manage operational risks to sustain stable operations, further establishing the foundation for the Company's sustainable development. To provide a basis for governance operations, the Company has formulated the "Code of Integrity Management" and the "Corporate Governance Best Practice Principles" as the two institutional foundations of sound operation. The Company has also established the "Risk Management Policy," systematically identifying, assessing, and controlling strategic, operational, financial, legal compliance, climate change, and other risks; and, under the "Personal Data Protection Management Policy," strengthens personal data and information security management to protect stakeholders' rights and interests.

Management Commitment

- Zero tolerance for unethical conduct: Prohibit the offering and acceptance of bribes, illegal political donations, the offering or acceptance of unreasonable presents, hospitality, or other improper benefits, and improper charitable donations or sponsorship.
- Protecting intellectual property and trade secrets: prohibiting infringement of intellectual property rights and strictly forbidding the disclosure of trade secrets, safeguarding the legitimate rights and interests of the Company and its stakeholders.
- Fair competition and consumer protection: Prevent products or services from harming stakeholders' rights and interests, prohibit engaging in unfair competition
- Ensuring continuity of information systems and operations: Through analyzing the operational impact of each information system, evaluate the tolerable interruption time of the system, tolerable data loss period, required resources, and accordingly formulate an information operation continuity drill plan to regularly conduct disaster recovery drills for important systems.
- Strengthening information security management: Establish an information security management system and conduct information security risk assessment and improvement annually, and continue to enhance cybersecurity capabilities.

Responsible Unit

- President's Office: the unit with primary responsibility for integrity management, coordinating related matters and regularly reporting implementation status to the Board of Directors.
- Corporate Sustainability Development and Nomination Committee: responsible for promoting business activities related to integrity management and sustainable development.
- Dedicated audit unit: handles internal audit and legal compliance matters, and includes compliance with the principles within its audit scope.
- Corporate governance officer: assists directors in implementing corporate governance matters.
- Information Team, Legal Team, and Administrative Team of Administrative Management Department, and Accounting Team of Financial Management Department: Support corporate governance and legal compliance matters

Resources Invested

A total of 33 people, including 5 committee members (along with the chairperson), 4 promotion unit staff, and 24 people in five dedicated working groups.

Goals

Short-term (2026)

- Continue to review the scoring items in the Corporate Governance Evaluation and map the Company's practices against ESG rating criteria
- In line with the "Corporation Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers", revise the Company's "Performance Evaluation Measures for the Board of Directors and Functional Committees", "Corporate Governance Best Practice Principles" and other regulations.
- To promote Board gender diversity and strengthen Independent Director functions, add provisions that Directors of different genders shall not be less than 1 and the total tenure of independent directors shall not exceed 3 terms.
- Complete the transition of ISO 27001 for the information security management system by 2025, with recertification to follow in 2026.
- SOC security monitoring, DDoS protection, DLP data leakage prevention
- Conduct annual phased business continuity drills for systems and file servers over years, prioritizing critical areas to reduce interruption.
- Implement cybersecurity education and training for all employees and social engineering drills
- Continue the natural disaster and major event reporting Line group for instant notification
- Revise internal control management system for insider trading prevention
- Conduct company-wide personal data protection training

Goals

Medium-term (2028)

- To implement the anti-corruption policy, subsidiaries should include anti-bribery clauses in contracts with suppliers
- Establish the Company's risk management practice principles and have them approved by the Board of Directors
- Subsidiaries regularly report litigation progress to the Board of Directors
- Goals Through the information security management system, continue to conduct information security risk assessment and improvement annually
- Conduct annual phased business continuity drills for systems and file servers over years, prioritizing critical areas to reduce interruption.
- Expand backup systems based on importance to reduce interruption impact
- Review remote office solutions

Long-term (2030)

- Integrate the integrity management practices of the Real Estate Group, plan a consistent management system, and extend it to the supply chain to generate systematic management effects
- Subsidiaries establish major information handling procedures to handle major information in a timely and accurate manner
- To prevent employees and insiders of subsidiaries from violating insider trading regulations, subsidiaries establish Insider Trading Prevention Management Measures
- Regularly conduct external performance evaluations of the Board of Directors and functional committees
- Consider the Company's operational structure, business development direction, future development trends and various needs, the Board of Directors composition is diversified
- Continue to implement cybersecurity management requirements and risk improvement
- Continue to review and implement business continuity drills

Key Performance Indicators and Evaluation Results

Key Performance Indicators	2025 Evaluation Results
Established the Sustainability Development Committee and revised related Board systems	✔
Completed the risk management policy and implementation plan	✔
Implemented insider trading prohibition awareness	✔
Completed the codification of Board and functional committee SOPs into formal rules	✔
Adopting IFRS S1 and S2, enhancing the transparency of sustainability information	✔
Strengthening stakeholder communication, with 2 investor conferences held in 2025	✔
Completed ISO 27001 Information Security Management System version update	=
Conducted social engineering drills and education and training, with the phishing email trigger rate reduced to below 5%	✔
Completed a company-wide personal data inventory, classification and grading, and risk assessment, and formulated a risk improvement plan and personal data protection system	✔
Formulated the personal data policy and related management regulations	=

Note: ✔ Exceeding the original target or the previous year's performance; = Same as the original target or the previous year's performance; ✖ Did not achieve the set target

Robust Corporate Governance

At Cathay Real Estate, the Board of Directors sits at the center of the corporate governance structure, setting the Company's development strategy and policies and ensuring transparency and effectiveness in major decision-making. The Audit Committee and the Remuneration Committee exercise their oversight functions in accordance with applicable laws, safeguarding shareholder rights and interests and strengthening management accountability. In terms of information disclosure, the Company regularly discloses financial and non-financial information, practicing the spirit of corporate governance through transparent, complete disclosure. These efforts have also been recognized externally. Cathay Real Estate scored 95.17 points in the 12th Corporate Governance Evaluation, ranking in the 21%-35% range for listed companies and 21%-40% range for non-financial and electronic companies with a market value of over NT$10 billion.

Board Structure and Operation Board Selection Process

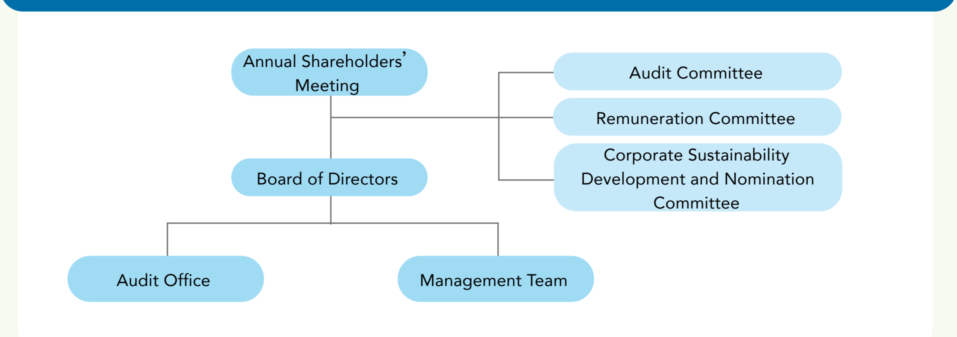
GRI 2-9 GRI 2-10 GRI 2-11 GRI 2-15 GRI 405-1

In the practice of corporate governance, sustainable development has been fully integrated into the decision-making core of Cathay Real Estate. The Board of Directors incorporates short-, medium-, and long-term sustainability goals into its deliberations, sets the corresponding strategic direction, and has designated the "Corporate Sustainability Development and Nomination Committee" as the dedicated body responsible for implementation.

To ensure efficient operation of the governance, the Board of Directors established an Audit Office to establish internal supervision mechanisms, strengthen internal control mechanism, and ensure transparency and fairness in every decision. In addition, to avoid conflicts of interest, any director with a potential interest in a matter under discussion must recuse themselves from the related deliberations and voting, ensuring that decisions serve the Company's long-term interests and the best interests of all shareholders and stakeholders.

The Board of Directors has established an Audit Committee and a Remuneration Committee, each composed entirely of independent directors and each exercising distinct oversight functions. The Remuneration Committee is responsible for reviewing the performance evaluation mechanisms and remuneration systems for directors and managers, and establishing reasonable remuneration policies and assessment frameworks to promote operational efficiency and sound organizational development. The Audit Committee bears responsibility for overseeing the internal control system, regularly reviewing the appropriateness of financial statements, and conducting ex ante and ongoing supervision of major financial processing, business decisions, and regulatory compliance, providing solid governance assurance for Cathay Real Estate's long-term steady operation.

Governance Chart



Board Selection Process

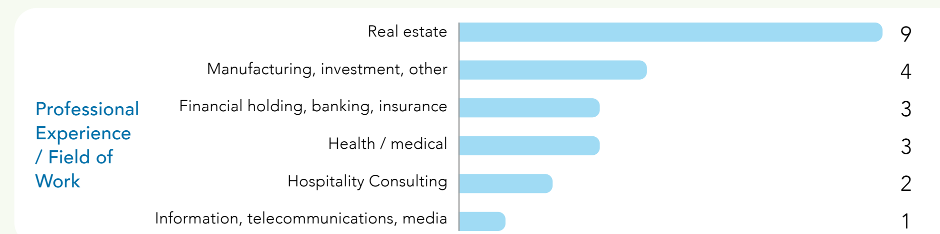
To build a sound Board composition and strengthen corporate governance effectiveness, Cathay Real Estate adopts a candidate nomination system for director elections, planning nominations in accordance with the "Director Election Procedures" and the "Corporate Governance Best Practice Principles," comprehensively evaluating conditions including Board structure, diversity policy, professionalism, and competencies, and submitting candidates to the shareholders' meeting for election after approval by Board resolution. In the nomination process, the Company also considers its operational structure, business development direction, and industry trends, giving careful attention to directors' basic qualifications and professional backgrounds. The aim is to ensure the Board brings diverse perspectives and complementary expertise to its decision-making, enabling it to respond to an increasingly complex operating environment and evolving governance challenges.

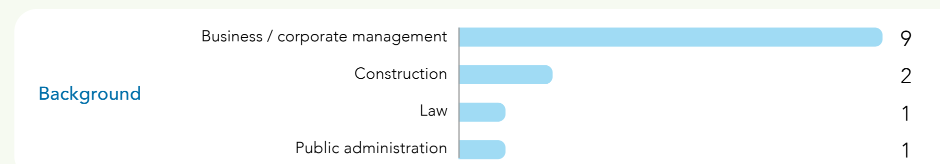
The Company established the Corporate Sustainability Development Committee in 2025, renamed the Corporate Sustainability Development and Nomination Committee in 2026, with membership comprising all independent directors. Its main duties include nominating the Company's director candidates and reviewing the qualifications of director candidates.

Board Selection Process

GRI 2-10 GRI 2-17

The Company completed its director re-election in June 2026; the professional experience and backgrounds of Board members disclosed in this report are based on the latest Board composition following the re-election.





2025 Board Training Courses

Course Name	Organizer	Number of Participants	Total Teaching Hours
Strategic Analysis of Sustainable Enterprises: Renewable Energy as an Example	Taiwan Corporate Governance Association	1	3
The Path of Sustainable Succession and AI Application Transformation	Taiwan Corporate Governance Association	1	3
15th Taipei Corporate Governance Forum	Financial Supervisory Commission	1	6
2025 Cathay Sustainable Finance and Climate Change Summit	Taiwan Stock Exchange	3	18
NVIDIA's Three-Trillion Miracle: New Thinking on the Semiconductor Industry Revolution Behind AI	Securities and Futures Institute	2	6
Executive Remuneration and ESG Performance System Design	Taiwan Corporate Governance Association	1	3
Corporate Governance, Organizational Culture, and Corporate Sustainability	Taiwan Corporate Governance Association	1	3
Information Security Governance and Management amid Geopolitics	Taiwan Corporate Governance Association	1	3
Risk Management and Strategic Analysis for Corporate Sustainability	Taiwan Corporate Governance Association	1	3
The Digital Finance Revolution: The Principles of Stablecoins and Development Trends in Blockchain Underlying Assets	Taiwan Corporate Governance Association	1	3
How Directors and Supervisors Oversee Corporate Risk Management and Crises	Taiwan Corporate Governance Association	1	3
Practical Analysis of Insider Trading / Equity Reporting	Taiwan Investor Relations Institute	1	3
The Current Global Economic and Financial Situation	Taiwan Corporate Governance Association	1	3
Circular Economy Benefits and Sustainable Finance Opportunities	Taiwan Corporate Governance Association	1	3
Introduction to Greenhouse Gas Inventories and Carbon Credit Principles and Key Points	Taiwan Corporate Governance Association	1	3
Total		18	66

Number of Participants / Total Teaching Hours

2025 Director Training Courses

Course Name	Number of Participants	Total Teaching Hours
Cathay Healthcare Management		
Consensus camp / transformation planning and health promotion, etc.	1	8
Cathay Health Screening Future Business Accelerator – Value Proposition × Service Innovation × Business Model Evolution	1	33
Common Health Magazine Good Energy International Masters Forum	1	4
Information Security Education Training	2	1
Cathay Hospitality Consulting		
The Digital Finance Revolution: The Principles of Stablecoins and Development Trends in Blockchain Virtual Assets	1	3
Risk Management and Strategic Analysis for Corporate Sustainability	1	3
NVIDIA's Three-Trillion Miracle: New Thinking on the Semiconductor Industry Revolution Behind AI	1	3
Executive Remuneration and ESG Performance System Design	1	3
Corporate Governance, Organizational Culture, and Corporate Sustainability	1	3
15th Taipei Corporate Governance Forum	1	6
San Ching Engineering		
Information Security Education Training	4	1
Lin Yuan Property Management		
The New Cryptocurrency Financial Competitive Landscape Ignited by Stablecoins	1	1
As the Virtual Asset Wave Arrives, How Financial Institutions Can Stand Firm	1	1
AI Development Trends, Their Impact on Industries and the Financial Sector, and Response Approaches	1	2

Implementing Board Diversity

The Company also values gender equality in the composition of its Board members, with a target female director ratio of 10% or above; of the current 9 directors, 1 is a female director, a ratio of 11%.

Note: The Company completed its director re-election in June 2026; the information disclosed in this report is based on the latest Board composition following the re-election.

Total Number of Directors 9

Male 8
Female 1

Male 88.9% 11.1% Female

Age	Number
41–50 years old	1
51–60 years old	3
61–70 years old	1
71–80 years old	4

Conflict-of-Interest Management Mechanism for Board Members

Recusal Process

Proposal submission → The Board deliberates the proposal → Interest determination → Involving a director's own interests → The director concerned recuses → Explaining the important content of the interest involved; where there is a risk of harm to the Company's interests, the director may not join the discussion and voting, and shall recuse during discussion and voting → The remaining directors vote → Directors without conflicts of interest conduct the discussion and resolution → Recording of results → Recusal circumstances are recorded in the Board meeting minutes

2025 Classification of Recusal Proposals

Total recusal proposals	9
Proposal Type	3
All directors required to recuse did not participate in voting	100%

Remuneration System | 4 proposals

- Evaluation and adjustment of director and manager remuneration
- Deliberation on the distribution of 2024 employee and director remuneration
- 2024 independent director remuneration evaluation
- Year-end bonuses and special incentive payments for directors actually participating in business execution and for managers

Corporate Governance and Human Resources | 3 proposals

- Establishment of the Corporate Sustainability Development Committee and appointment of members
- Personnel appointment of the Company's new Chief Sustainability Officer
- Release of the Company's managers from non-compete restrictions

Investment and Assets | 2 proposals

- Proposed acquisition from related parties of property-use rights in the Taipei International Tower and the Tainan Cathay Landmark
- Proposed participation in the cash capital increases of Nangang International One Co., Ltd. and Nangang International Two Co., Ltd.

Operation of Other Functional Committees

To strengthen the Board's professional governance functions, Cathay Real Estate Development has established an Audit Committee and a Remuneration Committee in accordance with the "Organizational Regulations of the Audit Committee" and the "Organizational Regulations of the Remuneration Committee," both composed entirely of independent directors. The Audit Committee convenes at least once each quarter, responsible for financial oversight, internal control assessment, and managing the independence of the attesting CPAs; the Remuneration Committee convenes at least twice a year, responsible for establishing and regularly reviewing the performance evaluation and remuneration systems for directors and managers, ensuring remuneration policy is aligned with the Company's long-term development goals.

Note1: For the list of "Audit Committee" and "Remuneration Committee" members, please refer to the Company's official website.

Note2: For the information of the Corporate Sustainability Development and Nomination Committee, please refer to the Corporate Sustainability Development and Nomination Committee Structure and Operation.

Performance Evaluation and Remuneration System for Board of Directors and Functional Committees

GRI 2-18 GRI 2-19 GRI 2-20 GRI 2-21

To implement corporate governance and strengthen Board effectiveness, Cathay Real Estate, in accordance with the "Performance Evaluation Measures for the Board of Directors and Functional Committees," conducts annual performance evaluations of the Board, the Audit Committee, the Remuneration Committee, and the Corporate Sustainability Development and Nomination Committee, completed before the end of the first quarter of the following year, with results reported to the Board. The evaluation indicators cover five major dimensions, divided into qualitative and quantitative measurement approaches, and are graded by achievement rate into three levels: "exceeding the standard," "meeting the standard," and "room for improvement." In 2025, the internal performance evaluation results of the Company's Board of Directors and all functional committees were all rated as exceeding the standard, amply demonstrating the results of the Company's efforts to strengthen the effectiveness of the Board and its functional committees. Senior manager performance appraisals are conducted in accordance with the "Manager Performance Appraisal Guidelines," with indicators covering achievement of annual targets (60%) and dimensions such as business acumen, capacity to lead change, and sustainable development results (40%). For details, please refer to the "Policy Linking Senior Manager Remuneration to ESG Performance" on the official website.

Evaluation Cycle

Annually

Completed before the first quarter of the following year

Evaluation Methods

Dual-Track Approach

Evaluation by the executing unit and member self-assessment

Executing Unit

Board Meeting Affairs Unit

Relevant departments cooperate in providing data

Evaluation Result Grades

Achievement rate of 90% or above → exceeding the standard

Achievement rate of 80%–90% → meeting the standard

Achievement rate below 80% → room for improvement

Board Performance Evaluation Questionnaire

Respondents: all directors

① Participation in Company Operations
Proposal preparation, attendance rate, legal compliance, risk assessment and oversight

② Improvement of the Quality of the Board's Decision-Making
Information completeness, proposal appropriateness, communication channels, resolution tracking

③ Composition and Structure of the Board of Directors
Diversity policy, independent director ratio, establishment of functional committees

④ Director Selection and Continuous Education
Rigor of election procedures, conformity with the diversity policy, continuing education hours

⑤ Internal Control
Effectiveness of internal control system oversight, audit report tracking, CPA independence

- Qualitative indicators: self-assessed by each director; achievement by a majority of all directors is deemed completion
- Quantitative indicators: determined by the executing unit based on statistical data

Performance Evaluation Questionnaire for Functional Committees

Respondents: all members of each committee

Applicable to: Audit Committee, Remuneration Committee, Sustainability and Nomination Committee

① Participation in Company Operations
Proposal preparation, attendance rate (80% or above), ability to obtain information

② Awareness of Functional Committee Duties
Each committee oversees, establishes, or supervises relevant matters within its scope of duties

③ Improvement of the Quality of the Committee's Decision-Making
Information completeness, proposal appropriateness, communication environment, meeting minutes

④ Committee Composition and Member Selection
Suitability of members' capabilities, rigor of selection procedures, seats compliant with regulations

⑤ Internal Control
Legal compliance, confidentiality obligations, internal control and audit communication (Audit Committee)

- Qualitative indicators: self-assessed by each committee's members; achievement by a majority is deemed completion
- Quantitative indicators: determined by the executing unit based on statistical data

Integrity Management System

GRI 2-23 GRI 2-24 GRI 2-25 GRI 2-26 GRI 2-27 GRI 205-1 GRI 205-2 GRI 205-3

To implement a culture of integrity management, Cathay Real Estate has built a complete institutional framework, with three internal policies as the basis for implementation: the "Code of Integrity Management" set the behavioral bottom line for business activities, prohibiting improper transfers of benefits, bribery, and unfair competition in any form; the "Code of Ethical Conduct," directed at all directors and managers, expressly sets out conduct requirements including recusal from conflicts of interest, protection of trade secrets, and fair trade; and the "Insider Trading Prevention Management Measures" further establish a closed-period system and education and awareness mechanisms, preventing insiders from engaging in unlawful trading using material information learned through their positions. The scope of application of the above rules covers all subsidiaries and substantively controlled enterprises. In terms of implementation, the "Corporate Sustainability Development Executive Committee" serves as the dedicated unit for integrity management, coordinating the formulation of anti-fraud measures, the promotion of education and awareness, and the operation of the whistleblowing mechanism, and regularly reporting implementation results to the Board of Directors, ensuring the principle of integrity runs through every link of corporate governance.

Integrity Management Education and Training

To deepen all colleagues' commitment to integrity management, Cathay Real Estate conducts integrity management training using online materials. In addition to promoting the "Code of Integrity Management," this training was paired with awareness videos from the Big Four accounting firms, reinforcing that colleagues must uphold the principles of ethical management in the workplace and must not demand or accept improper benefits in any form; participants were all employees, with 0.5 hours of training. A post-training effectiveness questionnaire survey was conducted; all colleagues surveyed understood and endorsed the content conveyed by the principles, effectively strengthening the implementation of integrity management in daily operations.

Reporting System

To prevent illegal or corrupt incidents, Cathay Real Estate has established sound prevention and response mechanisms, safeguarding corporate integrity comprehensively from source control to after-the-fact accountability, with diverse grievance channels — including the integrity management whistleblowing mailbox and the sexual harassment prevention mailbox — ensuring stakeholders' opinions can be reflected promptly. Upon receiving a complaint, the Company acts swiftly under standardized procedures: promptly notifying the relevant supervisors and departments, launching an investigation and convening a special meeting, consulting external experts where necessary to improve remedial measures, and strengthening supervision and discipline of the units involved.

Compliance with Laws and Regulations

Legal Compliance Management System and Commitment

Cathay Real Estate's Development Department, Administration Department, and Financial Management Department monitor regulatory developments monthly, with the Legal Department consolidating their findings. Coverage includes real estate development regulations (building and land administration), requirements governing standard-form contracts for property sales, and property registration rules — ensuring that the Company attends to both legal compliance and the protection of customer interests in every transaction.

In 2025, Cathay Real Estate had no major fines or compliance disputes; incidents at subsidiaries — San Ching Engineering in construction site safety management, Cathay Hospitality Consulting in public safety, and Cathay Healthcare Management in violation of the Medical Care Act — have all had their causes clarified, with improvement measures formulated.

Human Rights Laws and Regulations
- Compliance with Labor Standards Act
- No use of child labor
- No discrimination
- No infringement of Indigenous rights
- No infringement of freedom of association and assembly
- No forced labor

Anti-competitive Behavior
- No anti-competitive behavior
- No antitrust incidents
- No monopoly incidents

Company-related Laws and Regulations
- No violation of Company Act
- No violation of securities and financial regulations
- No corruption incidents
- No political contribution

2025 Regulatory Violations by Cathay Real Estate Development Subsidiaries and Improvement Measures

Case	Case Description	Penalty Amount	Impact on Organization	Improvement Measures
Cathay Hospitality Consulting				
Packaging labeling not compliant with regulations	The outer packaging labeling of American-style chocolate chip cookies at the Yi Coffee No. 2 shop did not comply with regulations	NT$ 30,000	The chocolate chip cookie label did not indicate the Gregorian calendar year, nor was it marked by imprint in non-fading ink	The packaging stickers were corrected to comply with the regulations within 2 days of the inspection date
Public safety inspection	The Zhongxiao property failed the dynamic public safety item inspection	NT$ 120,000	• The 5F fire door lacked an automatic closing device • The 3F fire door could not return to the closed position • Miscellaneous items piled in the smoke exhaust rooms on floors 3–12	The piled items were removed within 2 days of the inspection date, and the follow-up inspection by the Construction Management Office was passed

Case	Case Description	Penalty Amount	Impact on Organization	Improvement Measures
Cathay Healthcare Management				
Cathay Healthcare Management, not being a medical institution, violated Article 84 of the Medical Care Act by publishing medical advertisements	In 2025, Cathay Healthcare Management was reported by a member of the public to the Taipei City Department of Health for engaging in medical advertising as a non-medical institution, in violation of Article 84 of the Medical Care Act, and was fined NT$50,000 under Article 104 of the same Act	NT$ 50,000	• Cathay Healthcare Management is an ordinary company, not a medical institution, and therefore, under the Medical Care Act, should not appear in advertising content; in all health screening programs, the name Cathay Health Screening has now replaced Cathay Healthcare Management. • As Cathay Healthcare Management's development of the health food business is also a business item approved by the Ministry of Economic Affairs, the Cathay Healthcare Management name has now been added to all health food labeling alongside the Happy Habit brand name.	The headers of all health screening programs have been changed to Cathay HealthCare.
San Ching Engineering				
UNi PARK	In a 2025 on-site inspection, for plumbing and drainage works under the mechanical and electrical contract delivered to a re-subcontractor, the workers' operations lacked agreed safety measures for stepladder use, thorough patrols and direction to prohibit dangerous actions were not carried out, and there was no active liaison, coordination, or guidance for the re-subcontractor to conduct safety education and training.	NT$ 150,000	• Weakness: increased occupational safety management costs • Opportunity: eliminating contractors unable to meet occupational safety requirements • Threat: increased occupational safety risk, damage to brand image	• The coordination organization meeting added stepladder-related safety precautions and prohibited items. • Toolbox meetings communicate stepladder-related safety precautions and prohi
Dunnan Lin Yuan	In a 2025 on-site inspection, construction management operations were being performed at openings at heights of 2 meters or more (the east balconies of floors 10–11) with a risk of falls, without guardrails, protective covers, safety nets, or other protective equipment installed.	NT$ 200,000	• Weakness: increased occupational safety management costs • Opportunity: eliminating contractors unable to meet occupational safety requirements • Threat: increased occupational safety risk, damage to brand image	GIP guardrail protection was installed immediately.
Cathay Yi He	In a 2025 on-site inspection, for operations at the opening between the construction elevator and the structure of Building A in a work zone at a height of 9.9 meters or more, workers were at risk of falls.	NT$ 200,000	• Weakness: increased occupational safety management costs • Opportunity: eliminating contractors unable to meet occupational safety requirements • Threat: increased occupational safety risk, damage to brand image	As setting-out operations required removing the walkway treads outside the construction elevator, access to the construction elevator on the floors where treads were removed was controlled: the construction elevator gates were locked, notices were posted inside the temporary construction stairs, and the structure side was blocked off with GIP guardrails.
Workplace safety incident at a construction site in Kaohsiung	Demolition work at a Kaohsiung site caused minor property damage; improvement measures have been implemented on site.	NT$ 90,000	• No material impact on the parent company's finances or business.	Reviewing demolition work safety measures and completing improvements as quickly as possible.

Note: San Ching Engineering lists only incidents with fines exceeding NT$150,000; this amount is the threshold the Company has determined to constitute material financial impact. The workplace safety incident at the Kaohsiung construction site, having been announced as material information on the Market Observation Post System in accordance with the relevant Taiwan Stock Exchange regulations, is nonetheless disclosed and explained in this report in response to stakeholders' concerns.

ESG Risk Management

Risk Management Policy

In accordance with the "Risk Management Policy," Cathay Real Estate has established a systematic risk management framework, with the Board of Directors as the highest decision-making body, oversight by the Corporate Sustainability Development and Nomination Committee, promotion by the Executive Committee, and risk management responsibility extended to all employees. In its management process, the Company follows a five-step cycle — risk identification, analysis, evaluation, response, and monitoring and review — systematically managing six major risk categories: strategic, operational, financial, legal compliance, climate change, and other risks, ensuring potential threats are properly addressed and supporting the Company's long-term steady operation.

Cathay Real Estate's Risk Management Framework

Governance Framework

Board of Directors
Highest decision-making body; approves policies and oversees implementation effectiveness

Corporate Sustainability Development and Nomination Committee
Oversight body; reviews overall risk

Corporate Sustainability Development Executive Committee
Executing unit; formulates policies

All Employees
Risk identification, measurement, and control

Six Major Risk Categories

Strategic Risk
- Government policy risk
- Market positioning risk
- Strategic RiskDevelopment failure risk
- Reinvestment / business transformation risk
- Organizational structure adaptability risk

Operational Risk
- Brand reputation risk
- Project schedule execution risk
- Sales and marketing risk
- Operational Risk
- Raw material price fluctuation risk
- Supply chain disruption risk

Financial Risk
- Funding liquidity risk
- Credit risk
- Interest rate risk
- Financial leverage risk
- Financial statement risk
- Tax risk

Legal Compliance Risk
- Corporate governance compliance
- Personal data protection
- Litigation events
- Regulatory compliance risk

Climate Change Risk
- Extreme weather risk
- Construction and occupational safety risk
- Climate policy transition risk

Other Risks
- Natural disasters, major epidemics
- Terrorist attack risk
- Other unknown risks

Risk Management Process

1. **Risk Identification** — Grasping risk factors
2. **Risk Analysis** — Probability and impact
3. **Risk Evaluation** — Prioritizing for treatment
4. **Risk Response** — Formulating treatment plans
5. **Monitoring and Review** — Regular audits and improvement

ESG Risk Analysis and Response

Strategic Risk

Development Risk
- Prudently investigating property rights and market conditions before land purchases
- Publishing the Cathay Real Estate Price Index quarterly

Market Competition
- Two business target meetings each year, with mid-year strategy adjusted as appropriate

Investment Risk
- Regularly convening subsidiary strategic development meetings
- The Sustainability Development Executive Committee holds regular meetings every year and submit reports to the Board of Directors

Operational Risk

Raw Materials and Supply Chain
- Regularly tracking raw material prices and supply-demand changes
- Conduct research on new building materials and new construction methods every quarter to enhance competitiveness

Information Security
- ISO 27001 certification, with annual third-party audits
- Regular vulnerability scans, penetration testing, and social engineering drills

Talent Brand
- Select talents with cultivation abilities for promotion to management positions, and expand talent sources through campus internships
- Valuing customer feedback and enhancing corporate image

Climate Change Risk

Extreme Weather
- Extending greenhouse gas inventories to subsidiaries
- Incorporating energy-saving design into buildings and implementing waste reduction and sorting
- Maintain rigorous land development standards and avoid high-risk areas

Construction Occupational Safety
- Establish preventive mechanisms and implement risk control and preventive measures.
- Maintain rigorous construction quality control and safeguard workplace safety

Financial Risk

Liquidity Risk
- Regularly reviewing funding needs against the annual funding plan
- Maintaining appropriate cash and diversified financing sources

Interest Rate Risk
- Regularly tracking international interest rate trends and central bank policy

Financial Risk
- Major investments pass financial risk assessment in advance
- Regularly tracking financial indicators such as the debt ratio and current ratio

Tax risk
- Consulting external professional tax advisors
- Regularly arranging employee participation in tax education courses

Regulatory Compliance Risk

Legal Compliance
- Tracking domestic and international policy and regulatory developments, assessing and preparing plans in advance
- Consulting the competent authorities or external professional opinions when necessary

Transaction Risk
- Reviewing contracts with legal expertise to safeguard the Company's rights and interests

Litigation Risk
- Comprehensively assessing dispute resolution procedures and formulating litigation strategies
- Engaging suitable professional agents and effectively controlling costs

Compliance Awareness
- Conducting education and training to strengthen colleagues' awareness of knowing and abiding by the law

Information Security Management

Cybersecurity Management Policy

The "Information Security Policy" centers on establishing a secure, trustworthy information operating environment, ensuring the confidentiality, integrity, and availability of information assets. In accordance with the Personal Data Protection Act and related regulations, the Company strictly prohibits unauthorized access to or disclosure of information assets, and requires all employees, partners, and outsourced vendors to jointly shoulder information security responsibility. In its governance structure, an Information Security Committee has been established to coordinate policy review and management promotion, with an execution team, an audit team, and an emergency response team under it dividing the work, and a management review meeting convened at least once a year to ensure the system continues to operate effectively. In addition, the Company conducts regular annual information security education and training to strengthen all employees' security awareness, and completed its ISO 27001 information security surveillance audit in 2025, continuously enhancing information security management effectiveness.

Dedicated Information Security Unit

Information Security Committee	
Committee Composition	• Committee Composition Advisory members: Chairman, President, Senior Vice President • Chief Commissioner: Chief Information Security Officer • Members: Vice President, Associate Vice President, department heads, dedicated information security supervisor
Meeting Convening	• Convening the information security management review meeting at least once a year • Ad hoc meetings may be convened as needed
Organizational Tasks	• Reviewing the Information Security Policy • Promoting, planning, and coordinating information security management • Reviewing audit results and recommended improvements • Reviewing corrective and preventive measures

Information Security Audit Team	
Committee Composition	• Served by the Audit Office
Organizational Tasks	• Assessing the implementation of the information security management system • Engaging external professionals to assist when necessary

Information Security Implementation Team	
Committee Composition	• Jointly composed of the dedicated information security unit and the information unit
Organizational Tasks	• Drafting and revising the Information Security Policy • Planning and executing operations related to the information security management system • Compiling reports on information security implementation status • Planning based on audit results and recommended improvements • Planning corrective and preventive measures • Establishing and maintaining the "Information Security Organization Member List" and the "External Party Contact Directory"

Emergency Response Task Force	
Committee Composition	• Convener: Chief Information Security Officer • Members: supervisor and colleagues of the dedicated information security unit
Organizational Tasks	• Responsible for responding to and handling information security incidents • Inviting relevant unit supervisors to join when necessary

Cybersecurity Management Measures

Cathay Real Estate's Cybersecurity Enhancement Mechanisms and Future Plans

Current Enhancement Mechanism

Vulnerability Scanning and Patching

Test Content	Annual vulnerability scanning and patching of external websites and internal company servers, social engineering drills
Testing Frequency	Conduct initial scan and follow-up scan once each year

Education and Training

Course	Hours	Participants
Cybersecurity Education and Training	3	173
ISO 27001 lead auditor course	40	2
Taiwan Academy of Banking and Finance information security courses	6	3
Cybersecurity Protection Workshops	4	2

Other Enhancement Mechanism

Enhancement Mechanism	Mail APT, dndpoint EDR, SOC, DDoS protection have been introduced
Implementation Method	Continue operating Mail APT protection, endpoint EDR, SOC, and DDoS protection; conduct regular reviews of anomalous events and gather threat intelligence
Execution benefits	Effectively enhancing advanced threat detection and response capabilities, reducing the rate of cybersecurity incidents

Future Plans

Planning Focus

- Continuous improvement of cybersecurity management
- Group cybersecurity protection project planning (implementing the cybersecurity blueprint)
- Data loss prevention (DLP) adoption

Implementation

Group cybersecurity protection project planning and procurement expected to be completed in Q2; data loss prevention (DLP) procurement completed in Q3 and adoption completed in Q4

Expected Benefits

Through continuous improvement of cybersecurity management, the concrete implementation of the Group's cybersecurity blueprint, and the adoption of data loss prevention mechanisms, comprehensively enhancing the organization's cybersecurity governance, prevention, and control capabilities

Information security incident response process

As digitalization continues to deepen, cybersecurity incidents have been listed as one of Cathay Real Estate's major ESG risk issues. To effectively reduce the impact of information security incidents on business operations and reputation, in 2025 the Company formulated the "Cathay Real Estate and Subsidiaries Information Security Incident Reporting and Emergency Response Management Regulations," with a scope covering the Company and all subsidiaries, establishing a complete incident grading, reporting, and response mechanism.

The Company classifies information security incidents into four levels by degree of risk — from mild to severe, Level 0 to Level 3 — with clear definitions and corresponding handling approaches for each level, ensuring appropriate response procedures can be launched immediately when incidents occur.

Information Security Incident Classification Table

Level	Degree of Risk	Definition (applicable if any one item is met)	Case Closure Deadline	Approval Level
Level 0	None	Non-information security incidents	—	—
Level 1	Low	Non-core business damaged, intruded upon, or leaked	Within 30 days (no later than 60 days)	Chief Information Security Officer
Level 2	Medium	Core business slightly damaged or intruded upon; non-sensitive information leaked; system efficiency reduced but recoverable within the tolerable time	Within 30 days (no later than 60 days)	President
Level 3	High	Core business severely damaged; sensitive information leaked; systems halted and unrecoverable within the tolerable time; public attention requiring external explanation	Within 45 days (no later than 90 days)	Chairman

Five-Stage Information Security Incident Response Process

Stage	Name	Process Description
1	Reporting Procedure	The person discovering the incident immediately reports to the responsible response management unit of their company, completing notification through the Group's instant messaging group within one hour of becoming aware; for Level 2 and above, a case record form must also be submitted
2	Incident Identification	Determine the impact level of information security incidents, plan the corresponding response, and take steps to preserve evidence
3	Incident Control	Damage control completed within 36 hours: isolating infected systems, blocking suspicious traffic, and shutting down affected services
4	Problem Resolution	Activating the response team according to the incident level, coordinating internal and external support, completing handling within the prescribed deadline, and submitting the case for approval and closure
5	Recovery and Forensic Analysis	Systems restored to normal operation; tracking the root cause of the incident and preserving forensic records; strengthening awareness among employees within the organization to prevent recurrence

Digital Transformation Results of Cathay Real Estate

Digital Transformation Actions and Results

Items	Introduction and Certification System	Inspection and Handover and Online Material Selection	AI Adoption
Objectives	Digitalizing the referral certification process	Restructuring online material selection and building the inspection and handover system	Completing AI literacy training for all employees
Coverage	Coverage Web systems (sales sites, company internal), company ERP	Web systems (company internal, construction contractors, property management), company ERP	Entire company
Implementation Method	Outsourced development	Outsourced development	Outsourced consultants
Resources Invested	NT$380,000	NT$2,840,000	NT$500,000
Results and Benefits	The industry's first referral-sales certification; digitalization simplified the referral certification process, with paperless operations saving costs and space, and referral-sales certification preventing fraud.	• Restructured the online material selection function and added the customer-modification sign-off function, saving substantial administrative paperwork for customer-modification sign-offs on projects. • Built a digitalized back-end management mechanism combined with automated reporting, keeping real-time track of inspection and handover progress.	Completed generative AI training planning, cultivating employees' AI literacy and strengthening work efficiency.

1.3 Blueprint III: Climate Governance

Material Topic - Energy Resource and Emissions Management

Management Policy	Cathay Real Estate regards climate change as an important issue bearing on the enterprise's long-term operational resilience. The Board of Directors serves as the highest oversight body for the Corporate Sustainability Management Strategy and, in accordance with the "Risk Management Policy," climate change risk has been incorporated into the Company's overall risk management framework as an important risk category alongside strategic, operational, financial, and legal compliance risks, with regular risk management operation reports submitted to the Board explaining the identification results of climate change risks and response measures, ensuring the Board keeps abreast of climate risk developments and adjusts management strategies in a timely manner.
Management Commitment	• Strengthening climate governance: continuing to incorporate climate change risks and opportunities into Board oversight and the Company's overall risk management, deepening climate governance functions. • Refining risk identification: regularly updating climate scenario analysis and financial impact assessments, tracking changes in physical and transition risks, and enhancing organizational climate resilience. • Implementing greenhouse gas management: continuing to conduct greenhouse gas inventories and progressively expanding the verification scope, setting reduction targets and tracking carbon reduction results accordingly. • Promoting low-carbon operations: enhancing energy efficiency and reducing building lifecycle carbon emissions through energy-saving improvements, passive building design, and green building adoption. • Deepening climate disclosure: continuing to enhance the transparency and completeness of climate-related information disclosure, responding to stakeholders' expectations for climate action. • Prioritizing green procurement: giving priority to bathroom fixtures bearing the water efficiency label and electrical equipment bearing nationally certified energy-saving labels, reducing energy and resource consumption at the source. • Raising environmental awareness: strengthening communication of environmental risk awareness across the value chain, continuing to promote internal and external education and training on sustainability risk and environmental impact management, and actively advocating the joint participation of all employees, suppliers, and contractors to ensure sustainable management of the value chain. • Reducing environmental impact pressure: following government regulations in site selection for operations and office locations, avoiding establishment within globally or nationally important biodiversity areas, to lessen impacts on the natural environment.

Responsible Unit	Corporate Sustainability Development Executive Committee	Resources Invested	• Members of the Corporate Sustainability Development Committee, employees from Administrative Management Department and subsidiaries • Some project purchases of water-saving toilets and faucets cost approximately NT$9.574 million

Goals	Short-term (2026)	Medium-term (2028)	Long-term (2030)
	• Greenhouse gas emissions reduced by 1% compared to the base year • Parent company GHG inventory: inventory and verification operations • Subsidiary GHG inventory: inventory in 2025	• Greenhouse gas emissions reduced by 2% compared to the base year • The parent company continues to conduct greenhouse gas inventory and verification and incorporates these verification processes for its subsidiaries.	• Greenhouse gas emissions reduced by 3% compared to the base year • Parent company GHG inventory: continuous inventory and verification • Subsidiary GHG inventory: continuous inventory and verification

Key Performance Indicators and Evaluation Results

Key Performance Indicators	2025 Evaluation Results
All subsidiaries completed inventories in 2025	⊜
Completed the parent company's greenhouse gas inventory and verification, obtaining the certificate	⊜
The Taipei headquarters completed its office lighting renewal project, fully replacing the original T5 fixtures with LED panel lights, with electricity use down 18.5% from 2024	✔
Scope 1–2 emissions decreased by 19.2% compared with 2024 (excluding subsidiaries)	✔

Note: ✔ Exceeding the original target or the previous year's performance; ⊜ Same as the original target or the previous year's performance; ✖ Did not achieve the set target

Climate Risk Management Mechanism

Climate Governance Structure TCFD IFRS S2 Governance

As the highest supervisory body for corporate sustainability management strategy, Cathay Real Estate's Board of Directors has progressively incorporated climate change impacts into company risks in response to the growing significance of climate-related risks in recent years. Climate change risks and opportunities are integrated into the existing internal control system, and related work is implemented by the dedicated (concurrent) units of the Corporate Sustainability Development Executive Committee. For details on the responsibilities and operations of the Board of Directors and the Corporate Sustainability Development Executive Committee, please refer to Section 1.1 Sustainable Governance.

Identification of Climate-related Risks and Opportunities TCFD IFRS S2 Risk Management

Following the TCFD framework's industry recommendations, characteristics of Cathay Real Estate's operational value chain, and peer disclosure information, Cathay Real Estate summarizes climate-related risk issues. The Corporate Sustainability Development Executive Committee assesses the probability of risk occurrence and impact level to determine risk materiality, discusses potential financial impacts on Cathay Real Estate, formulates future climate change response blueprints, and thereby enhances organizational climate resilience.

Step 1

Collecting climate-related issues

- Reference TCFD guidelines and industry recommendations, benchmark cases in the industry chain and value chain, climate science and low-carbon technologies.
- Compile relevant climate risk and opportunity issues

Step 2

Identifying climate-related risks and opportunities

- Led by the 5 functional groups of the CS Committee, evaluate each risk and opportunity, assessing likelihood, impact level, timing, and financial impact.

Step 3

Prioritize major risks and opportunities

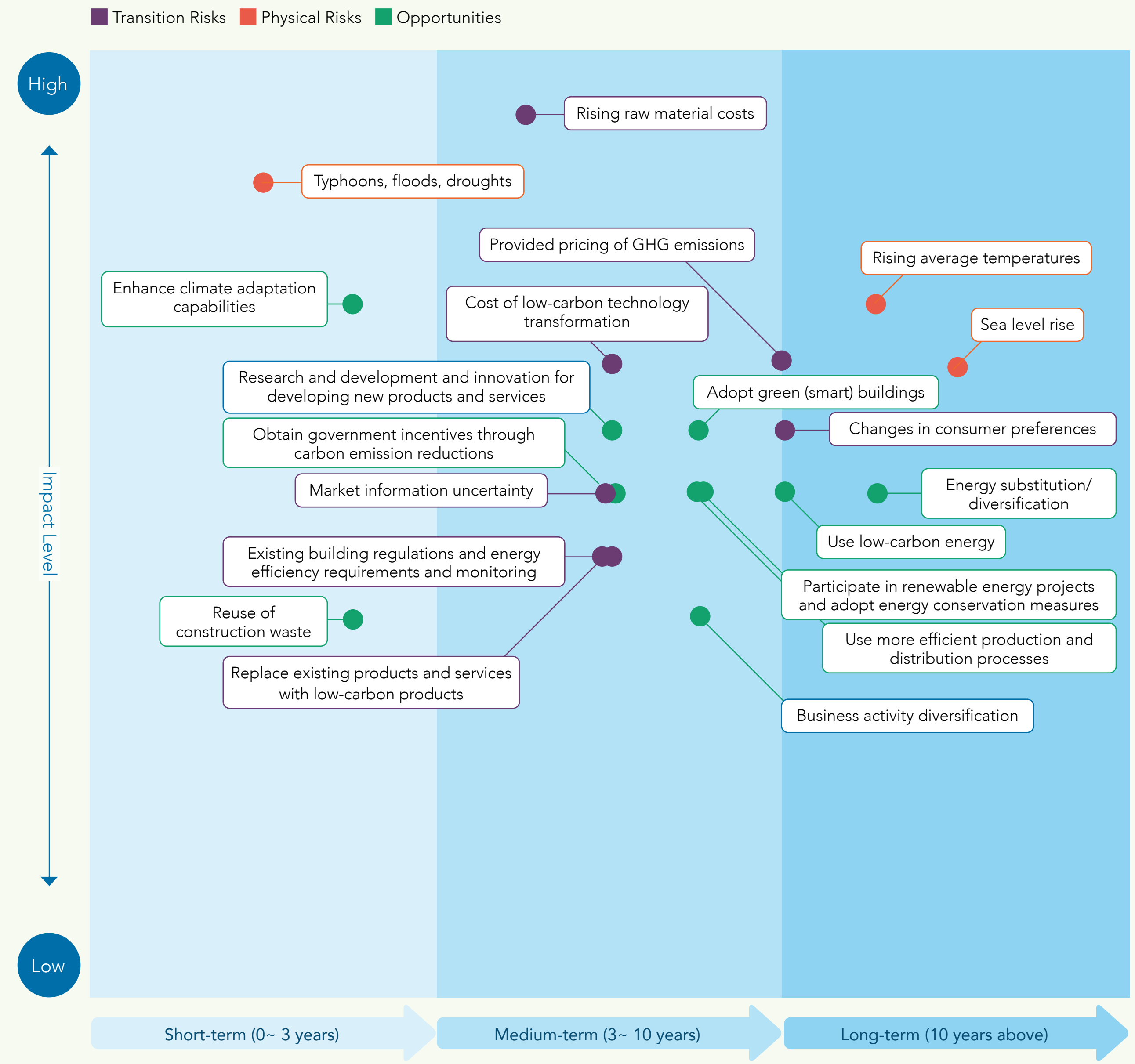
- Prioritize climate-related risks and opportunities based on likelihood and impact level analysis.
- List major risks and opportunities according to impact level and timing.

Step 4

Summarize potential financial impact

- Explore potential financial impacts on Cathay Real Estate for major risk and opportunity items.
- Use this as a basis to further develop subsequent response measures.

Climate-related Risks and Opportunities Matrix

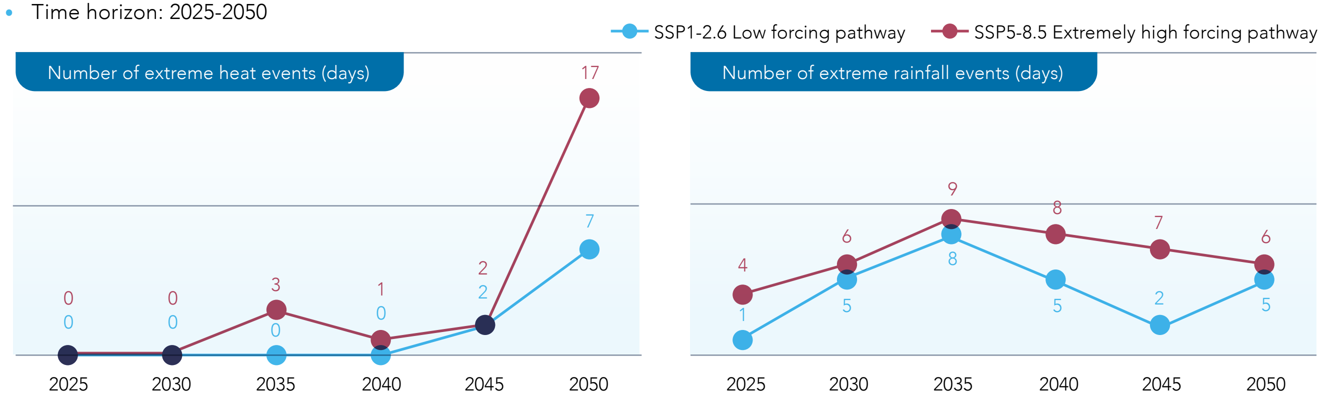


Scenario Analysis, Financial Impact and Management Strategy

According to the significance analysis of climate-related risk impacts, Cathay Real Estate must primarily focus on climate risks with high impact levels and shorter occurrence timeframes. Physical risks include intensifying severe weather events such as typhoons, floods, and droughts; transition risks include rising raw material costs, increased greenhouse gas emission pricing, and higher costs for low-carbon technology transition.

Climate Transition and Physical Scenarios

Following the TCFD recommended framework, the Company conducted scenario analysis of climate risks that could affect operations between 2025 and 2050, to identify the potential impacts of climate change on construction schedules, cost structures, and long-term operational resilience. This analysis covers the two major dimensions of physical risk (rising extreme weather) and transition risk (carbon pricing and building material costs), based on international scientific models including the IPCC SSP climate scenarios and the IEA energy policy scenarios. The projections enable the Company to assess the financial impact of climate risks, serving as the basis for risk management and strategy adjustment.

Risk Type	Selected Scenario	Scenario Description, Analysis Factors, Time Horizon	Scenario Source
Physical Risks	SSP5-8.5 Very high emissions SSP1-2.6 Low emissions	• Scenario description: As Taiwan's carbon pricing mechanism is progressively implemented, high-carbon building materials used in new projects (such as cement and steel) will face additional cost pressure • Analysis factors: reviewing the Company's average procurement volumes of building materials such as steel and concrete, compiling future carbon price trends, and calculating the cost increases arising from carbon fee levies • Time horizon: 2025-2050  	IPCC AR6
Transition Risks	NZE Net-zero emissions scenario APS Announced pledges scenario STEPS Stated policies scenario	• Scenario description: As Taiwan's carbon pricing mechanism is progressively implemented, high-carbon building materials used in new projects (such as cement and steel) will face additional cost pressure • Analysis factors: reviewing the Company's average procurement volumes of building materials such as steel and concrete, compiling future carbon price trends, and calculating the cost increases arising from carbon fee levies • Time horizon: 2025-2050	IEA WEO 2024

Climate Risk Response Strategies TCFD IFRS S2 Strategy

Transition Risks / Climate Opportunities

	Strategy	Potential Financial Impact	Opportunities	Potential Financial Impact	Key Response Strategies	2025 Major Performance
Physical Scenario – Rising Extreme Weather Sea level rise	Immediate Typhoons, floods, droughts Long-term Sea level rise	• Construction delays leading to deferred profits (based on the average of large completed projects over the past 2 years, for every 38,000 square meters of floor area, each day of work stoppage at each site is estimated to raise costs by approximately NT$2.3 million). • Destruction of construction sites and construction equipment, increased capital costs. • Reduced production capacity due to supply chain disruption, resulting in decreased revenue. • Damage to existing assets and properties located in high climate risk areas. • Safety concerns with site fencing or advertising canvas, leading to compensation payments.	• Resilience Enhance climate adaptation capabilities. • Resilience Energy substitution/ diversification. • Products and Services Business activity diversification.	• Strengthen climate resilience to reduce the probability and potential losses of construction interruptions. • Increased operating revenue from innovative customer service solutions. • Evaluate whether assets to be purchased are not in high-risk areas Note: Avoid risk impacts. Note: Avoid risk impacts.	• Pay attention to climate change issues. • Rigorously selecting development areas; for special areas (such as controlled zones and flood-prone zones), conducting engineering assessments including soil investigations and site flood probability surveys. • Assigning construction management colleagues to be stationed at sites, regularly reporting site progress, and keeping constant track of construction progress and conditions. • Adding buffer periods to customer contracts, ensuring neither party's rights and interests are harmed. • Typhoon preparedness plans (such as stacking sandbags and checking that doors and windows are sealed) and post-disaster inspections. • Raising the height of building first floors and strengthening site/construction site drainage. • Purchasing natural disaster insurance. • Planning diversified supply chains.	• Require contractors to strengthen construction site environmental maintenance, including air pollution prevention, noise control and water pollution prevention. • Some building components and materials are prefabricated and completed in factories, then transported to the construction site for integrated assembly and installation, which can not only mitigate noise and dust pollution around the construction site and reduce construction risks, but also reduce potential waste or loss of raw materials during construction. • Maintain rigorous land development standards to avoid asset purchases in high-risk areas.
	Long-term Rising average temperatures	• Increased electricity consumption, leading to higher operating costs and carbon emissions • Rising occupational protection costs for site workers: under the SSP5-8.5 very high forcing pathway, high-temperature events in Taiwan are projected to reach 17 by 2050, which could raise protection costs by approximately NT$40 million	• Markets Promote green (smart) buildings and energy conservation and carbon reduction measures to improve energy use efficiency.	• Promote green (smart) buildings and energy conservation and carbon reduction measures to improve energy use efficiency.	• Invest in energy-saving or green energy-related machinery and equipment. • Reminding employees to strengthen personal safety protection • Installing cooling measures (such as water spraying equipment and electric fans) to prevent employee heat stroke/ heat exhaustion • Adjusting work sequences to avoid deployment during high temperatures	• The International Building, where the Taipei office is located, implemented an office lighting renewal project (originally T5 fixtures); after the renewal, LED panel lights are used, reducing electricity use by 18.5%.

	Strategy	Potential Financial Impact	Opportunities	Potential Financial Impact	Key Response Strategies	2025 Major Performance
Transition Scenario – Carbon Pricing and Building Material Costs	Regulations and Policy Carbon Pricing and Building Material Costs	• Increased operating costs due to carbon pricing feedback into raw material costs. • Increased operating costs from installing equipment with carbon reduction benefits. • Increased costs for purchasing carbon offset products.	• Resilience Participate in renewable energy projects and adopt energy conservation measures. • Markets Obtain government incentives through carbon emission reductions. • Energy Efficiency Use low-carbon energy.	Introducing renewable/ low-carbon energy to reduce the impact of carbon pricing on operating costs • Accumulate carbon rights required for future emission reductions.	• Conduct GHG inventory to set emission reduction targets and serve as a basis for future carbon rights/ reducing operating cost calculations.	• Regularly conduct GHG inventories in accordance with GHG Protocol and implement energy conservation and carbon reduction projects to achieve effective energy and resource management. • Set emission reduction targets. • Use energy-labeled products. • Developing "passive building design," reducing energy loss by optimizing daylighting, ventilation, and sunlight configuration. • Introducing eco-friendly building materials and recycling technologies: adopting the aluminum formwork method, recycling and remanufacturing waste tiles, and continuing to develop building material recycling and remanufacturing technologies to reduce carbon emissions from waste treatment. • Replacing old and high-energy-consuming equipment.
	Markets Rising raw material costs	• Re-pricing of raw material costs, reduced profits.	• Resource Efficiency Reuse of construction waste. • Products and Services Use more efficient production and distribution processes.	• Improve resource use efficiency through circular construction practices. • Optimize building life cycle design through BIM technology to improve production efficiency.	• Monitoring raw material market price changes, improving construction technology, and raising production efficiency • Improve building technology to increase production efficiency.	• The Technology Department regularly produces the "Important Material Price Change Overview Table" for reference by managers at all levels to grasp the latest market dynamics. • 100% adoption of emerging technologies such as Building Information Modeling (the BIM) and modular construction. • Improved construction efficiency. • In accordance with the Ministry of Environment's "Construction Waste Management Strategy," the Company carries out waste reduction and source separation at its construction sites, and has established waste handling procedures under which usable materials generated during construction are recovered and reused. • Plan to reuse sales display sites.

Climate Vision and Targets TCFD IFRS S2 Indicators and Goal

In response to the challenges and opportunities brought by climate change, Cathay Real Estate actively incorporates them into its overall risk management and transformation strategy. The Company not only continues to conduct greenhouse gas inventories and reduce energy and resource consumption to mitigate climate impacts, but also introduces green building design in new construction projects. Clear management objectives and performance indicators have been established to systematically track and review the progress and effectiveness of climate actions.

Goals	2025 Targets and Achievement Status	Short-term (2026)	Medium-term (2028)	Long-term (2030)
Greenhouse Gas Emission Reduction	• Emission source data collection and data management, data source confirmation, procedure document preparation, internal verification, internal verification education and training, handover training • Greenhouse gas emissions: decreased from 1,996 to 1,635 (tonnes CO_2e) compared to last year	• Greenhouse gas emissions reduced by 1% compared to the base year	• Greenhouse gas emissions reduced by 2% compared to the base year	• Greenhouse gas emissions reduced by 3% compared to the base year
New Project Application for Green Building Certification	• Among the 7 new projects, 2 (Cathay Xi and the Cathay Building) adopted green building design, a ratio of approximately 29%	• New project application for green building certification ratio 20%	• New project application for green building certification ratio 30% • Commercial project smart building certification ratio 5%	• New project application for green building certification ratio 40% • Commercial project smart building certification ratio 10%
Construction Waste Management	• All 28 construction sites inspected have implemented construction waste classification management, and contractors have independently recycled construction waste materials such as calcium silicate board, tiles, and permeable bricks	• 25% of construction sites implement construction waste sorting • 25% use recyclable and renewable green building materials	• 50% of construction sites implement construction waste sorting • 50% use recyclable and renewable green building materials	• 100% of construction sites implement construction waste sorting • 100% use recyclable and renewable green building materials

Identification of Nature Dependencies and Impact TNFD Strategy

In accordance with the TNFD framework and the LEAP methodology, Cathay Real Estate uses the ENCORE tool to identify the potential impacts of building and real estate activities on natural ecosystems, with an assessment scope covering greenhouse gas emissions, non-greenhouse-gas air pollution, solid waste, land use, water consumption, and toxic pollutant discharges.

In its site selection strategy, the Company prioritizes urban planning zones, reducing the disturbance of development activities to natural ecosystems at the source. During construction, the Company minimizes the impact of building activities on the surrounding ecological environment through concrete control measures such as air pollution and water pollution prevention. For related implementation practices, see 4.2 Persistence II: Construction Site Pollution Prevention and 5.1 Persistence I: Safe Land Selection.

The Company's Economic Activities	Water Supply	Rainfall Pattern Regulation Services	Air Filtration Services	Soil and Sediment Retention Services	Soil and Sediment Retention Services	Water Purification Services	Water Flow Regulation Services	Flood Control Services	Storm Mitigation Services
Construction									
Building Construction	High	Medium	Medium	High	Medium	Medium	Medium	Medium	Low
Other Civil Engineering Construction	High	Medium	Medium	High	Medium	Medium	High	High	Medium
Road and Railway Construction	Medium	Medium	Medium	High	Medium	Medium	Medium	Medium	Low
Utility Engineering Construction	High	Medium	Low	Medium	Medium	High	High	High	Medium
Other Specialized Construction Activities	Medium	Low	Low	Medium	Low	Medium	Low	Low	Low
Building Completion and Finishing	Low	Low	Low	Low	Low	Low	Low	Low	Low
Demolition and Site Preparation	Medium	Low	Medium	High	Medium	Medium	Medium	Low	Low
Electrical, Plumbing, and Other Construction Installation Activities	Medium	Low	Low	Low	Low	Medium	Low	Low	Low
Other Specialized Construction Activities	Low	Low	Low	Low	Low	Low	Low	Low	Low
Real Estate Activity									
Real Estate Activities on a Fee or Contract Basis	Medium	Low	Low	Low	Low	Low	Medium	Medium	Low
Real Estate Activities with Owned or Leased Property	Medium	Medium	Low	Low	Low	Medium	Medium	Medium	Medium

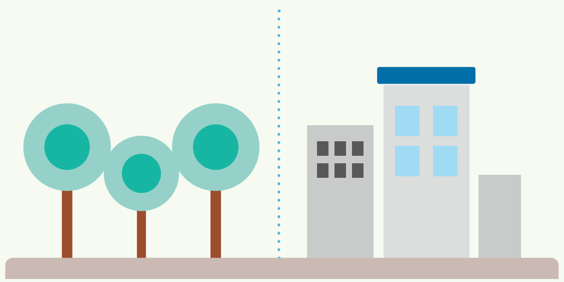
The Company's Economic Activities	Disturbance Factors (e.g., Noise, Light)	Freshwater Use Area	Greenhouse Gas Emission	Emissions of Non-Greenhouse-Gas Air Pollutants	Generation and Discharge of Solid Waste	Land Use Area	Discharge of Toxic Pollutants into Water and Soil	Water Usage	Introduction of Invasive Species
Construction									
Building Construction	High	Medium	High	High	High	High	Medium	High	Low
Other Civil Engineering Construction	High	Medium	High	High	High	High	Medium	Medium	Medium
Road and Railway Construction	High	Medium	High	High	High	High	Medium	Medium	Medium
Utility Engineering Construction	Medium	High	High	High	High	High	High	High	Low
Other Specialized Construction Activities	Medium	Low	Medium	Medium	Medium	Medium	Low	Low	Low
Building Completion and Finishing	Medium	Low	Medium	Medium	Medium	Low	Low	Low	Low
Demolition and Site Preparation	High	Medium	Medium	High	High	High	Medium	Medium	Low
Electrical, Plumbing, and Other Construction Installation Activities	Low	Low	Medium	Medium	Medium	Low	Low	Low	Low
Other Specialized Construction Activities	Low	Low	Low	Low	Medium	Low	Low	Low	Low
Real Estate Activity									
Real Estate Activities on a Fee or Contract Basis	Low	Low	Low	Low	Medium	Low	Low	Low	Low
Real Estate Activities with Owned or Leased Property	Low	Low	Medium	Low	Low	Medium	Medium	Medium	Medium

Nature-related Risk Management System

TNFD Risk and Impact Management

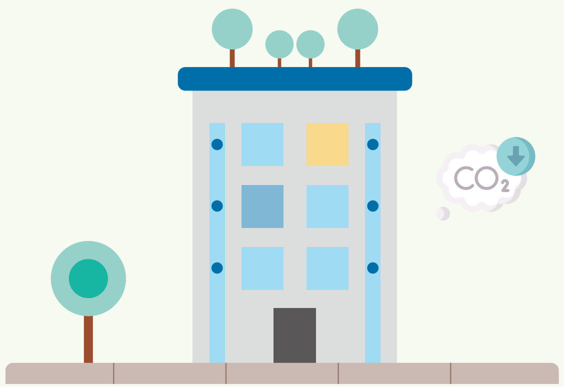
Referencing the AR3T management framework proposed by the Science Based Targets Network (SBTN), Cathay Real Estate progressively manages nature-related risks across the building lifecycle: avoiding ecologically sensitive areas through urban site selection (Avoid), reducing impacts through green buildings and pollution prevention (Reduce), and identifying nature risks and incorporating them into the material topic analysis (Transform). For related promotion measures, see 4.2 Persistence II: Construction Site Pollution Prevention, 4.3 Persistence III: Circular Regenerative Buildings, and 5.1 Persistence I: Safe Land Selection.

Avoid
Avoiding damage to the natural environment



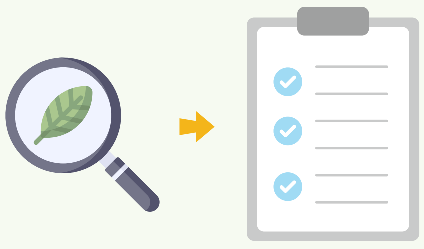
- Development focused primarily on urban planning zones
- Avoiding ecologically sensitive areas

Reduce
Reducing negative impacts on the natural environment



- Green building design, low-carbon construction methods
- Pollution prevention at construction sites
- Construction waste recycling

Transform
Incorporating nature risks into operational decision-making



- Identifying nature-related risks
- Biodiversity incorporated into the materiality analysis and assessment

CH 2 Cathay's Framework for Happiness

2025 Sustainability Highlights and Performance

Customer Relationship Management

- In 2025, satisfaction across the four major stages of "sales, customer customizations, handover, and after-sales service" was maintained at **9.5** points or above
- In 2025, **2,108** cases were filed before the Service Review Committee, with **12** company-wide joint meetings convened
- Pre-construction construction impact analysiss conducted by an impartial third party, a total of **2** cases in 2025
- In 2025, there were **no** complaints arising from breaches of customer privacy or losses of customer data
- **31** community activities held in 2025

2.1 Commitment I: Brand Vision Aligned with Customer Needs

Material Topic - Sustainable Service and Brand Value

Management Policy	With "authenticity and reliability" at the core of its brand spirit, and upholding the brand philosophy of "Integrity, Accountability, and Innovation," Cathay Real Estate, rooted in residential development, is committed to creating high-quality living spaces for every family, and, with its commitment to lifelong service, builds lifelong relationships of trust with residents. In its customer service system, the Company has established a comprehensive service mechanism spanning land purchase, design, and sales through to after-sales: the "Customer Design Modification Operating Process" clearly defines each unit's responsibilities, and an online customer modification system has been introduced to enhance communication transparency; a sound inspection and handover process has been built, with full accompaniment and a service handbook provided; after sales, a dedicated customer service unit manages repair requests systematically, convening monthly service review meetings that systematically consolidate customer feedback and on-site observations into "design guidelines" fed back into subsequent project design and engineering planning, forming a cycle of continuous optimization.
Management Commitment	• Deepening brand trust: upholding the brand spirit of "authenticity and reliability," building lifelong relationships of trust with residents and exerting positive brand influence. • Centering on customer needs: staying close to residents' living needs at every stage from site selection, design, and sales to after-sales, providing a high-quality living experience with warmth. • Sound end-to-end service mechanisms: continuously optimizing the inspection, handover, and after-sales repair processes, ensuring service quality and execution efficiency, and responding to customer needs in real time. • Building a cycle of continuous optimization: through the service review meeting and design guidelines mechanisms, systematically feeding customer feedback back into product design, driving the continuous refinement of residential products. • Promoting digital services: deepening the application of digital tools such as the online customer modification and inspection/handover systems, enhancing service convenience, transparency, and the customer experience. • Integrating group resources: leveraging business synergies to introduce health, leisure, and care resources, responding to society's expectations for age-friendliness and all-age co-living.
Resources Invested	• Customer service community care activities: 14 external personnel and 17 internal personnel, 31 in total • Company image video execution, advertising broadcast, online interaction: A total of 12 people. • Cathay Real Estate Index Quarterly Report: Research team of 6 people, internal company manpower of 6 people. • Information security management manpower of 4 people. • 31 Community Care Activities with approximately NT$450,000. • Company image video execution, advertising broadcast, online interaction expenses of approximately NT$1,020,000. • Budget allocation for corporate award competition entries cost of approximately NT$300,000. • Real estate index research expenses of over NT$3.2 million.
Responsible Unit	President's Office, Customer Service Section of Technology Department, Customer Care working group of Corporate Sustainability Development Executive Committee
Goals	Short-term (2026) • The percentage of contracts with suppliers that include Corporate Social Responsibility/Sustainability clauses to reach 100%. • Review the disclosure scope and inventory boundaries of the sustainability report to comply with the latest laws and market trends. • Continue to sponsor rural education, enhance brand image, and invest in various public welfare activities through the Cathay Real Estate Foundation. • Communicate with stakeholders through multiple channels.

	Medium-term (2028)	Long-term (2030)
Goals	• The percentage of contracts with suppliers that include Corporate Social Responsibility/Sustainability clauses to reach 100%. • Hold regular annual meetings of the Corporate Sustainability Development Executive Committee to track and review the Company's sustainable development progress, with regular reports submitted to the Board of Directors. • Evaluate the possibility of participating in other sustainability awards, and actively participate in award submissions. • Cooperate with the promotion of the Group's public welfare platform, cooperate with social enterprises, find target groups to actively share, and enhance brand image benefits. • Continue to integrate group resources, complete Cathay Real Estate's one-stop service vision, establish good trust relationships with customers, build sustainable brand value, and showcase the real estate group's philosophy to society. • Promote the real estate group's philosophy to each subsidiary and increase the exposure of each subsidiary's sustainable management efforts.	• The percentage of contracts with suppliers that include Corporate Social Responsibility/Sustainability clauses to reach 100%. • The Corporate Sustainability Development Executive Committee meets regularly to monitor and review the Company's sustainability matters and reports to the Board of Directors. The Committee also evaluates additional disclosures that could strengthen communication with stakeholders, reporting to the public on the Cathay Real Estate Group's sustainability practices and demonstrating its commitment to advancing them. • From the investment in the core construction business, construction supervision, to property management and health management after customer occupancy, let customers experience the safe and comfortable experience of extending from residential buildings to a healthy living circle, consolidate brand value, leverage the Group's parent-subsidiary brand benefits, and maximize the Company's value.

Key Performance Indicators and Evaluation Results	Key Performance Indicators	2025 Evaluation Results
	In 2025, satisfaction across the four major stages of "sales, customer modifications, handover, and after-sales service" was maintained at 9.5 points or above	Same
	In 2025, 2,108 cases were filed before the Service Review Committee, with 12 company-wide joint meetings convened	Exceeding
	Pre-construction construction impact analysiss conducted by an impartial third party: a total of 2 cases in 2025	Same
	In 2025, there were no complaints arising from breaches of customer privacy or losses of customer data	Same

Note: Exceeding the original target or the previous year's performance; Same as the original target or the previous year's performance; Did not achieve the set target

From Comprehensive Real Estate Deployment to a Sustainability Blueprint

With "authenticity and reliability" always at the core of its brand spirit, and rooted in residential development, Cathay Real Estate Development continues to create high-quality living spaces for every family, making "home" not merely a place to dwell, but a vessel for the warmth and memories of life.

As the market environment evolves and the public's expectations for quality of life rise, the Company's business portfolio has also undergone transformation and growth. Starting from the 1.0 stage focused on the core residential business, the Company has progressively moved toward a diversified 2.0 configuration, integrating group resources and expanding into the three major fields of "Home," "Health," and "Hospitality," building a complete "3H" brand business portfolio. From 2021, the Company launched its third "Five-Year Plan," focusing on group resource integration and innovation in diversified development models, actively promoting urban renewal, operating commercial real estate, and joining strategic partners in competing for government-initiated public urban renewal projects, opening up entirely new business territory.

Cathay Real Estate 1.0
Residential Developer

Goals and Visions

- Focus on the core residential business
- Committed to Sustainable Service
- Elevate the quality of housing for the public

Achievements and Strategies Built more than 50,000 homes

Nation Building 2.0
Diversified Development Multi-faceted Operations

3H Principle A strategy to increase diversified operations under the core construction business

- Home
- Hospitality
- Health

Establishment of new business entities

2005	2011	2012
國泰建經 Cathay Real Estate Management	國泰飯店觀光事業 Cathay Hospitality Management	國泰健康管理 Cathay Healthcare Management

Cathay Real Estate 3.0
Integrate the real estate group’s resources to move toward a comprehensive developer strategy

Quality Enhancement

- Optimization of design guidelines
- Implementation of quality control systems
- Vendor evaluation system
- Promotion of annual key work priorities

Cost Control Optimization

- Standard Construction Cost
- Standard Model
- Centralized Procurement of Construction Materials

Digital Transformation

- Online Customization
- Customer Service Online Repair Request
- Introduce Knowledge Management System

Talent Cultivation

- Internship Program
- Real Estate Overview Courses for New Employees
- Onboarding Mentorship Program

60th Anniversary Program

- Coordinate the group’s real estate resources
- Committed to sustainable management and workforce development

2024	Achieved total sales of NT$60 billion, a 60-year record high
2023	Completed Cathay Nangang Kunyang Building
2022	San Ching Engineering integrated into a subsidiary of Cathay Real Estate; Establish strategic alliances to undertake the Hsinchu City Government’s public urban renewal project
2021	Sales hit an all-time high of NT$23.5 billion
2020	Form a strategic alliance with Mitsui Fudosan; Lin Yuan Property Management integrated into a subsidiary of Cathay Real Estate
2019	Invested in Cymbal Medical Network Co., Ltd.
2018	Completed Courtyard by Marriott Taipei Downtown; Lease agreement signed with Mitsui Fudosan for the Dunbei Hotel redevelopment project

Continue supporting subsidiaries in expanding their business → Ongoing accumulation of land assets → Enhance Resource Integration → Develop premium land through multiple strategies → In 2024, seven projects were launched with a total value of NT$60 billion, setting a historic record

Residential Buildings - Focusing on Residents' Needs to Lead Happy Daily Lives

Facing the increasingly diverse living needs of varied family types and different generations, Cathay Real Estate has introduced the three major design principles of "practicality," "functionality," and "all-age suitability" into product planning, strengthening spatial flexibility and living convenience, ensuring the living needs of every life stage are properly addressed. At the same time, by integrating the professional resources of business partners under the group — including Cathay Hospitality Consulting and Cathay Healthcare Management — the Company is progressively building a community service mechanism combining health, reassurance, and inclusion, organically weaving wellness, leisure, and care elements into the living experience, responding through concrete action to society's expectations for age-friendliness and all-age co-living, and creating a living environment with greater warmth for residents.

Three Design Principles Focused on Residents' Needs

Practicality

Focusing on family-oriented projects of 30-50 ping (99-165 square meters) to meet the needs of small families

Emphasizing layout planning and usage requirements, reducing unnecessary luxurious decorations

Functionality

Prioritizing childcare, recreational environments, and medical service facilities near residences.

Preparing for smart city and carbon reduction needs by reserving public charging facilities for electric vehicles.

Age-friendly

Introducing thoughtful designs to create comfortable and safe home environments for people from 0 to 99 years old.

2.2 Commitment II: Safe and Sustainable Customer Service

Joining Hands with Tenants to Implement Sustainability

SASB IF-RE-410a.2~3

	Management Strategies and Actions	Goal Setting	Impact on Customers/ Tenants/Residents
Energy Management	Taichung Financial Building: • Replace three elevators on upper floors with energy-efficient models. • Replace two chilled water air conditioning units, with an estimated annual energy savings of approximately 205,504 kWh after improvement.	• Improve energy usage efficiency • Reduce Energy Consumption	• Reduced energy costs for tenants • Enhance Tenant Environment
Water Resource Management	Incorporate water-saving equipment during building planning and design, such as water efficiency label toilets.	Improve Water Usage Efficiency	Reduced energy costs for tenants
Support, Participate in, and Utilize Third-party Green Leasing Initiatives	Plan to obtain LEED Gold Level Green Building certification for the Cathay Real Estate Building urban renewal project (expected completion in 2030).	Helps reduce energy and water consumption, minimize the building's environmental impact, reduce carbon emissions, aligns with global green building development trends, and promotes environmental sustainability.	Provides a healthier and more comfortable office environment, enhances work efficiency and quality of life for tenants' employees, and enables tenants to align their business operations with ESG guidelines amid the global push for environmental sustainability.

Building Comprehensive Residential Services

Cathay Real Estate focuses on customer needs and living quality at every stage, from land acquisition and design to after-sales service. Cathay Real Estate is not merely a construction developer, but a reliable pillar accompanying customers and their families through life's journey, safeguarding every family's happiness with its commitment to lifelong service.

We carefully consider residents' daily needs at the site selection and planning stage, evaluate local conditions such as transportation and living amenities, and prioritize development sites with access to well-established public facilities like green spaces and schools. To ensure services meet customers' needs, the project section conducts market research during sales and construction periods, and consolidates customer feedback through weekly sales meetings, continuously adjusting design and planning. Meanwhile, by combining strategies such as digitalization tools and group resource integration, we provide customers with diverse service options and accompany them throughout the inspection and handover process, to fostering trust and peace of mind.

During the sales and after-sales stages, Cathay Real Estate manages every repair case systematically, with clear checkpoints and records from order receipt, site inspection, repairs to case closure, ensuring service quality and efficiency. Monthly service review meetings consolidate customer feedback and on-site observations into design guidelines, which feed into the design and engineering planning of subsequent projects, creating a continuous improvement cycle that steadily raises the standard of the Company's residential products.

Land Acquisition Stage

- Consider local environmental conditions (such as transportation convenience)
- Prioritize larger permanent open spaces as project sites (such as green spaces and schools and other public facilities)

Sales and Construction Stage

- Conduct market research, provide feedback on customer needs at weekly sales meetings
- Technical department annually attends building material exhibitions to familiarize with the latest industry construction methods, materials, equipment, and designs, and compile New Building Materials and New Construction Methods reports each quarter
- Project section presents "Special Cases" quarterly, sharing floor plans and equipment of various projects, proposing feasible construction plans through internal exchange and discussion

After-Sales Service Stage

- The customer service team logs daily repair requests from each household into the Company's repair system and ERP system for control, tracking the time points of receiving repair notifications, contacting customers, on-site inspections, repair progress, and repair completion, as well as recording the handling process
- Monthly service review meetings are held to provide feedback on customer responses, suggestions, and on-site inspection findings to relevant departments such as project management, budget, mechanical and electrical, and quality control. The information is compiled into "Design Guidelines" to serve as standards for future planning and design.
- Provide a comprehensive handover process, accompanying clients throughout and responding to inquiries in real-time.

Sound Inspection and Handover Process

For Cathay Real Estate, every home inspection is an important moment of honoring its promise to customers. Throughout the inspection, dedicated personnel receive and guide customers, first fully explaining the inspection process, after which the construction contractor explains the equipment, mechanical and electrical systems, and building structure in detail; Company personnel accompany customers throughout, assisting in real time with explanations and handling on-site issues, checking the handover items with customers one by one and clearly defining the scope of defect repairs, ensuring every detail is properly grounded.

Before the house inspection, we proactively remind customers of their previous sample selections and customization requests, helping them understand the features and maintenance requirements of various building materials and equipment. After the inspection, the Company's staff assists customers in completing and signing inspection documents, clearly explaining signature locations and arrangements for subsequent re-inspection, so that customers can complete the handover process with confidence and clarity at every step. These carefully considered arrangements give practical expression to Cathay Real Estate's service philosophy, being dedicated, thoughtful, and attentive, supporting every customer as they take the first steps into a new home.

Coordination and Liaison
Led by the Company
- Coordinated by the Company
- Contacting the customer
- Confirming the initial inspection time

Reception and Entry
Led by the Company
- Customer arrives
- Greet customers and escort them into the property

Inspection Description
Led by the Company
- The Company introduces the process
- Checking the selection sheet
- Reminders of points to note

Equipment Description
Led by the Construction Contractor
- Introduction to mechanical, electrical, and architectural features and product characteristics

Full Accompaniment
Led by the Company
- Company personnel present and accompanying throughout
- Responding to questions in real time

Handover and Signing
Led by the Company
- Checking defect repairs
- Signing the inspection documents
- Confirming the next follow-up inspection

Handover Completion
- Delivery of real estate ownership certificate
- Handover of keys and in-home equipment;
- provision and explanation of the service handbook;
- introduction to the Cathay Real Estate Prestige Card
- Provide Cathay Real Estate disaster prevention evacuation kit
- Provide housing user manual

House Handover Process

House Handover Manual

After completing the inspection and handover process, we provide residents with a service manual including information on residential maintenance, project warranty, repair fees, and after-sales service items. It not only explains the service items provided by Cathay Real Estate, but also symbolizes our commitment to customers.

- Residential maintenance
- Daily cleaning tips
- Community maintenance
- Resident disaster prevention

After-sales service

Through the establishment of a dedicated customer service unit and the training and recruitment of professionals responsible for on-site inspection services, when residents raise housing-related issues, we will actively contact them within 2 days and coordinate with the customer's schedule for on-site inspection and follow-up repair assistance. Cathay Real Estate believes that a good living environment starts with daily maintenance, so we not only focus on the maintenance of hardware facilities, but also actively convey the correct concepts of building maintenance to residents, working together to create a high-quality living environment.

Cathay Real Estate Website Customer Service Mailbox: service@cathay-red.com.tw

Repair System Upgrade: Creating a Convenient Experience

Considering that a mobile application (app) must keep pace with residents' irregular phone upgrades and involves phone specifications and internal software compatibility issues, from 2025 Cathay Real adjusted its customer repair request method to direct entry on the official website, simplifying and facilitating residents' repair procedures. In addition, residents can use the menu function of Cathay Real Estate's official LINE account to jump to the repair webpage with one tap, providing more immediate, convenient, and diverse repair request channels.

Community Activities

Physical and mental health and emotional connection within the community have become living needs residents increasingly value. Cathay Real Estate manages community care around the axes of "health and LOHAS," easing life's stresses through handicraft courses, bringing residents closer to nature with herb and fern planting, and introducing body composition testing and health lectures to help residents build health awareness. In 2025, 31 activities were held across Taiwan, allowing residents to build bonds through participation while the philosophy of sustainable living continues to deepen within communities.

31 community health activities held throughout the year, moving toward health and LOHAS together with residents

- New Year activities: **4** sessions
- Herb diffuser stone handicraft classes: **12** sessions
- Fern mounting handicraft classes: **8** sessions
- Stress-relief handicraft classes: **6** sessions
- Body composition assessment and health lecture: **1** session

Enhancing Customer Satisfaction Actions

Convenient and Flexible Customization Principles

In managing customer design modification services, the Company has established the "Customer Design Modification Operating Process," clearly defining the responsibilities and collaboration mechanisms of the relevant units, unifying handling standards at each step and effectively ensuring consistency of service quality. From 2020, the online customer modification system was further introduced, integrating information management and service processes into one; customers can communicate and confirm modification content in real time through the online platform, which not only enhances the convenience and transparency of interaction, but also makes the overall customer experience smoother and more reassuring.

Standardize Customization Process

- Formulate the Customer Design Change Operation Process to standardize the customization handling process of each unit
- Allow new colleagues or different construction contractors to quickly understand the customization handling method and directly respond to customers

Online Customization

- Began adding online customization in 2020 and fully implemented online customization in 2021
- Online customization can reduce printing and mailing processes, enhancing customer convenience while achieving energy conservation and carbon reduction

Review Customer Satisfaction

Every piece of customer feedback is an important driving force for the Company's continuous service improvement. The Company conducts systematic satisfaction surveys across the four major stages of "sales, customer customizations, handover, and after-sales service," grasping the customer experience comprehensively and in detail, ensuring quality standards run through the entire service journey. At the handover stage, we insist on accompanying customers throughout the handover, responding to questions on site in real time and assisting in checking the scope of defect repairs, giving every customer peace of mind through sincerity and attentiveness; in customer modification services, we have built sound handling processes and introduced the online modification mechanism, effectively enhancing communication efficiency and information transparency, creating a smoother interaction experience with greater warmth for customers.

In 2025, the Company again earned customers' high recognition, with satisfaction survey items across all dimensions maintaining outstanding scores of 9.5 points or above, amply demonstrating that from pre-sales to after-sales, from design to handover, the Company attentively safeguards every customer's ideal home throughout.

Survey Items	2023	2024	2025	Statistics and Review Mechanism
Sales	9.97	9.67	9.95	• Monthly statistics of service overview and problem records, regular reporting and review • Hold internal service review meetings. Analyze and review the repair situation of the current month. • Collect customer feedback, understand the cause, provide solutions, and continue to refine the quality of Cathay Real Estate's after-sales service.
Customization	9.92	9.75	9.78	
Handover	10	9.86	9.81	
After-sales service	9.94	9.97	9.96	

Protecting Customer Rights and Privacy

Strengthen Personal Data Protection

In accordance with the Personal Data Protection Act and the "Regulations Governing Personal Data File Security Maintenance and Management for Construction Non-governmental Agencies Designated by Ministry of the Interior" of the Ministry of the Interior, Cathay Real Estate Development has formulated the "Personal Data Management Policy," establishing a sound personal information management system (PIMS) covering the personal data of customers, vendors, and all employees, regulating every stage from data collection, processing, use, storage, and transmission through to destruction. The Company has established a Personal Data Management Committee to coordinate related operations, and requires all employees and outsourced vendors to comply jointly, safeguarding personal data security and protecting data subjects' privacy rights; in 2025, the Company had no complaints arising from breaches of customer privacy or losses of customer data.

Policy Regulations	Formulating the "Personal Data Management Policy" and related management regulations, clearly regulating the operating principles for the collection, processing, use, storage, transmission, and destruction of personal data. Applicable to customers, vendors, and all employees; outsourced vendors must sign confidentiality agreements and are bound by the same rules.
Personal Data Protection Measures	Establishing a personal information management system (PIMS), implementing graded and classified management, and setting up access permission controls and identity verification mechanisms; the input, output, access, updating, and destruction of personal data are all subject to clearly defined scopes and permission rules. Conducting regular annual personal data protection education and training, raising all employees' personal data security awareness. In the event of a personal data leakage incident, the emergency response team responds and handles it immediately under the reporting procedures.
Internal and External Audit	The Audit Office serves as the personal data management audit team, conducting regular annual internal audits of the personal information management system, engaging external professionals to assist when necessary; the Personal Data Management Committee convenes a review meeting at least once a year to examine the appropriateness and effectiveness of the system's operation and track the implementation of corrective and preventive measures, ensuring personal data management measures continue to meet current legal requirements.

Provide Transparent Sales Information

In protecting customer rights, Cathay Real Estate has established sound management regulations for each service stage — sales, contract signing, customer modifications, and handover — upholding the principles of openness, transparency, and information parity, ensuring customers receive full and accurate information at every step. In 2025, the Company had no disputed products, sales prohibitions, or violations of product and service information labeling, fully embodying its attention and commitment to consumer rights.

Cathay Real Estate's Methods to Ensure Information Transparency

Stage	Protecting Customer Rights	Protecting Customer Rights
Pre-sale House Sales	Civil Code, Consumer Protection Act and Fair Trade Act	• Provide customers with a sample real estate purchase and sale contract for review before purchasing a house
Confirmation of Building Materials after Contract Signing	Fulfillment of Real Estate Purchase and Sale Contract	• Building materials are provided on site for customers to choose from, and if not selected, the Company's standard configuration will be used
Payment of Installments	Ensure transaction security	• Customers can access the Cathay Real Estate official website customer area at any time to check the payment status of their unit's installments
Customization Communication	Within the time agreed in the real estate purchase and sale contract, provide customized services according to customer needs	• Company employees confirm the customization process with customers • Customers (including designers) discuss the feasibility of changes on site with the construction company • After confirming the drawings, the construction company calculates the added and deducted costs
Handover	Fulfillment of Real Estate Purchase and Sale Contract	• Company employees assist customers in the inspection process together with the customer and construction company partner • Record the parts that need repair on the inspection and handover form and make an appointment for re-inspection • After the inspection process is completed, transfer the real estate ownership registration to the customer and confirm the completion of loan disbursement and payment of handover funds with the customer • Schedule the house handover time and handover the house ownership certificate, keys and other in-house equipment

Establish Strict Product Sales Agency Regulations

Creating a reassuring, transparent home-buying experience is Cathay Real Estate's core commitment to every customer. At key service points such as sales, contract signing, and handover, the Company engages professional sales teams — including sales agencies and property management companies — to jointly assist with product planning and service delivery, and, through strict review of advertising content and clear sales agency management regulations, ensures customers receive accurate and complete information at every stage of the overall home-buying journey. At the same time, the Company has established close cooperation mechanisms with real estate sales agencies, forming a stable bridge of customer communication, enabling frontline service personnel to precisely convey the Company's persistence in construction quality and its practice of sustainable building principles, so that brand value is genuinely demonstrated in every customer interaction.

Cathay Real Estate Sales Agency Management Measures

1. **Election** Hold sales agency selection meetings to evaluate market analysis, product planning, sales, and shaping
2. **Regulations** Clearly stipulate standard sales process, integrate clear market information, and provide sales agencies with accurate product positioning and planning.
3. **Review** Review the advertising text content and display space design planned by the sales agency to ensure the accuracy of the information conveyed.
4. **Training** Sales personnel should have complete education and training. Be familiar with laws and regulations and codes of conduct, and provide customers with complete product features, information and brand concepts

Cathay Real Estate Sales Process

Customers visit the sales site → Introduction using electronic whiteboards in the VIP room → Visit the sample house → Integrate electronic whiteboard content for physical introduction → If interested, further discuss in the VIP room

CH 3 Meticulous Construction

2025 Sustainability Highlights and Performance

Construction Quality

- Honored with the 27th National Golden Award for Architecture
- After-sales service satisfaction over 9/10 points
- Customer customization, handover and after-sales satisfaction statistics annually, with an average of over 9/10 points

Supplier Sustainability Management and Green Procurement

- The signing rate of the "Corporate Social Responsibility / Sustainability Clauses" reached 100% in 2025
- Cathay Real Estate's green procurement amount reached NT$ 9,574,088 across, 1,057 items
- Subsidiaries simultaneously implement green procurement: Cathay Hospitality Consulting's green procurement amounted to NT$ 9,545,556, or 1.46% of total contracted amounts; San Ching Engineering's green procurement amounted to NT$ 528,557,572, or 3.79% of total contracted amounts

3.1 Commitment I: Uncompromising Construction Standards

Material Topic - Project and Construction Quality Management

Management Policy	Cathay Real Estate upholds "zero-compromise" construction standards; from building material selection to construction supervision, it guards every quality checkpoint with rigorous standards and sound processes, internalizing its persistence in quality as corporate culture, creating trustworthy ideal homes for customers with a brand spirit of safety, reliability, and fine craftsmanship. In its quality management system, a "three-tier quality control system" has been established, guarding construction quality layer by layer through a tiered mechanism: at the first tier, each construction contractor implements independent construction quality control; at the second tier, the Project Section inspects the sites under its charge; and at the third tier, the Technology Department regularly audits the implementation status of all sites. The three tiers each perform their roles and interlock, building a quality defense line from the inside out. In construction process management, sound construction standard operating procedures (SOPs) have been established, clearly delineating the responsibilities of inspection units and construction units. Before formal construction, the contractor must submit a "construction plan," with ESG dimensions — including environmental protection, emergency response and disaster prevention, occupational safety and health, and schedule management — incorporated as inspection criteria.
Management Commitment	• Holding fast to zero-compromise quality: implementing the "zero-compromise quality" commitment in every construction step, guarding building material selection and construction supervision with rigorous standards. • Implementing three-tier quality control: continuing to strengthen the three-tier mechanism of contractor self-management, Project Section inspection, and Technology Department audit, ensuring quality is verifiable and guarded layer by layer. • Deepening construction management: through the construction plan review and pre-construction briefing mechanisms, ensuring all parties reach consensus on quality standards, controlling construction quality from the source. • Advancing construction method refinement: continuously tracking forward-looking industry trends and innovative technologies, integrating new knowledge into design and construction, responding to modern living needs. • Building an optimization cycle: systematically consolidating project reviews and on-site feedback, optimizing construction methods, building materials, and quality control processes one by one, turning practical experience into nourishment for quality advancement.
Resources Invested	• Technology Department • Project Section: Project Section 1, Project Section 2, Project Section 3 • Development Department
Responsible Unit	33 people in Technology Department, 64 people in Project Section, 18 people in Development Section

Goals

Short-term (2026)	Medium-term (2028)	Long-term (2030)
• Conduct monthly construction quality and safety and health inspections at each construction site, with an inspection rate of 100%. • Participate in design or construction quality awards with 1 project each year	• Conduct monthly construction quality and safety and health inspections at each construction site, with an inspection rate of 100%. • Participate in design or construction quality awards with 1 project each year	• Conduct monthly construction quality and safety and health inspections at each construction site, with an inspection rate of 100%. • Participate in design or construction quality awards with 1 project each year

Key Performance Indicators and Evaluation Results

Key Performance Indicators	2025 Evaluation Results
Honored with the 27th National Golden Award for Architecture	✔
After-sales service satisfaction over 9/10 points	⊜
Customer customization, handover and after-sales satisfaction statistics annually, with an average of over 9/10 points	⊜

Note: ✔ Exceeding the original target or the previous year's performance; ⊜ Same as the original target or the previous year's performance; ✖ Did not achieve the set target

Uncompromising Construction Standards

From building material selection to construction supervision, Cathay Real Estate guards every quality checkpoint with rigorous standards and sound processes. While pursuing craftsmanship excellence, we continue to track forward-looking industry trends and innovative technologies, integrating new knowledge and new construction methods into design and service, ensuring every project evolves in step with the times. Upholding the spirit of constant refinement, Cathay Real Estate is committed to building quality homes that truly meet modern living needs, creating tangible and lasting experiences of good living for every customer.

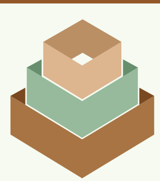
Comprehensive engineering quality control system

The Company comprehensively reviews its workflows from quality control mechanisms to construction methods, establishing a sound construction quality management system and internalizing its persistence in quality as part of corporate culture, creating trustworthy ideal homes for every customer with a brand spirit of safety, reliability, and fine craftsmanship.

Three-level quality control system safeguards construction quality

Cathay Real Estate has established a "three-tier quality control system," ensuring through a clear tiered mechanism that the construction quality of every project is verifiable and guarded layer by layer. At the first tier, each construction contractor implements independent construction quality control, building quality awareness and execution discipline from the site's front line; at the second tier, the Company's Project Section inspects the sites under its charge, strengthening the immediacy and depth of coverage of on-site quality supervision; at the third tier, the Company's Technology Department regularly audits the implementation status of all sites, ensuring inspection processes are faithfully implemented and quality targets effectively achieved. The three tiers each perform their roles and interlock, jointly building a quality defense line firmly rooted from the inside out, implementing the "zero-compromise quality" commitment in every construction step.

Three-tier quality management system



Third-tier quality control
Regular inspections by Cathay Real Estate's technical department

Second-tier quality control
Cathay Real Estate Project Section Construction Spot Checks

First-tier quality control
Contractor's self-managed construction quality control

Construction Quality Management Regulations

During Construction: Site Inspection Management

Project Section staff conduct construction inspections on site at irregular intervals, ensuring construction quality meets specifications

1. On-site construction inspection	The inspection unit conducts on-site inspections according to drawings, specifications, and the contract	Inspection unit
2. Completing inspection records	For non-conforming items, inspection records are completed and the construction unit is notified to make corrections	Inspection unit
3. Deficiency improvement response	After improving the deficiencies, the construction unit (contractor) submits the inspection improvement record form	Construction unit
4. Filing by the inspection unit	Confirming all deficiencies have been improved, and filing the inspection improvement record forms	Inspection unit
5. Monthly inspection report	Consolidating all inspection records into the monthly inspection report, submitted to the department head for approval	Inspection unit

After Completion: Acceptance of New Construction Works

After all works are completed and water and electricity are formally connected, acceptance is led by the Project Section and the Technology Department's mechanical and electrical team

1. Applying for initial inspection	The contractor prepares the acceptance record form and applies to the Project Section in writing	Construction unit
2. Conducting the on-site initial inspection	Inspection conducted according to construction drawings and customer-customization drawings	Acceptance unit
3. Initial inspection review meeting	Consolidating deficiency records and notifying the contractor to confirm the improvement schedule	Construction / acceptance units
4. Addresses Deficiencies	The contractor improves the deficiencies and prepares the acceptance improvement comparison table	Construction unit
5. Re-inspection ⇨ Passed	After the re-inspection is passed, the certificate of conformity is issued	Acceptance unit
6. Applying for completion determination	After preparing the completion report, applying for completion determination	Construction unit

Construction Contractor Inspection Method

Regular Inspection Execution
The Technology Department conducts monthly construction detail inspections, rigorously examining key aspects such as architecture and mechanical and electrical systems

→ **Consolidation of Inspection Results and Transparent Management**
Inspection results are consolidated into the monthly inspection report and submitted to the supervising unit for review; the monthly report covers each project's construction progress, inspection scores, and ratings

→ **Is the inspection score too low?**
- No → Continuing cooperation
- Yes → **Activating the guidance mechanism**
Immediately assists the contractor in improving construction quality

→ **Significant improvement after guidance?**
- Yes → Continuing cooperation
- No → Cooperation terminated Removing the vendor from the list

Track Construction Quality and Progress

To ensure building quality meets strict standards, Cathay Real Estate has established sound construction standard operating procedures (SOPs), clearly delineating the process rules and responsibilities of inspection units and construction units. Before formal construction, the contractor must submit a "construction plan," with sustainability dimensions such as ESG incorporated as inspection criteria, covering disaster prevention plans, occupational safety and health plans, and construction management planning.

After the plan is submitted, the Company convenes a pre-construction briefing, inviting the Project Section, the Technology Department, architects, structural engineers, and mechanical and electrical engineers for comprehensive communication, ensuring all parties reach consensus on construction specifications and execution requirements. If any content of the plan fails to meet the Company's specifications, the contractor must make corrections and resubmit for review; only after passing review may subsequent construction proceed, implementing quality control at every construction step.

Cathay Real Estate Building Method Optimization Process

E Environment
- Environmental Protection Plan
- Emergency Response and Disaster Prevention Plan
- Transportation Maintenance and Security Management Plan

S Social
- Construction Operations Management
- Occupational Safety and Health Management Plan

G Governance
- Progress Management Plan
- Pre-construction Preparation
- Project Overview
- Temporary Works Plan
- Surveying Plan
- Detailed Construction Plans
- Acceptance and Handover Management Plan

Ongoing Enhancement of Construction Capabilities

Innovative Construction Methods Respond to Market Demands

Cathay Real Estate has bulilt a complete cycle for improving construction methods through four stages: data collection, evaluation, implementation, and project review and enhancement. We actively participate in external seminars, exhibition visits, and industry exchange activities to stay informed about the latest building materials, construction methods, and market trends. This knowledge is then incorporated into core materials into internal education and training programs, continuously strengthening our team's professional capabilities to address the increasingly diverse challenges and opportunities in the construction industry. In guarding construction quality, the Company has established a dedicated unit responsible for end-to-end supervision, systematically collecting and consolidating review comments and on-site feedback for each project, optimizing construction methods, building materials, and quality control processes one by one for deficient items, so that every accumulation of practical experience becomes nourishment for the quality advancement of the next project.

Cathay Real Estate Building Method Optimization Process

Data Collection
- Customers
- Sales Agencies
- Markets
- Construction Peers

Evaluation
- Market demand considerations
- Quality considerations
- Construction period considerations
- Cost considerations

Implementation
- Selection of Appropriate Projects for Implementation
- Regular Review of Implementation Effectiveness

Project Review and Optimization
- Compilation of Repair Records
- Analysis of Deficiency Inspection Causes
- Discussion of Improvement Suggestions and Optimization

Six Major Aspects Driving Technical Innovation

To continuously track industry frontier developments, Cathay Real Estate holds a quarterly "New Construction Methods, New Building Materials, and New Equipment Presentation," systematically reviewing innovative technologies and trend developments in the market across six major dimensions — structure, mechanical and electrical, waterproofing, green building materials, doors and windows, and interior finishing — actively exploring possibilities for breaking through existing construction methods and seeking innovative solutions combining sustainability principles with practical benefits. During the practical application phase, Cathay Real Estate comprehensively assesses customer usage requirements, construction efficiency, costs, and long-term benefits to select the most suitable building materials and methods, thereby enhancing the quality, value, and living experience of each project.

Six key building aspects of concern to Cathay Real Estate

Structural engineering

Solid foundation structure
- Impermeable concrete
- High-strength NEW RC
- Low-carbon concrete
- Precast construction method

Waterproofing engineering

Reassuring waterproofing engineering
- Hydration and solidification type waterproofing materials
- Negative-pressure waterproofing materials

Electromechanical Engineering

Energy-saving mechanical and electrical design
- Sensor-controlled energy-saving lighting
- Electric vehicle charging equipment
- Green renewable energy - Solar panels

Green construction materials

Sustainable and lasting green buildings
- Insulation Mortar
- LOW-E Glass
- Rainwater collection
- Aluminum formwork
- Low-carbon construction methods
- Pedestrian walkway landscape permeability

Door and window engineering

Safe and quick door and window design
- Shower glass door safety explosion-proof
- Quick roll-up doors save time and look aesthetic
- Bathroom sliding wooden doors for ease of operation

Interior decoration engineering

User-friendly interior decoration
- Convenient, hygienic kitchen planning
- Indoor soundproofing pads
- Independent, separated bathroom planning
- Household storage space planning

3.2 Commitment II: Working Safely Environment

Material Topic - Supply Chain Management

GRI 2-6 GRI 204-1 GRI 308-1 GRI 403-1 GRI 414-1

Management Policy	Cathay Real Estate regards the supply chain as an important partner in jointly practicing sustainability principles. Upholding the principle that "prevention outweighs remedy," it integrates the resources of upstream and downstream partners to build a stable, resilient sustainable supply chain, and incorporates sustainability dimensions such as occupational safety, environmental protection, and labor and human rights into the core of supply chain management. In building its rules, the Company has formulated "Corporate Social Responsibility / Sustainability Clauses" covering environmental protection, labor conditions, occupational safety and health, and labor and human rights, serving as the common standard binding all types of partners, with an applicable scope covering architects, designers, construction contractors, external consultants, sales agencies, media advertisers, and equipment contractors; vendors violating the clauses must propose and faithfully implement improvement measures, and cooperation is terminated per the rules for serious cases without improvement. The Company also incorporates the supplier code of conduct into contract terms, requiring partner vendors to comply throughout the performance period.
Management Commitment	• Building a sustainable supply chain: integrating the resources of upstream and downstream partners, incorporating sustainability dimensions into supply chain management, and enhancing overall operational resilience and efficiency. • Implementing sustainability clauses: continuing to require all types of partners to sign and comply with the "Corporate Social Responsibility / Sustainability Clauses," urging violating vendors to improve, and terminating cooperation when necessary. • Rigorous supplier selection: conducting differentiated selection and screening by supplier category, choosing partners with sound compliance records, and controlling quality and risk from the source. • Joining hands toward zero work injuries: requiring contractors to implement independent occupational safety management, and promoting practical exchange through contractor observation meetings, moving together toward the vision of zero work injuries. • Deepening partner collaboration: upholding the principle that prevention outweighs remedy, systematically analyzing accident causes with supply chain partners and establishing risk prevention mechanisms, creating win-win cooperation models.
Responsible Unit	Project Department 1, Project Department 2, Project Department 3 and Technology Department
Resources Invested	Project Department 1, Project Department 2, Project Department 3 planning and sales management specialists for pre-construction projects, approximately 2-3 people.

Goals	Short-term (2026)	Medium-term (2028)	Long-term (2030)
	• Carefully select business partners, establish pre-construction sales agency and architect selection standards, select high-quality suppliers through evaluation, and achieve sales service satisfaction of 9/10 points or more • Conduct annual supplier evaluation	• Improve satisfaction by 1% through feedback from sales service satisfaction surveys	• Improve satisfaction by 2% through feedback from sales service satisfaction surveys

Key Performance Indicators and Evaluation Results

Key Performance Indicators	2025 Evaluation Results
The signing rate of the "Corporate Social Responsibility / Sustainability Clauses" reached 100% in 2025	=
Cathay Real Estate's green procurement amount reached NT$9,574,088 across 1,057 items	=
Subsidiaries simultaneously implement green procurement: Cathay Hospitality Consulting's green procurement amounted to NT$9,545,556, or 1.46% of total contracted amounts; San Ching Engineering's green procurement amounted to NT$528,557,572, or 3.79% of total contracted amounts	✔

Note: ✔ Exceeding the original target or the previous year's performance; = Same as the original target or the previous year's performance; ✖ Did not achieve the set target

Partner with Supply Chain to Achieve Zero Work Injury Vision

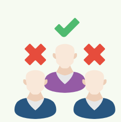
Occupational safety is one of the core principles of Cathay Real Estate's supply chain management. At the supplier contract signing stage, the Company comprehensively requires the signing of the "Corporate Social Responsibility / Sustainability Clauses" as the basic foundation of cooperation; it also requires construction contractors to establish occupational safety and health management policies and implement independent safety management mechanisms at construction sites, ensuring personnel at each site work in a safe environment and effectively reducing the risk of occupational accidents.

In addition, the Company regularly holds contractor observation meetings, promoting the systematic exchange of practical experience, consolidating safety management results and improvement measures, and jointly advancing the realization of the "zero work injuries" goal through information sharing and supply chain collaboration.

Zero-Injury Workplace Environment Promotion Measurements

Holding Construction Contractor Observation Meetings

Decreasing Suppliers' Occupational Health and Safety Risk



Implementing Supplier Selection

Demanding all suppliers sign the Corporate Social Responsibility Clause

Implementing Occupational Health and Safety

Cathay Real Estate works closely with construction contractors and, upholding the core principle that "prevention outweighs remedy," systematically analyzes accident incidents at project sites over the years, clarifying accident causes and establishing targeted risk prevention mechanisms accordingly. In concrete terms, the Company has formulated and implemented complete safety management measures covering construction risk assessment, hazard identification, on-site safety patrols, education and training, and preventive measures, ensuring every on-site worker can work in a safe and healthy environment, turning "zero work injuries" from a vision into a sustainable daily practice.

Implement Zero-Injury Goals

Analyzing Root Causes

Possible causes of project accidents

- Machines and Equipment
- Protective facilities
- Construction techniques
- On-site environment
- Geological conditions
- Quality of construction personnel
- Management methods

Establishing prevention mechanism

Establishing Mechanism

Management methods

- Worker Safety and Health Management Plan
- Labor safety and health management regulations
- Contractor management regulations for labor safety
- Key points for automatic labor safety inspections

Achieving the zero-work-injury vision

Vision Realization

Goals

- Zero hazards
- Zero accidents

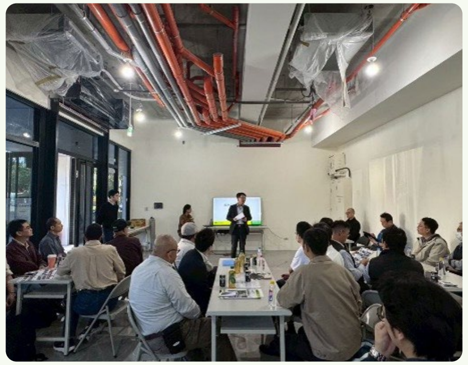
2025 Cathay Real Estate Construction Contractor Occupational Injuries

Items	San Ching Engineering		Jioushun Construction		Chien Kuo Construction		Kimzoa Engineering	
	Male	Female	Male	Female	Male	Female	Male	Female
Total Work Hours	454,078	77,290	13,896	5,256	231,888	32,304	2,000.00	2,000.00
Total Work Days	56,760	9,661	1,737	657	28,986	4,038	250.00	250.00
Number of Occupational Injuries	0	0	0	0	0	0	0	0
Occupational Injury Rate	0	0	0	0	0	0	0	0
Number of Occupational Injury Deaths	0	0	0	0	0	0	0	0
Occupational Injury Death Rate	0	0	0	0	0	0	0	0
Lost Work Days	3.00	0	0	0	0	0	0	0
Lost Day Rate LDR	1.32	0	0	0	0	0	0	0
Total Absence Days	40.4	63.3	2.5	14.16	0	0	0	0
Absentee Rate AR	0.07%	0.66%	0.14%	2.16%	0	0	0	0
Number of Severe Work Injuries	0	0	0	0	0	0	0	0
Severe Work Injury Rate	0	0	0	0	0	0	0	0

Note 1: Refers to the number of recordable occupational injuries, including the number of deaths caused by occupational injuries.
Note 2: Occupational injury rate = (Number of occupational injuries / Total work hours) × 200,000*
Note 3: Number of deaths due to occupational injuries.
Note 4: Occupational injury death rate = (Number of occupational injury deaths / Total work hours) × 200,000*
Note 5: Total lost work days refers to the total number of days that employees are temporarily (or permanently) unable to return to work due to injury, which refers to the number of leave days due to occupational injury.
Note 6: Lost day rate (LDR) = (Lost work days / Total work hours) x 200,000*
Note 7: Absence definition: Employee absence due to loss of working capacity, including: occupational injury leave, sick leave, menstrual leave, but not including leave applied due to traffic accidents.
Note 8: Absentee rate (AR) = (Total absence days / Total work days) × 100%
Note 9: Severe work injury refers to an injury that makes it difficult for the worker to recover to the pre-injury health condition within 6 months, excluding deaths.
Note 10: Severe work injury rate = (Number of severe work injury incidents / Total work hours) × 200,000*
Note 11: *refers to the rate per 100 employees, calculated based on 50 weeks per year, 40 hours per week
Note 12: For construction contractors other than San Ching Engineering, only data for the portions of the Company's sites they contract are counted

Holding Construction Contractor Observation Meetings

The quarterly "Contractor Observation Meeting," with information sharing as its core philosophy, invites willing bidding vendors to jointly learn the latest construction methods and technologies, promoting the exchange of practical experience and dialogue among vendors, driving technological innovation and breakthroughs, and comprehensively grasping project construction details and key technologies. Held continuously since 2018; in 2025, 6 construction contractors and a total of 28 personnel participated, continuing to deepen supply chain partnerships.



Construction company observation meeting process

Project Briefing

Building Firm Explanation
- Project features and planning description

Site Visit
- Special technique sharing
- Quality, environment, safety, health and working period management

Policy Promotion

Exchange and Discussion

Mutual Observation
Open for mutual observation among contractors to understand Cathay Real Estate's quality standards

×

Interactive Field
Create an interactive field to promote industry exchange

×

Communication Platform
Establish a communication platform to enhance interaction between Cathay Real Estate and contractors

Letter from Our Partners

HCCH & Associates Architects Planners & Engineers has cooperated with Cathay Real Estate for more than 25 years now, and we have completed many projects together. We thank Cathay Real Estate for its continued engagements, which have given us the opportunity to learn from and grow alongside a model developer.

Throughout our cooperation, we have clearly felt the solid professional capabilities of the Cathay Real Estate team: in the early planning stages, opinions from every dimension are rapidly integrated into a clear direction of development; during design, the hands-on involvement from the Chairman down to the project officers keeps discussion outcomes moving precisely toward the goal; and during construction, all manner of difficult issues are reasonably resolved through the team's collective effort. All of this comes back to Cathay Real Estate's business philosophy — the working creed with which Honorary Chairman Mr. Tsai Wan-Lin exhorted employees: "Speed, Accuracy, Responsibility." This pragmatic spirit is still concretely practiced by all Cathay people today, and it is the reason Cathay Real Estate has remained evergreen through all weathers.

Cathay Real Estate has built countless homes for the people of Taiwan, and provided business owners with diverse bases for entrepreneurship. What moves me most is this: Cathay Real Estate still performs repairs today on homes completed and handed over more than 50 years ago! Practicing "sustainable service" so quietly, in such a low-key and graceful way — turning the business principle of "customers first, credibility first" into daily life — such corporate spirit naturally deserves consumers' trust.

We thank Cathay Real Estate for its love of Taiwan and its willingness to keep investing in and diligently cultivating this land, and we look forward to Cathay Real Estate continuing to bring Taiwan more moving moments in its next 60 years.

HCCH & Associates Architects Planners & Engineers

Architect, Liao Yu-Chi

Promote Accountable Supplier Culture

In building the rules of its supply chain management, Cathay Real Estate has formulated "Corporate Social Responsibility / Sustainability Clauses" covering environmental protection, labor conditions, occupational safety and health, and labor and human rights, serving as the common standard binding all types of partners. The clauses' applicable scope covers architects, designers, construction contractors, external consultants, sales agencies, media advertisers, and equipment contractors, all of whom are required to fully comply with the relevant rules. Vendors violating the clauses must propose concrete improvement measures and faithfully implement them; for serious cases without improvement, the Company terminates the cooperative relationship in accordance with the rules. The clause signing rate reached 100% in 2025.

Number of Corporate Social Responsibility/Sustainability Clause Signatories	
Architect	2
Landscape Designer	9
Sales Agencies and Sales Teams	24
Building firms	10
Equipments	38
Media and Advertisement	25
Green Building Consultants	2

Implementing Supplier Selection

To maintain the quality and compliance standards of its partners, the Cathay Real Estate has established differentiated selection guidelines and screening procedures for each supplier category. The criteria cover areas such as sales capability and planning capability, and serve as the primary basis for selecting construction teams and other key partners. Through a systematic selection mechanism, the Company is able to screen for construction teams with sound compliance records, effectively preventing major violations and occupational safety incidents. Rigorous supplier management is both a safeguard of construction quality and a concrete practice of Cathay Real Estate's commitment to customer value and sustainability.

Supplier Type	Sales Agency and Design Team	New Project Construction	Others
	Architects, public facility designers, sales agencies	Engineering consulting companies, construction companies	Media, advertising projects, equipment procurement manufacturers
Supplier Selection Method	**Selection Criteria Setting** • Market Analysis/Sales Capability • Engineering Planning/ Shaping Ability • Design Team Suitability ↓ **Selection Meeting** • Proposal Presentation • Service Content and Price Comparison	**Qualification Screening** • Business Qualification • Paid-in Capital • Engineering Experience and Performance ↓ **Two-stage Evaluation** • Financial Status • Performance Record (Engineering Performance, Track Record, Quality) • Project Schedule Management • Construction Plan • Completeness and Reasonableness of Bid Price	**Price Comparison and Negotiation** • Adherence to Procurement Procedures • Proposal Presentation • Service Content and Price Comparison
Management Model	Select suitable suppliers according to the selection measures and conduct sales in accordance with Cathay Real Estate's sales management measures	Select suitable suppliers according to the engineering procurement measures and implement strict quality control requirements in accordance with Cathay Real Estate' s three-level quality control system	• Equipment procurement manufacturers: Implement strict quality control requirements in accordance with Cathay Real Estate's three-level quality control system • Media, advertising projects: Conduct advertising business in accordance with relevant legal requirements

Supplier ESG Screening

Construction Quality and Capability

Award Records
Whether industry awards have been received in the past decade, verifying technical standards and quality reputation

Construction Track Record
Review of project track record, confirming the vendor has corresponding engineering experience and professional capability

Industry Reputation
Assessing the vendor's reputation in sustainable construction and quality management through industry word of mouth

Social Responsibility and Labor Protection

Whistleblower Protection Mechanism
Whether there are records of labor disputes in the past decade, ensuring the vendor duly fulfills labor protection obligations

Subcontracting Management
Whether there have been subcontractor disputes in the past decade, assessing the vendor's supply chain management responsibility

Personnel Scale
Review of employee headcount, assessing the vendor's organizational stability and construction capacity

Corporate Governance and Financial Soundness

Financial Soundness
Capital review and confirmation of no bounced-check records, ensuring the vendor has a stable financial foundation

Listing Status
Whether the vendor is a TWSE/TPEx listed company, assessing information transparency and the degree of governance standards

Legal Compliance
Records of major lawsuits and schedule-delay fines in the past decade, assessing the state of ethical management

Assessment method: after completing the written qualification review, on-site construction site visits and head office visits are conducted, verifying the vendor's management systems and construction quality in the field.

Supplier Code of Conduct

To implement sustainable supply chain management, Cathay Real Estate incorporates the code of conduct into supplier contract terms, requiring all partner vendors to comply with four core rules throughout the performance period.

Safety Responsibility

- Assigned personnel comply with occupational safety and health laws and regulations
- Maintaining third-party accident liability insurance and employer's accident liability insurance

Information Security Reporting and Personal Data Confidentiality

- Upon discovering an information security incident, protective measures must be taken immediately with prompt reporting
- Duly fulfilling confidentiality obligations; the Company's data may not be copied, retained, or disclosed

Legal Compliance and Corporate Social Responsibility

- Complying with the Personal Data Protection Act, the Occupational Safety and Health Act, building and fire regulations, and others
- Faithfully complying with rules on labor conditions, environmental protection, and labor and human rights

Prohibition of Bribery

- No provision, demand, or acceptance of benefits in any form
- Kickbacks, commissions, gifts, facilitation payments, red envelopes, and the like are all prohibited

All of the above clauses are incorporated into supplier contracts and remain effective throughout the contract period; confidentiality obligations continue in effect after contract termination.

Violations and Reporting Mechanism

The Company may at any time inspect suppliers' compliance status or require the provision of inspection reports

In case of violation, the Company sets a deadline and demands improvement; failure to improve within the deadline may result in termination or rescission of the contract

Whistleblowing mailbox: for reporting bribery incidents

Violation of the anti-bribery clauses is deemed a material breach, and the Company may immediately terminate all contracts

Cathay Real Estate 2025 Statistics of Various Supplier Categories

Supplier Type	Architect		Landscape and Public Facility (Furnishing) Designers		Sales Agencies and Sales Teams		Building Firms (New Projects)		Equipment and Materials (Self-operated Projects)		Media, Advertising Projects	
	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign
Number of Suppliers	34	1	13	0	18	0	12	0	36	0	92	0
Procurement Amount (including tax)	89,854,494		4,364,549		706,511,633		9,236,835,428		205,581,164		47,982,773	
Proportion of Total Procurement	0.87%		0.04%		6.87%		89.76%		2.00%		0.47%	

Note 1: Cathay Real Estate's definition of suppliers is engineering, advertising, design and sales manufacturers according to the procurement and selection operation measures.

Cathay Health Management 2025 Statistics of Various Supplier Categories

Supplier Type	Health Checkup Reagents	Repair and Maintenance	Others	Total
Number of Suppliers	10	47	57	114
Procurement Amount (including tax)	69,109,490	16,133,091	23,600,905	108,843,486
Proportion of Total Procurement	63.5%	14.8%	21.7%	100%

Note: The unit of procurement amount is New Taiwan Dollars.

Cathay Hospitality Consulting Co., Ltd. 2025 Statistics of Various Supplier Categories

Supplier Type	Supplier Type	Number of Suppliers	Procurement Amount	Proportion of Total Procurement
Domestic supplier procurement ratio	Food and Beverage	275	253,919,086	46.2%
	General Supplies	355	101,839,181	18.5%
	Engineering	145	29,957,280	5.5%
	Information system	49	38,126,134	6.9%
	Telecommunications	3	4,121,051	0.8%
	Advertisement	6	5,140,192	0.9%
	Insurance	1	670,911	0.1%
	Others	139	115,407,886	21.0%
	Total	973	549,181,721	100.00%
Foreign supplier procurement ratio	OTA	275	253,919,086	46.2%
	Information system	355	101,839,181	18.5%
	Others	145	29,957,280	5.5%
	Total	26	103,519,914	100.00%

Note: The unit of procurement amount is New Taiwan Dollars.

San Ching Engineering 2025 Statistics of Various Supplier Categories

Supplier Type	Construction Engineering	Electromechanical Engineering	Total
Number of Suppliers	464	24	488
Procurement Amount (including tax)	13,279,152,820	660,962,857	13,940,115,677
Proportion of Total Procurement	95.26%	4.74%	100.00%

Note: The unit of procurement amount is New Taiwan Dollars.

Lin Yuan Property Management 2025 Statistics of Various Supplier Categories

Supplier Type	Computer Hardware and Software
Number of Suppliers	11
Procurement Amount (including tax)	5,635,200
Proportion of Total Procurement	100.00%

Note: The unit of procurement amount is New Taiwan Dollars.

The Company and Its Subsidiaries Implement Green Procurement

Cathay Real Estate 2025 Green Procurement

Total Green Procurement Amount
NT$ **9,574,088**

Total Procurement Quantity
1,057 items

Types of Labels Adopted
Water efficiency label

Procured Product Categories and Amounts

Standard faucets	NT$ **2,844,865**	29.7% of the total amount	716 items
Dual-flush water-saving toilets (Gold grade)	NT$ **6,729,223**	70.3% of the total amount	341 items

Cathay Hospitality Consulting - Green Procurement

Green Procurement Selection Criteria

Procuring products embodying environmental friendliness and sustainable production principles: in addition to giving priority to products bearing credible sustainability certification labels (such as organic, environmental protection, and energy-saving labels and international certifications), products and services that substantively reduce environmental impact are also included — including low-carbon processes, recyclable or recycled materials, plastic-reduction designs, and goods with resource efficiency improvement benefits — to promote green procurement and reduce environmental burden.

Green procurement amount of NT$ **9,545,556**;
green procurement accounting for **1.46%** of total contracted amounts

San Ching Engineering Green Procurement

Green Procurement Selection Criteria

Products certified with green procurement labels approved by the Ministry of Environment

Green procurement amount of NT$ **528,557,572**;
green procurement accounting for **3.79%** of total contracted amounts

Engineering Procurement Standard Operating Procedure

From vendor bid collection, floor price approval, and tender briefing to vendor bid submission and the final bid opening, every step is strictly controlled; after vendors submit their bids, the Technology Department, together with audit personnel, conducts the bid opening jointly, fully recording bid contents and prices. The entire process encompasses more than 20 operating procedures, ensuring every stage meets regulatory requirements; rigorous contracting management has meant that since its founding, Cathay Real Estate has never experienced any fraud or unlawful contracting incident.

Cathay Real Estate Historical Construction Contractor Undertaking Status

Year	2023	2024	2025
Number of Cases	5	6	6
Amount (Unit: NT$ 100 million)	NT$ 128.16 billion	NT$ 131.24 billion	NT$ 101.00 billion
Number of Cases Undertaken by San Ching Engineering	5	4	6
Amount Undertaken by San Ching Engineering	NT$ 128.16 billion	NT$ 70.80 billion	NT$ 101.00 billion
Proportion of Amount Undertaken by San Ching Engineering	100%	54%	100%

Note: San Ching Engineering is a subsidiary of Cathay Real Estate Group. When Cathay Real Estate conducts procurement operations for construction contractors, San Ching Engineering must also go through the standard operating procedure for procurement, just like other construction contractors.

CH 4 Friendly Architectural Design

2025 Sustainability Highlights and Performance

Construction Waste Management

- **100%** of construction sites implement construction waste sorting
- In 2025, Cathay Real Estate had **no major serious** leakage incidents and environment-related complaint cases

Green Buildings and Innovative Construction Methods

- **2** new projects (Cathay Xi and the Cathay Building) adopt green building design
- BIM adoption ratio: **100%** of construction contractors' new projects, **80%** of architects' new projects
- Participate in **3** building materials exhibitions and external seminars
- **20** supplier visits
- **10** Internal company communication meetings

4.1 Commitment I: Sustainable Happy Homes

Cathay Real Estate deeply understands the living needs of different age groups and communities; on a foundation of high-quality building materials, it weaves thoughtful design finely into every detail of the home. Facing the continuous transformation of social structure and increasingly diverse lifestyles, the Company continues to adjust and optimize its residential offerings, aspiring to create for residents a warm home truly their own at every stage of life.

Careful material selection - Protecting the safety and health of every resident

In building the rules of its supply chain management, Cathay Real Estate has formulated "Corporate Social Responsibility / Sustainability Clauses" covering environmental protection, labor conditions, occupational safety and health, and labor and human rights, serving as the common standard binding all types of partners. The clauses' applicable scope covers architects, designers, construction contractors, external consultants, sales agencies, media advertisers, and equipment contractors, all of whom are required to fully comply with the relevant rules. Vendors violating the clauses must propose concrete improvement measures and faithfully implement them; for serious cases without improvement, the Company terminates the cooperative relationship in accordance with the rules. The clause signing rate reached 100% in 2025.

Residential Equipment Planning

Air Quality

- Ceiling and wall paints are green building material latex paints, reducing toluene
- Elevators equipped with air purification devices
- Reserved conduits for total heat exchangers, which residents may install themselves

Water and Electrical Facilities

- Outlets in bathrooms, kitchens, and utility balconies protected by ground-fault circuit breakers
- Automatic backwash impurity filter to protect water equipment
- 5.5mm diameter electrical wires used indoors to reduce the risk of electrical fires

Home Safety

- Shower glass doors have anti-shatter film applied at the factory
- Provide AEDs for use in certain communities
- Grab bars designed into bathrooms — all-age safety design
- Windbreak vestibule designed at the community entrance

Barrier-Free Design

- Low thresholds installed at bathroom entrances to create an accessible environment
- Community common facilities adopt barrier-free design throughout
- Automatic doors at multiple common facilities — thoughtful and epidemic-conscious
- Independent toilet compartment design, convenient for daily life

Night Safety

- Large switch panels with night indicator lights for indoor lighting in residential units
- Security lights installed near bedroom hallways or secondary bathroom doors

Quality of Life

- Community gym planned, equipped with fitness equipment
- The Cathay Reading Room planned in cooperation with CMH Group, with carefully selected books provided for community residents to read

Note: The above equipment is adjusted according to actual site conditions

Thoughtful Design - Warm Companionship Everywhere

A Design Philosophy of Diversity and Inclusion

Cathay Real Estate integrates a design philosophy of diversity and inclusion into product planning, starting from the diverse usage needs of the elderly, pregnant women, people with limited mobility, and others, finely adjusting spatial details to create a living environment truly friendly to all ages, so that every resident — regardless of age or physical condition — can live at home with ease and dignity.

Bathroom Space

Adopting universal bathtubs, with edge height reduced from the traditional 50–60 cm to 40–45 cm, and safety grab bars provided

Intended Users /
Elderly people, pregnant women, people with limited mobility

Benefits/
Easing the burden of lifting the legs, greatly reducing the risk of slips

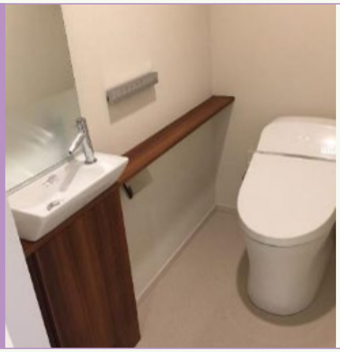
Kitchen Space

Lowering sink and stove heights, with open leg space reserved underneath (ensuring sufficient depth)

Intended Users /
Wheelchair users, those who must stand for long periods

Benefits/
Reducing bending and easing lower-back strain; supporting wheelchair users approaching to operate, or seated use on a high stool

Toilet Grab Bars



Design guidelines revised in 2025: horizontal grab bars installed in toilets, at least 40 cm long, with the center of the bar's front end 30 cm from the front edge of the toilet

Intended Users /
Elderly people, people with limited mobility

Benefits/
Ergonomically positioned for applying force, making standing up and sitting down safer and less strenuous

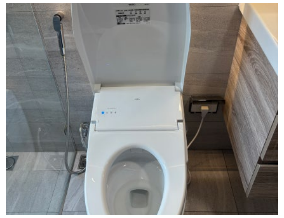
Note: Planning varies by project

Combining Health and Sustainability in Living Spaces

Environmental Hygiene

All-intelligent Toilet

Automatic flushing after use creates a clean restroom environment.



Sensor Faucet

Reduce the risk of contact infection in the community.

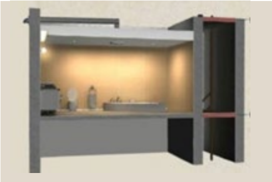
Air Quality

Reserved for Total Heat Exchanger

Exchange fresh outdoor air with indoor air to reduce the concentration of indoor air pollutants.

Bathroom Floor Exhaust and Shaft Partition

Properly seal shafts to avoid exhaust affecting other units.



Pandemic Prevention Elevator

Plasma Ion Air Purifier

Install plasma ion air purifiers in elevators for comprehensive active sterilization and purification.

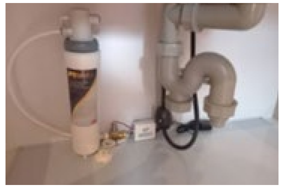
Automatic Door

The community entrance is equipped with automatic electric doors to reduce contact with doorways and handles.

Water

Under-sink Water Purifier

Install ultraviolet sterilization equipment in water towers, coupled with under-sink water purifiers in each unit to ensure water safety.



4.2 Commitment II: Pollution Prevention at Construction Sites

GRI 306-1 GRI 306-2 GRI 306-3

Material Topic - Construction Waste Management

Management Policy	Upholding the philosophy of resource circulation and following the Ministry of Environment's "Construction Waste Management Strategy," Cathay Real Estate implements construction waste reduction and sorting at sites from the source, and promotes the recycling and reuse of usable waste, to reduce environmental impact on neighboring communities and avoid the risks of regulatory penalties and environmental pollution.

Management Commitment	• Implementing waste reduction and sorting: continuing to implement construction waste reduction and sorting at sites, enhancing resource use efficiency. • Promoting resource recycling and reuse: usable waste generated during construction is recycled and reused, promoting resource circulation. • Deepening circular construction methods: expanding the application of building information modeling, modularization, and factory prefabrication, reducing waste from the source in design and construction methods. • Reducing environmental impact on communities: rigorously tracking and properly disposing of site waste, avoiding improper disposal and lessening environmental impact on neighboring communities.
Resources Invested	Technology Department Quality Control Section
Responsible Unit	Technology Department Quality Control Section 5 People

Goals	Short-term (2026)	Medium-term (2028)	Long-term (2030)
	• 25% of construction sites implement construction waste sorting • 25% use recyclable and renewable green building materials (calcium silicate board, tiles, permeable bricks)	• 50% of construction sites implement construction waste sorting • 50% use recyclable and renewable green building materials (calcium silicate board, tiles, permeable bricks))	• 100% of construction sites implement construction waste sorting • 100% use recyclable and renewable green building materials (calcium silicate board, tiles, permeable bricks))

Key Performance Indicators and Evaluation Results

Key Performance Indicators	2025 Evaluation Results
100% of construction sites implement construction waste sorting	✔
In 2025, Cathay Real Estate had no major serious leakage incidents and environment-related complaint cases	✔

Note: ✔ Exceeding the original target or the previous year's performance; ⊖ Same as the original target or the previous year's performance; ✖ Did not achieve the set target

Strict Control and Disposal of Construction Site Waste

Site Environmental Protection Measures

Construction Site Environmental Protection Measures

Air Pollution Prevention

Dust Suppression and Machinery Management

- Full coverage with dust nets or black mesh netting
- Daily water spraying at irregular intervals
- Installing 2.4 m full-perimeter isolation fencing
- Hanging dust-proof canvas on scaffolding
- Enclosed garbage chutes (elevators)
- Bagging waste materials and placing them in centralized storage areas
- Machinery certified with environmental protection labels

Smart Monitoring and Green Energy Prevention

- Installing PM2.5 and PM10 electronic display boards for real-time monitoring
- Violation reporting, strengthening employees' sense of responsibility
- Installing GPS monitoring on transport vehicles
- Automatic mist-spraying systems added atop fencing at some sites

Water Pollution Prevention

Wastewater Treatment

- Regularly dredging sedimentation basins, preventing silt from clogging public drains and causing flooding in the surrounding area
- Regular removal for portable toilets (regularly pumped by environmental service vendors)
- Strictly prohibiting the mixing-in of domestic wastewater
- Wash water from construction machinery and vehicle-washing tools is collected separately, with direct discharge strictly prohibited, ensuring the SS and pH of effluent meet national standards and protecting public water bodies.
- High-pressure vehicle wash station flushing system
- Final flushing with eco-friendly detergents before completion and handover

Ecological Protection Actions

Before Construction

- Conducting site ecological surveys

During Construction

- Adopting low-noise, energy-saving machinery
- Installing site tree protection measures
- Greening and beautifying fencing

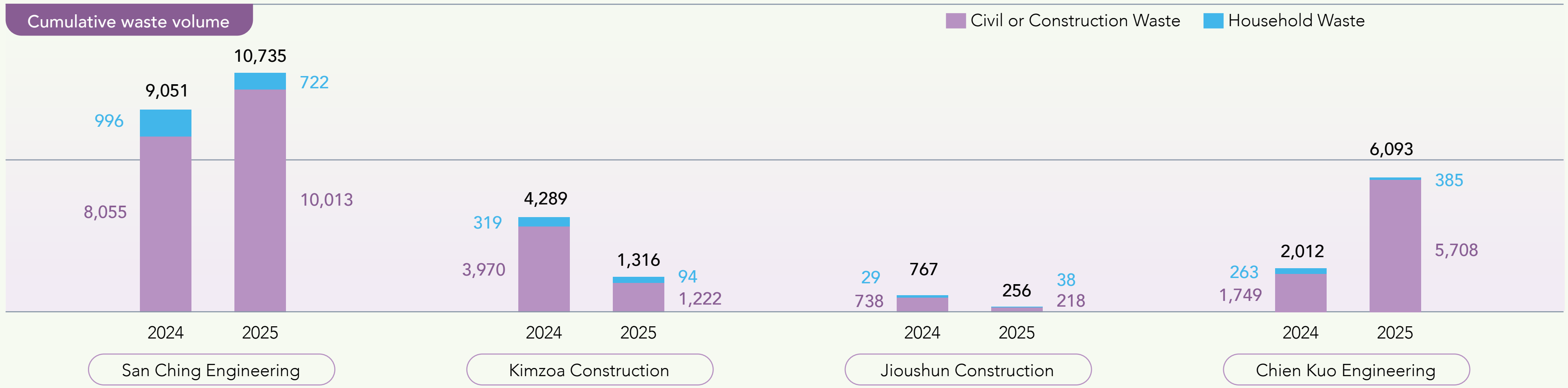
After Construction

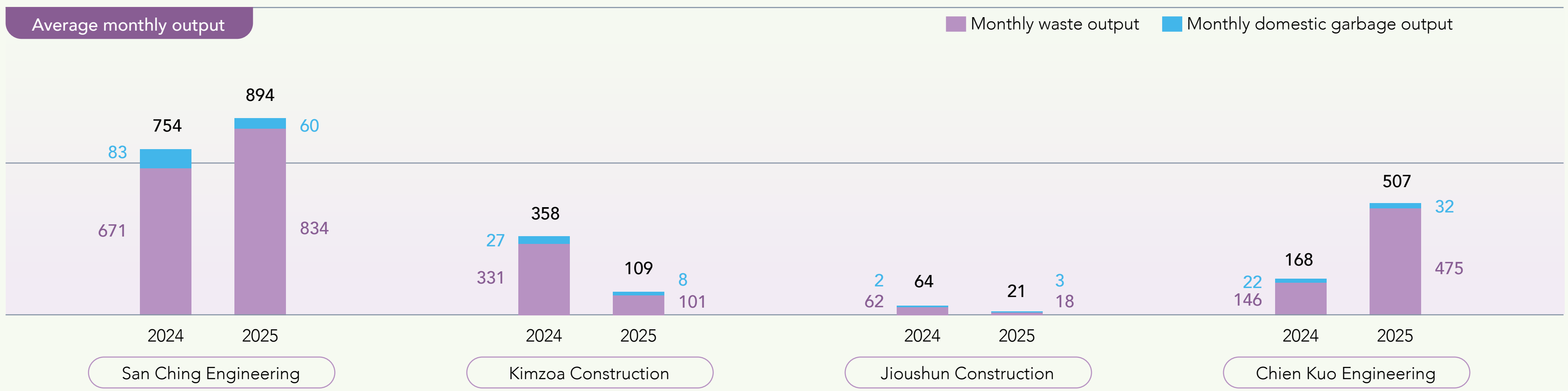
- Restoration according to the needs of the project owner and the neighborhood

Waste Disposal and Statistics

Strictly compile statistics on the output of construction waste and household waste for each project to ensure proper disposal of waste.

Site Waste Statistics by Construction Contractor





Note 1: In 2025, Cathay Real Estate had no major serious leakage incidents and environment-related complaint cases.
Note 2: The unit is unified as tons.

4.3 Commitment III: Circular and Renewable Architecture

Material Topic - Sustainable Design and Architecture

Management Policy	Cathay Real Estate integrates sustainability principles into the core of architectural design, selecting environmentally friendly building materials and low-carbon construction methods, reducing environmental impact at every stage of the building lifecycle, and meeting the competent authorities' increasingly stringent green building regulatory requirements, to enhance products' environmental competitiveness and living quality. In its green building system, the Company, centering on building material selection, design planning, and the building lifecycle, has formulated the "5 Major Green Building Policies," controlling resource use from the source and progressively promoting domestic and international green building label certification for its projects, implementing green building principles at every stage of the building lifecycle.

Management Commitment	• Deepening green building practice: continuing to implement the "5 Major Green Building Policies," promoting green building label certification for the Company's projects, and enhancing buildings' environmental benefits. • Promoting all-age-friendly design: responding to diverse living needs with the principles of practicality, functionality, and all-age suitability, creating friendly and inclusive living environments. • Integrating energy- and water-saving technologies: continuing to introduce passive design, energy-saving equipment, and water-saving products, reducing energy and resource consumption across the building lifecycle. • Expanding digital applications: deepening the application of BIM technology in design and construction, enhancing engineering collaboration efficiency and building maintenance management capabilities. • Promoting green construction method exchange: continuing to track innovative building materials and construction methods through seminars and contractor observation meetings, joining industry partners in advancing the green transformation of construction.	Resources Invested	• 5 people in the Technology Department Project Section • 8 people in the Technology Department Electromechanical Section • 7 people in the Technology Department Budget and Procurement Section • 30 people in Project Department 1 to 3
		Responsible Unit	Technology Department

Goals	Short-term (2026)	Medium-term (2028)	Long-term (2030)
	• New project application for green building certification ratio 20% • Conduct research on new building materials and new construction methods every quarter to enhance product competitiveness. • Local Procurement >= 90%	• New project application for green building certification ratio 30% • Commercial project smart building certification ratio 5% • Conduct research on new building materials and new construction methods every quarter to enhance product competitiveness. • Local Procurement >= 90%	• New project application for green building certification ratio 40% • Commercial project smart building certification ratio 10% • Conduct research on new building materials and new construction methods every quarter to enhance product competitiveness. • Local Procurement >= 90%

Key Performance Indicators and Evaluation Results	Key Performance Indicators	2025 Evaluation Results
	2 new projects (Cathay Xi and the Cathay Building) adopt green building design	✔
	BIM adoption ratio: 100% of construction contractors' new projects, 80% of architects' new projects	⊜
	In 2025, the Company continued to track innovative construction methods through diverse channels including building material exhibitions, seminars, vendor visits, internal training courses, and peer exchange	⊜

Note: ✔ Exceeding the original target or the previous year's performance; ⊜ Same as the original target or the previous year's performance; ✖ Did not achieve the set target

Innovative construction methods and building materials information exchange

Sources and methods for collecting the latest architectural and building materials information

Exchange methods	Session	Description	Benefits
Participate in building materials exhibitions and external seminars	3	• Participate in building materials exhibitions • External seminars	• Develop new suppliers or new building materials through exhibitions • Vendor visits introducing brands
Newspapers/Magazines/Websites	200	• Newspapers/Magazines/Websites	• Seek information about new suppliers or new building materials
Supplier visits/tours	20	• Suppliers introduce their own products	• Understand products from the supplier's perspective • Cross-questioning vendors on the strengths and weaknesses of other vendors • Understand the product manufacturing process
Sales training	2	• Inform sales staff about construction materials, planning, and product features	• Understand customer thoughts and needs from the questions raised during sales
Internal company communication meeting	10	• Technology Department: A. New construction materials and methods B. Service Review Committee • Project Department: Special cases (sharing of industry case studies)	• Learn and share the strengths and weaknesses of competitors' construction projects • Understand current aspects of new construction materials and methods (e.g., the difference between net-zero carbon and near-zero carbon) • Review customer service feedback from completed construction sites to refine contracting requirements
Industry exchanges (including overseas exchanges)	10	• Collaboration project with Mitsui & Co., Ltd. • Construction contractor observation meetings • Visits to competitors' construction projects/show homes • External training • Market research	• Mutual learning and exchange • Understanding Japanese firms' operating processes in Japan • Mutual learning and exchange with other construction contractors • Exchange latest information with industry peers • Better understanding market direction

Introduction of BIM technology: Promoting engineering collaboration and efficiency improvement

Building information modeling (BIM) integrates diverse engineering information through visualization, effectively strengthening team collaboration and reducing communication gaps and construction risks. The Company has promoted the adoption of BIM technology by partner architects and construction contractors since 2017, and in 2020 further required contractors to produce drawings in BIM, progressively realizing the goal of full application across new projects. After years of advancement, by 2025, 80% BIM adoption by architects and construction contractors had been achieved, continuing to enhance construction efficiency and post-completion maintenance management capabilities.

BIM Introduction Ratio

Exchange methods	Description	2023	2024	2025
Construction Contractor	Number of New Projects in the Current Year (A)	5	6	5
	Number of New Projects Introducing BIM in the Current Year (B)	5	6	5
	Ratio of New Projects Introducing BIM in the Current Year (B/A)	100%	100%	100%
Architect	Number of New Projects in the Current Year (A)	5	6	5
	Number of New Projects Introducing BIM in the Current Year (B)	4	6	4
	Ratio of New Projects Introducing BIM in the Current Year (B/A)	80%	100%	80%

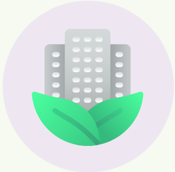
Constructing a Green Building System

Centering on building material selection, design planning, and the building lifecycle, the Company has formulated the "5 Major Green Building Policies," controlling resource use from the source and promoting the philosophy of circular regenerative buildings, thereby enhancing communities' overall quality of life and realizing the sustainable co-prosperity of environment and living.

Green Building Five Major Policies

Life cycle assessment

From the perspective of a building's life cycle analysis, minimize the use of non-renewable resource



Eco-friendly design

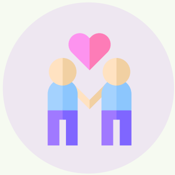
Introduce sustainable and environmentally friendly design concepts, promote green building design and planning

Eco-friendly building materials

Give priority to using environmentally friendly materials that have minimal impact on human health

Innovation and development

Enhance high-level construction technology, reduce construction waste generation and ensure safety and hygiene.



Foster good neighborly relations

Ensure harmony between the building project and the surrounding environment and space, being friendly to the local community and society.

Green Building Life Cycle

Cathay Real Estate is gradually planning for our construction projects to obtain domestic and international green building certifications, and adopting green building practices throughout various stages of the building lifecycle. At the same time, through organizing construction contractor seminars, we share practical experiences and design insights, promote knowledge exchange within the industry, and work together with industry partners to advance the green transformation of the construction industry.

Project Name	Cathay Building	Cathay Xi ·
Green Building Level	Gold Level	Gold Level
Architectural Consulting Fee	1,307,143	Included in architect's fee
Insulation Mortar	Not used in this project	Design REQ: none
LOW-E Glass	64,759	Design REQ: none
Landscape Engineering	40,000,000	20,593,580
PS Protection Board	697,750	672,312
Kitchen equipment engineering (gas stove)	None for this commercial office project	1,174,000
Bathroom fixtures (toilets, urinals, sensor faucets)	Not yet contracted	2,010,535
Elevator Electric Power Regeneration Device	600,000	297,000
Subtotal Amount	42,669,652	24,747,427
Total Amount		67,417,079

CH 5 Prudent Land Development

2025 Sustainability Highlights and Performance

Land Development and Urban Renewal

- In 2025, the execution rate of all checks reached **100%**; all cases requiring external structural review by regulation were entrusted to independent third parties
- The Cathay United Bank Dunbei Branch, Cathay Min Le, the Cathay Building, and the Cathay You Ran urban renewal / dangerous-and-aging building reconstruction project received **green building certification**

5.1 Commitment I: Safe-land Selection

Every parcel of land is an important foundation for building customers' ideal homes, and the realization of a beautiful home begins at the land acquisition stage. The Company makes safety the primary principle of land development, establishing a dedicated team to conduct market research and following a rigorous review mechanism, ensuring the necessary analyses, assessments, and safety checks are completed at every development stage. In its location strategy, the Company gives priority to prime areas with complete amenities and development potential, committed to creating living environments combining livability, comfort, and convenience. In addition, the Company continues to advance toward the goal of becoming an integrated developer, consolidating internal group resources and leveraging its existing strengths in residential development, joining external partners to expand diverse commercial development, creating richer, more innovative living and commercial value experiences for customers.

Cathay Real Estate not only strictly complies with building regulations but also establishes comprehensive land development management guidelines, carefully monitoring all aspects from site selection to development strategy. In the initial development stage, we prioritize evaluating sites with well-established functionality and convenient transportation. A dedicated team executes the process from land acquisition and regulatory review to construction commencement, ensuring that every stage is in compliance with quality and regulatory requirements.

In its strategic deployment, the Company uses market and regional surveys to gain deep insight into geological conditions, demographic structure, and local lifestyles, integrating overall development planning with group resources and coordinating the allocation of residential and commercial uses, maximizing land value while responding to the actual needs of regional development.

Location Selection Principles
Safety and functionality are the primary considerations

Management Mechanisms
Establish a dedicated team to collect land information and rigorously review land selection

Development Survey Principles
Implement careful and meticulous principles to safeguard clients' interests

Development Strategy
Develop with diversified thinking to create land value

Development Planning That Balances Safety , Functionality, and Ecological Protection

Cathay Real Estate adheres to rigorous site selection principles, prioritizing safe urban locations with convenient transportation and comprehensive living amenities, while actively expanding into promising suburban areas. In the site selection process, market surveys are used to grasp factors such as major government infrastructure projects, commercial activity, resident composition, and the target home-buying demographic; at the same time, land with unfavorable conditions is excluded — such as hillside locations, proximity to undesirable facilities, poor road conditions, zoning use restrictions, or ecologically sensitive areas with biodiversity conservation value — avoiding potential development risks and impacts on the natural environment.

Priority Selection

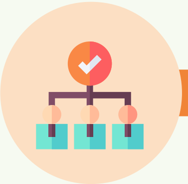
- Safety as the primary consideration
- Close to well-developed transportation and living facilities
- Consolidating land surrounding the Company's residual construction land, activating Company assets through integrated development
- Diversified development strategy to revitalize regional development

Priority Exclusion

- Properties on hillsides
- Properties near undesirable facilities
- Properties with poor road conditions in front
- Properties in zoning areas that do not allow residential construction or only allow a small percentage for residential use
- Ecologically sensitive areas with biodiversity conservation value

Supervisory Mechanism for Land Development

To ensure the appropriateness and compliance of development plans, before purchasing land the Company must pass a resolution of the Land Committee and review by the Land Review Panel, effectively reducing potential development risks.



Project Teams	Development Departmet - Land Development Group	Immediately Developable Land Projects
	Development Departmet - Project Development Group	Urban Renewal Land Development
	Development Department - Planning and Management Group	Market Research, Potential Location Research, Strategic Land Development
	Project Department III	Immediately Developable Land Projects

Execution Mechanism	Land Tracking Meeting Discussion	Conduct rigorous and thorough market research
	Report to Land Decision Meeting	Before internal approval for land purchase, reconvene the land review committee for confirmation
	Report to the Board of Directors	Quarterly report on execution status to the Board
	Internal Unit Audit	

2025 Achievements	Compliance with Laws and Regulations	Land Development: 100% compliance with building regulations
	Procedural Compliance	In 2025, no non-compliant procedures occurred, significantly reducing land purchase disputes

Conduct audit procedures once every six months

5.2 Commitment II: Rigorous Development Investigation

During the land development investigation stage, Cathay Real Estate implements sound development evaluation and legal analysis, grasping the potential and risks of the development area, and conducts geological drilling, neighboring property appraisal, and structural external review to ensure the safety of the building itself and neighboring properties, taking on the responsibility of protecting customer safety and assets.

Cathay Real Estate Development Investigation Process

Land Development Investigation Stages

Current status survey → **Legal analysis** → **Cost calculation**

Cathay Real Estate actively conducts investigations and analyses before acquiring land, focusing on important or latest government policies, progress of public construction, current status of regional household registration and targets, to evaluate the investment development potential and risks of individual cases, comprehensively considering corporate operations and stakeholders' interests.

Land Development Stages

Geological drilling

Geological drilling is the most important preliminary work for building engineering design. Through methods such as geological sampling and groundwater level investigation, basic information of the building is obtained to determine the safety and design methods of the building.

Construction Impact Analysis

To prevent disputes over damage to neighboring properties and protect the rights of both neighboring houses and construction contractors, Cathay Real Estate conducts surveys through visual inspection and measuring instruments. The survey results are recorded in the form of drawings, text, and photographs to produce an appraisal report. Through complete and detailed records, in the event of future damage, the cause of damage and responsibility can be determined.

External structural review

For buildings exceeding 50 meters in height, or those under 50 meters but with reinforced concrete structures and specific conditions such as design spans exceeding 15 meters, current regulations require structural review by a third-party impartial organization (such as a civil or structural engineering association). This ensures the rationality of foundation design and structural system configuration, preventing losses and casualties caused by natural disasters.

To ensure structural safety, determine construction feasibility, and reduce impacts on vulnerable areas, safeguarding the health and safety of customers and neighboring properties.

Reshaping the City's Appearance, Building a Sustainable Future Together

The Company has long been deeply engaged in urban renewal, working with government agencies and community residents to promote the reconstruction of old buildings, committed to enhancing building safety and the quality of the living environment. Residential urban renewal projects are premised on residents voluntarily expressing their desire for renewal, implementing a spirit of participation based on mutual trust and mutual benefit. At the same time, sustainable design principles are systematically incorporated into renewal planning; multiple urban renewal projects have obtained green building labels and received government urban renewal floor area incentives.

Residential Urban Renewal

Long-term consolidation
Multiple briefing sessions to collect opinions

Government collaboration
Cooperating with urban renewal policy deliberations

Landowner communication
Full consultation and assistance in returning home

Completion and handover
Giving old buildings an entirely new face

Representative Cases

Cathay Xinchun (formerly: Guotai New Village)	First residential urban renewal project (2018)
Cathay You Yang and Youjing (formerly: Cathay Chenggong Xincheng))	Initiated voluntarily by residents
Dunnan Lin Yuan (formerly: the Lin Yuan Building)	Initiated voluntarily by residents
Cathay Min Le (formerly: Xiulang New Village)	Dangerous-and-aging building reconstruction (2023))
Cathay You Ran	Dangerous-and-aging building reconstruction (2025)

Commercial Office Urban Renewal

Minsheng Jianguo Building

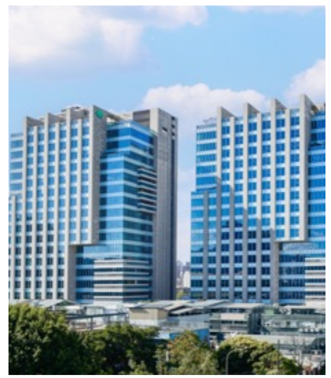
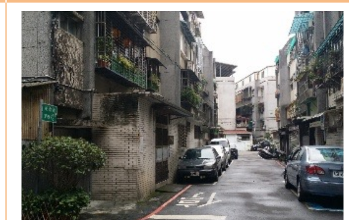
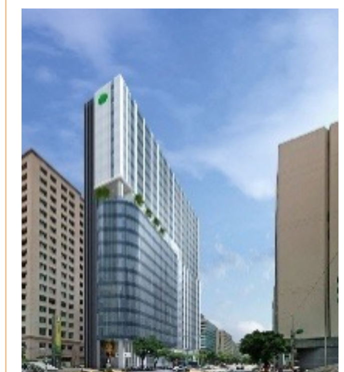
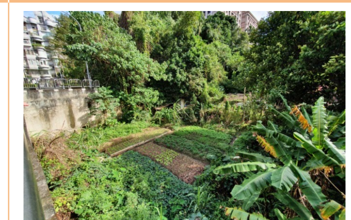
- Taipei City's first office-hotel mixed-use renewal project

Nangang Ribadai Tower

- Obtained green building certification
- Preparing multiple landowner briefing sessions

Cathay United Bank Dunhua N. Building

- Mixed-use building for financial and hotel services
- Advantage of convenient transportation

Project Name	Cathay Real Estate's Nangang Kunyang Building Urban Renewal Project	Cathay United Bank Dunhua N. Branch Urban Renewal	New Taipei Yonghe Minle Street Dangerous and Old Building Joint Construction (Cathay Min Le)	Cathay Building Urban Renewal	Taipei Wenshan Zhongshun Street Section 2 Hazardous and Old Building Reconstruction Project (Cathay You Ran)
	 	 	 	 	 
Community Establishment Time	1956~1978	1983	1979	1982	1963
Integration Time	2015 ～ 2016	2015 ～ 2022	2017 ～ 2022	2012~2020	2020~2021
Total Units after Renewal	178 units	2 units	64 units	39 units	156 units
Green Building Certification	Silver Level Green Building	Silver Level Green Building	Silver Level Green Building	Gold Level Green Building	Silver Level Green Building
Urban Renewal Floor Area Ratio Incentives	Urban Renewal Floor Area Ratio Incentives • Architectural design in harmony with the neighboring area, barrier-free environments, and urban disaster prevention • Reserving pedestrian walkways or arcades • Green building design	Urban Renewal Floor Area Ratio Incentives • Architectural design in harmony with the neighboring area, barrier-free environments, and urban disaster prevention • Reserving pedestrian walkways or arcades • Green building design	Construction under the Urban Dangerous and Aging Buildings program Floor area incentives • Structural safety performance assessment, Level 3 • Barrier-free environment design, Level 2 • Smart building design • Assisting in securing land for public facilities	Urban Renewal Floor Area Ratio Incentives • Architectural design in harmony with the neighboring area, barrier-free environments, and urban disaster prevention • Reserving pedestrian walkways or arcades • Green building design	Construction under the Urban Dangerous and Aging Buildings program Floor area incentives • Structural safety performance assessment, Level 3 • Green building design • Smart building design
Launch Time	2023	2027	2023	2031	2025

CH 6 Pillars of Sustainability

2025 Sustainability Highlights and Performance

Talent Cultivation and Employee Benefits

- 2025 Education and Training: **1,268 attendees**, **5,475.5 hours**
- **7** students participated in the industry-academia internship program (3 semester interns, 4 summer interns)
- Employee benefit expenditure accounted for **0.37%** of total revenue, the highest ratio in the past three years
- In 2025, the ratio of the highest individual compensation to the median compensation of all employees was **10.3**

Occupational Safety and Health Promotion

- In 2025: **0** serious work injury incidents, a serious work injury rate of **0**, and **0** occupational injury fatalities
- 2025 employee health care: annual health checks for all employees, **36** on-site medical service sessions, **5** health lectures (**79** participants), and **585** participations in hiking activities
- Cathay The Essence Garden received the 2025 "**National Occupational Safety and Health Award**"
- Sanchong **RiVER PARK** received the 2025 Friendly Construction Site Award
- San Ching Engineering received the 27th **National Golden Award for Architecture**

Energy Resource Management

- 2025 Scope 1 and Scope 2 emissions decreased by **19.2%** compared with 2024
- Overall 2025 water use fell **2.60%** from 2024, with both water use and water intensity reduced for 2 consecutive years

Social Impact

- **1** volunteer beach cleanup held in 2025
- Providing library reading space: Approximately **7,500** users, with **25,000** visitor entries
- Sponsoring "Teach For Taiwan": to date supporting at least **373** teachers, with approximately **8,310** schoolchildren benefiting in total
- Excellence Scholarship: Supported **100** high school students from underprivileged backgrounds
- Dream Realization Program: Cumulatively supporting dream-pursuit programs at **211** elementary schools, benefiting nearly **4,830** schoolchildren, with more than **NT$36.59 million** in dream fulfillment grants disbursed

6.1 Pillar I: Happy Workplace

Material Topic - Happy Workplace, Talent Cultivation, and Labor-Management Communication

Management Policy

Cathay Real Estate regards talent as its most important core asset, establishing a comprehensive employee management system covering recruitment, remuneration, promotion mechanisms, workplace safety and health, and continuous learning and training; on a foundation of sound systems, it builds a working environment full of respect and trust, promoting employee well-being and diversity and inclusion. In talent recruitment, the Company relies on its "Talent Recruitment Policy" and "Human Rights Policy," ensuring the transparency and consistency of recruitment and appointment processes, implementing fairness, impartiality, and integrity in every hiring step; regardless of race, gender, or religious belief, every colleague enjoys equal work rights, free from differential treatment in any form.

Management Commitment

- Building a fair workplace: continuing to implement equal employment and diversity and inclusion, guaranteeing colleagues equal work rights free from differential treatment.
- Improving the remuneration system: continuing to review the remuneration structure, ensuring the remuneration adjustment mechanisms at all levels are fair and transparent, with employees' overall well-being at the core.
- Deepening talent development: strengthening professional and competency training by competency module, supporting the development of high-potential talent, and enhancing employees' capabilities for current and future roles.
- Optimizing employee benefits: continuing to refine diverse welfare measures, caring comprehensively for employees' physical and mental health and living needs, and helping realize work-life balance.
- Promoting employee care: deepening team cohesion and organizational belonging through family days, employee trips, and club activities, creating a happy, friendly workplace.

Resources Invested

- 3 people in Human Resources Section
- Summer internship program invested about NT$320,000.

Responsible Unit

Human Resources Team

Goals

Short-term (2026)

- Improve supervisors' basic management capabilities in identifying and cultivating talents
- Strengthen colleagues' basic professional and competency.
- Deepen the talent cultivation and development mechanism. (new employee selection, cultivation, evaluation, promotion of campus recruitment)
- Continuing to review and refine regulations and the remuneration system in response to legal and organizational needs

Medium-term (2028)

- Strengthen colleagues' professional and competency gaps, promote and implement personal development plans.
- Improve supervisors' basic management capabilities.
- Establish a talent cultivation and development mechanism.

Long-term (2030)

- Continue to refine and improve training and development.
- Continue to enhance supervisors' management competencies.
- Continue to operate the talent cultivation and development system.

Key Performance Indicators and Evaluation Results

Key Performance Indicators	2025 Evaluation Results
2025 Education and Training: 1,268 attendees, 5,476 hours	Same
Total employee benefit expenditure in 2025 was NT$50,427,599, or 0.37% of revenue	Same
7 students participated in the industry-academia internship program (3 semester interns, 4 summer interns)	Exceeding

Note: ✔ Exceeding the original target or the previous year's performance; ⊜ Same as the original target or the previous year's performance; ✖ Did not achieve the set target

Employee Management Policy

Talent is Cathay Real Estate's most important core asset. The Company has established a comprehensive employee management system covering recruitment, remuneration, promotion mechanisms, workplace safety and health, and continuous learning and training; on a foundation of sound systems, it builds a working environment full of respect and trust, promoting employee well-being and diversity and inclusion, and thereby deepening every colleague's identification with and sense of belonging to the Company.

Appointment
- Expertise and professionalism, suitable talents for suitable positions
- Attract and retain excellent employees

Remuneration
Ensure fair and competitive remuneration

Promotion
- Hire based on talent, promote reasonably
- Promote performance management
- Support the development and innovation of potential talents

Safe and Health
Continuous improvement in safety and health, maintaining a balance between employees' physical and mental well-being, moving towards sustainable development

Education and Training
Implement training according to personnel competency modules, teaching employees the abilities and expertise to competently perform current and future duties.

Equal Talent Policy

GRI 2-7 | GRI 2-8 | GRI 202-2 | GRI 401-1 | GRI 402-1

In building its talent management systems, Cathay Real Estate relies on its "Talent Recruitment Policy" and "Human Rights Policy," ensuring the transparency and consistency of recruitment and appointment processes, and implementing the core values of fairness, impartiality, and integrity in every hiring step. Regardless of race, gender, or religious belief, every colleague at the Company enjoys equal work rights, free from differential treatment in any form — not merely a policy commitment, but the basic bottom line of the Company's workplace culture.

The Company's Talent Management Policies and Principles

Talent Recruitment Policy

Adheres to the principles of fairness, justice, and integrity. The recruitment, selection, and employment all comply with government regulations.

Scope of Prohibited Discrimination and Differential Pay Treatment

Race, class, language,
thought, religion, party affiliation,
place of ancestry, place of birth
Gender, sexual orientation, age,
marital status, appearance,
facial features
Persons with Disabilities
Union membership status

Core Values

Fairness | Impartiality | Integrity

Human Rights Policy

Following the principles of international human rights issues, respecting internationally recognized fundamental human rights policies

Core Commitments

Freedom of association
Caring for disadvantaged groups
Prohibition of child labor
Elimination of forced labor
Eliminating discrimination in hiring and employment
Strictly abiding by labor-related regulations

Inviting suppliers, joint ventures, and all business partners to jointly raise attention to human rights issues.

Cathay Real Estate Group Employee Overview and Retention Strategy

Cathay Real Estate Group Employees

Type		Real Estate Group				Total Number
		Male		Female		
		Number of employees	Percentage	Number of employees	Percentage	
Employment Contract	Permanent Employee	1,140	53.9%	974	46.1%	2,114
	Temporary Employee	355	43.1%	469	56.9%	824
	Non-Guaranteed Hours Employee	0	0.0%	1	100.0%	1
Employment Type	Full-time Employee	1,139	53.9%	974	46.1%	2,113
	Part-time Employee	355	43.1%	469	56.9%	824
Position	Front Office	935	60.3%	616	39.7%	1,551
	Back Office	203	35.3%	372	64.7%	575
Education	Doctorate	0	0%	0	0%	0
	Master's Degree	136	57.6%	100	42.4%	236
	Bachelor	631	48.2%	677	51.8%	1,308
	College	89	61.4%	56	38.6%	145
	Senior High School	172	61.4%	108	38.6%	280
	Other	117	68.8%	53	31.2%	170
Age	30 years old (inclusive) and below	254	46.6%	291	53.4%	545
	30-50 years old (inclusive)	653	53.0%	579	47.0%	1,232
	51 years old (inclusive) and above	239	65.8%	124	34.2%	363
Persons with Disabilities		57	53.8%	49	46.2%	106
Indigenous People		14	51.9%	13	48.1%	27
Total Number of Employees						2,939

Note 1: 100% of Cathay Real Estate's employees and management are Taiwanese nationals with household registration in Taiwan.
Note 2: The 2025 human resource structure data scope includes Cathay Real Estate, Cathay Real Estate Management, Cathay Healthcare Management, Cathay Hospitality Consulting, San Ching Engineering and Lin Yuan Property Management.

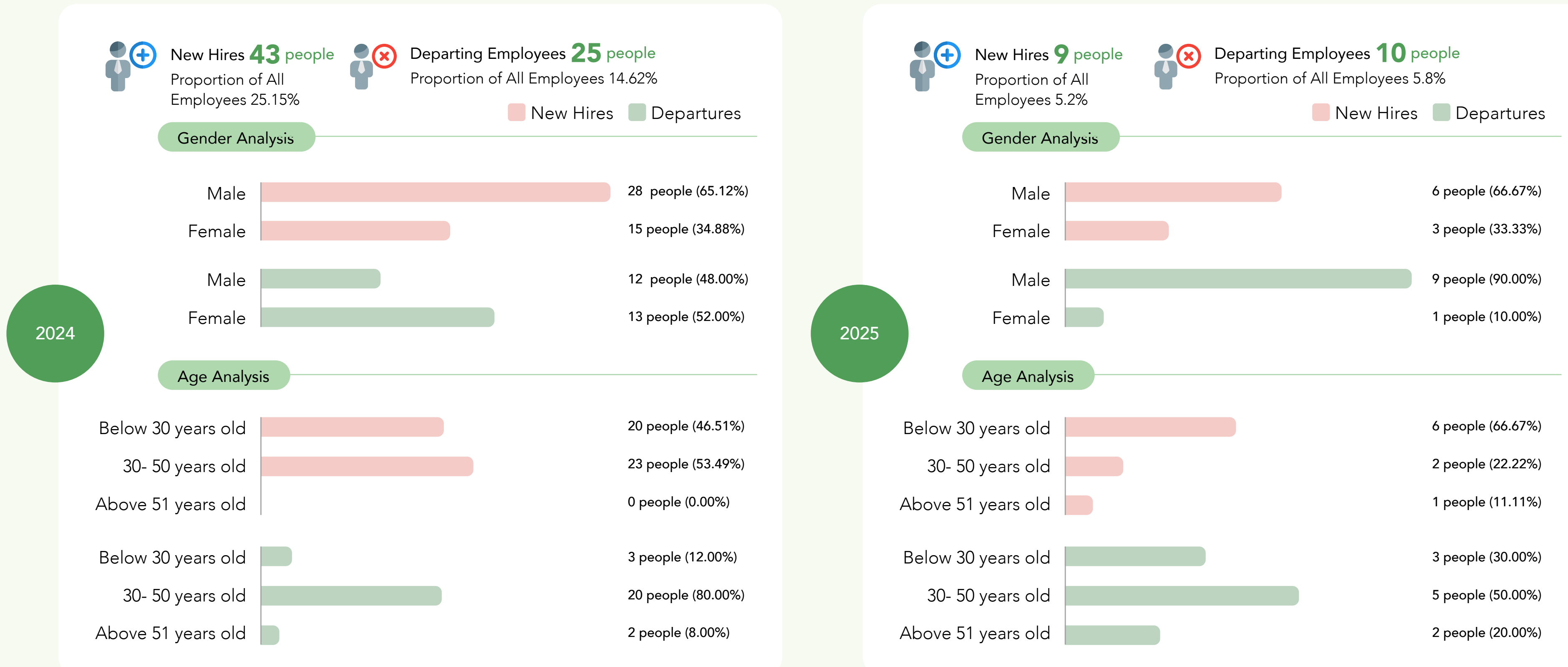
Cathay Real Estate Group Non-employee Workers

Type	Real Estate Group				Total Number
	Male		Female		
	Number of employees	Percentage	Number of employees	Percentage	
Director	10	90.9%	1	9.1%	11
Special Consultant	3	100.0%	0	0.0%	3
Fixed-term Contract Personnel	1	33.3%	2	66.7%	3
Part-time Student Worker	252	40.1%	377	59.9%	629
Total	266	41.2%	380	58.8%	646

Note: The 2025 human resource structure data scope includes Cathay Real Estate, Cathay Real Estate Management, Cathay Healthcare Management, Cathay Hospitality Consulting, San Ching Engineering and Lin Yuan Property Management.

New hires in 2024–2025 were composed mainly of young talent under 30 and aged 30–50, embodying the Company's active recruitment of the younger generation. In recent years, the Company has continued to advance multiple employee welfare measures, committed to creating a friendly workplace environment; in 2025, the number of departures fell to 10, with the turnover rate falling from 14.62% to 5.8%, a marked improvement over 2024.

Cathay Real Estate New and Departing Employee Statistics



Note 1: Regular new employee ratio = Cumulative number of regular new employees in the current year ÷ Total number at the end of the year (2025.12.31)
Note 2: Regular departing employee ratio = Cumulative number of regular departing employees in 2025 ÷ Total number at the end of the year (2025.12.31)

Cathay Real Estate 2025 New Hires by Position

Group	Type	Number of Internal Promotions	Number of External Hires
Position	Supervisors	1	0
	Staff	0	8

2025 New Employee Statistics for Cathay Real Estate's Subsidiaries

Group		Cathay Real Estate Management		Cathay Healthcare Management		Cathay Hospitality Consulting		San Ching Engineering		Lin Yuan Property Management	
		New Hires		New Hires		New Hires		New Hires		New Hires	
		Number of employees	Percentage	Number of employees	Percentage	Number of employees	Percentage	Number of employees	Percentage	Number of employees	Percentage
Gender	Male	1	50.0%	29	15.4%	139	46.3%	47	88.7%	54	62.8%
	Female	1	50.0%	159	84.6%	161	53.7%	6	11.3%	32	37.2%
Age	Below 30 years old	0	0.0%	44	23.4%	189	63.0%	31	58.5%	19	22.1%
	30- 50 years old	2	100.0%	114	60.6%	88	29.3%	22	41.5%	63	73.3%
	Above 51 years old	0	0.0%	30	16.0%	23	7.7%	0	0.0%	4	4.7%
Total		2		188		300		53		86	
Proportion of All Employees		15.4%		45.40%		37.6%		19.3%		18.4%	

Note: Regular new employee ratio = Cumulative number of regular new employees in the current year ÷ Total number at the end of the year (2025.12.31)

2025 Employee Turnover Statistics for Cathay Real Estate Subsidiaries

Group		Cathay Real Estate Management		Cathay Healthcare Management		Cathay Hospitality Consulting		San Ching Engineering		Lin Yuan Property Management	
		Departing Employees		Departing Employees		Departing Employees		Departing Employees		Departing Employees	
		Number of employees	Percentage	Number of employees	Percentage	Number of employees	Percentage	Number of employees	Percentage	Number of employees	Percentage
Gender	Male	1	50.0%	23	14.0%	151	44.7%	26	83.9%	36	63.2%
	Female	1	50.0%	141	86.0%	187	55.3%	5	16.1%	21	36.8%
Age	Below 30 years old	0	0.0%	35	21.3%	190	56.2%	14	45.2%	10	17.5%
	30- 50 years old	2	100.0%	103	62.8%	114	33.7%	13	41.9%	38	66.7%
	Above 51 years old	0	0.0%	26	15.9%	34	10.1%	4	12.9%	9	15.8%
Total		2		164		338		31		57	
Proportion of All Employees		15.4%		39.6%		42.4%		11.3%		12.2%	

Note: Regular departing employee ratio = Cumulative number of regular departing employees of the current year ÷ Total number at the end of the year (2025.12.31)

Remuneration System

GRI 202-1

The fairness of the remuneration system is an important cornerstone of Cathay Real Estate Development's talent retention and attraction. The Company has built a market-competitive remuneration system, evaluating employees' performance and professional capabilities through fair, transparent mechanisms, ensuring pay genuinely reflects each employee's contribution and value. In 2025, the ratio of the Company's highest individual remuneration to the median remuneration of all employees was 10.3, and the ratio of the annual increase rate of the highest individual remuneration to the annual increase rate of all employees' remuneration was 42.3; the Company will continue to review its remuneration structure, ensuring the remuneration adjustment mechanisms at all levels are fair and transparent, with employees' overall well-being as the core consideration.

Cathay Real Estate Entry-level Employee Standard Salary and Taiwan Minimum Wage Ratio

Item	2023		2024		2025	
	Male	Female	Male	Female	Male	Female
Entry-level Employee Minimum Salary (A)	30,000	31,940	35,800	35,800	36,500	38,000
(B) to Local Minimum Wage	26,400	26,400	27,470	27,470	28,590	28,590
Ratio of standard entry level wage by gender compared to local minimum wage	1.14	1.21	1.30	1.30	1.28	1.33

In 2025, the Company had 155 employees not holding managerial positions, with an average salary of NT$1,241 thousand and a median salary of NT$1,137 thousand, up approximately 1.3% and 3.8%, respectively, from 2024 (average NT$1,225 thousand, median NT$1,095 thousand).

Cathay Real Estate Non-Managerial Staff Salary Overview

Statistics	2023	2024	2025
Number of Non-Managerial Staff	133	140	155
Average Salary of Non-Managerial Staff (NT$ thousand/year)	1,032	1,225	1,241
Median Salary of Non-Managerial Staff (NT$ thousand/year)	978	1,095	1,137

Note: Employee numbers exclude managers, part-time staff, and those employed for less than 6 months. Average employee numbers are used. Total salary is calculated on an accrual basis, including base salary, overtime pay, various allowances and bonuses, employee remuneration, etc., but excludes estimated amounts of share-based payment expenses.

Employee Benefits and Care

GRI 401-2

For Cathay Real Estate, employee well-being is not merely a matter of system design, but a concrete practice of corporate culture. The Company provides diverse welfare measures covering group insurance, regular health checks, marriage subsidies, and more, caring comprehensively for employees' physical and mental health and living needs; at the same time, it regularly holds family days, employee trips, and other activities, extending care from the individual to the family, strengthening team cohesion while deepening every colleague's sense of belonging to the organization, and helping realize work-life balance.

Cathay Real Estate Employee Welfare Activities

	Children's Education Subsidies	Distributed in two installments throughout the year
	Group Insurance	Both employees and their dependents can participate in group insurance, with premiums fully covered by the Company.
	Health Checkups	Regular inspections each year from March to May
	Marriage Subsidies	Both spouses are eligible to apply for subsidies if they are employed by Cathay Real Estate.
	Children Subsidies	Both spouses are eligible to apply for subsidies if they are company employees.
	Holiday Appreciation Bonuses	Dragon Boat Festival and Mid-Autumn Festival appreciation bonuses
	Employee Travel	2 company-wide two-day, one-night trips (first half: a two-day tour of Qishan, DaKeng Leisure Farm, and E-DA; second half: a nostalgic Lanyang leisure trip to Jiaoxi)

Hiking Activities	Employees and dependents warmly invited to the employee hiking activities held 4 times a year (locations: New Taipei Metropolitan Park, Guting Riverside Park, Dahan Riverside Park, and Dazhi Meiti Riversie Park)
Recreational and Club Activities	Distributing movie tickets and arts and culture tickets (first half: the stand-up comedy "Funny No Problem – Life of Employees"; second half: Greenray Theatre's "August: Osage County")
Recreational and Club Activities	Each employee may join four clubs per year. Current clubs include general leisure activities such as the Travel Club, Mountain Climbing Club, Gourmet Club, Lifestyle & Leisure Club, Harbor City Culture Club (Central and Southern regions), and sports/arts clubs including Basketball Club, Badminton Club, Yoga Club, General Sports Club (Central and Southern regions), and Cycling Club (Central and Southern regions). The Employee Welfare Committee provides subsidies and resources to support these clubs.
Family Day	Family day held at HOTEL COZZI Taoyuan
Birthday Gifts	Employee birthday gift vouchers and monthly birthday celebrations.
Cultural and Educational Activities	Annual distribution of book gift vouchers
Small farmer sponsorship	Purchased grape gift boxes from small farmers and distributed them to employees.
Movie Appreciation Events	Irregular Movie Appreciation Events

Home Purchase Discounts: Letting Employees Work Happily and "Live Securely"

Preferential Discounts

- 5% discount on the portion of the total price within NT$10 million
- 2.5% discount on the portion above NT$10 million

Applicable Targets

- The registered owner of the home may be the employee, their parents, spouse, or children

No limit on the number of units

- Discounted homes are not subject to a purchase quantity limit

2025 Application Statistics

Cathay Real Estate Group

Applicable to **100%** of group employees

Number of applications **5**

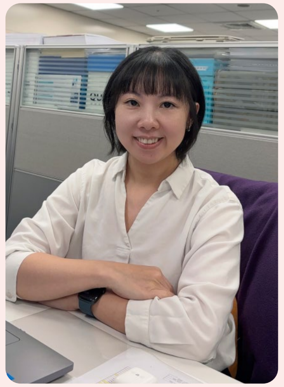
Number of projects **2**

People-Centered Flexibility: The Strongest Support for a Mother of Two

As a mother of two with no backup support, and with therapy courses arranged after the children finish school, I used to rush endlessly between getting off work, pick-ups and drop-offs, preparing dinner, and classes. The children often could only eat in a hurry — every day felt like a race against time.

Since the Company implemented the flexible working hours system, I have been able to adjust my working hours flexibly according to family needs — starting work earlier to handle business, and arranging the children's pick-up more calmly, letting them eat at ease and arrive at their courses on time. This change has not only greatly eased the pressure of parenting, but also helped me strike a better balance between work and family, while improving my work efficiency and overall quality of life.

I firmly believe a friendly workplace lies not only in the existence of systems, but in understanding and supporting employees' different life stages and needs. I am grateful the company supports parenting families through concrete action, allowing me to devote myself fully to work while also accompanying my children as they grow steadily.



Ya Ling Lin, Technology Department

Cathay Real Estate's employee benefit expenditure over the years

Employee Benefit Items	2023	2024	2025
Various Subsidies	5,901,548	5,580,032	5,672,589
Holiday Benefits	2,266,290	2,759,543	3,061,852
Meal Allowances	4,473,273	2,651,155	1,653,452
Sports Activities	387,500	2,715,212	9,799,160
Employee Travel	2,595,065	7,159,712	11,749,352
Hiking Activities	1,461,990	4,917,497	5,012,439
Club Activity Expenses	3,931,948	4,135,964	4,333,710
Employee Birthday Celebrations	629,798	700,864	765,070
Education and Training Expenses	1,599,636	4,767,147	8,379,975
Annual Total	23,247,048	35,387,126	50,427,599
Employee Benefit Expenditure as a Percentage of Total Revenue	0.34%	0.27%	0.37%

Cathay Real Estate Management Employee Benefit Expenditure

Employee Benefit Items	2025
Birthday Gifts, Birthday Parties	64,272
Children's Education	23,000
Holiday Cash Gifts	193,654
Appreciation Meals, Year-End Parties	130,284
Hiking Activities	132,592
Health Checkups	118,705
Club Subsidies	286,038
Employee Travel	344,137
Arts and Culture Vouchers, Health Projects	146,440
Annual Total	1,439,122
Employee Benefit Expenditure as a Percentage of Total Revenue	2.07%

Cathay Hospitality Employee Benefit Expenditure

Employee Benefit Items	2025
Annual year-end party	2,443,056
Wedding, funeral, and celebration subsidies	144,100
Birthday gift vouchers (issued)	1,541,113
Mid-Autumn Festival gifts	640,000
Employee Travel	3,102,186
Hiking Activities	14,014
Club Subsidies	56,761
Employee Health Checkups	1,185,642
Dragon Boat Festival / Mid-Autumn Festival gift payments	5,245,952
Work-Life Balance Courses	111,560
Annual Total	14,484,384
Employee Benefit Expenditure as a Percentage of Total Revenue	0.60%

San Ching Engineering Employee Benefit Expenditure

Employee Benefit Items	2025
Children's Education Scholarships	473,000
Medical Care Subsidies	217,000
Holiday Appreciation Bonuses	811,192
Meal Allowances	200,076
Employee Travel Expenses	2,412,000
Hiking Activity Expenses	1,676,404
Club Activity Expenses	2,845,051
Sports Activity Expenses	2,835,260
Employee Birthday Celebrations	798,000
Education and Training Expenses	1,596,000
Newspaper and Magazine Expenses	20,790
Employee Health Checkups	1,928,400
Mid-Autumn Cash Gifts	822,000
Dragon Boat Festival Cash Gifts	807,000
Labor Day Gifts	530,000
Chinese New Year Gifts	689,000
Year-End Party Activities and Meal Expenses	1,278,930
Annual Total	19,940,103
Employee Benefit Expenditure as a Percentage of Total Revenue	0.17%

Unit: NT$

Cathay Healthcare Management Employee Benefit Expenditure

Employee Benefit Items	2025
Mid-Autumn and Dragon Boat Festival Cash Gifts	2,088,000
Employee Birthday Cash Gifts	892,500
Employee wedding, funeral, and celebration allowances (childbirth/marriage/funeral)	222,100
Children's Education Subsidies	401,900
Club Subsidies	56,500
Employee Travel Expenses	1,109,204
Year-End Parties	1,338,808
Annual Total	6,109,012
Employee Benefit Expenditure as a Percentage of Total Revenue	0.47%

Lin Yuan Property Management Employee Benefit Expenditure

Employee Benefit Items	2025
Group Insurance	1,524,662
Birthday Cash Gifts	1,323,000
Children's Education Subsidies	764,400
Hiking Activities	2,049,400
Club Subsidies	880,748
Holiday Gifts	1,221,906
Labor Day Cash Gifts	440,000
Health Projects	1,226,500
Year-End Party	1,493,696
Annual Travel	1,619,524
Employee Health Checkups	1,107,980
Annual Total	13,651,816
Employee Benefit Expenditure as a Percentage of Total Revenue	0.67%

Unit: NT$

Retirement System

In accordance with the Labor Pension Act, the Company has established a sound pension contribution system. Under the old scheme, the Company contributes 2% of total employee salaries each month as a pension reserve, supervised and managed by the "Labor Retirement Reserve Supervisory Committee," until no employees remain under the old scheme; under the new scheme, the Company's monthly pension contribution rate is no less than 6% of each employee's monthly salary, deposited monthly into individual pension accounts, ensuring employees' retirement security.

In 2025, the Company's total new-scheme pension contributions were NT$7,125,623, and total old-scheme pension reserve contributions were NT$4,830,888, for combined contributions of NT$11,956,511, fully embodying the Company's attention and commitment to employees' retirement security.

Parental Leave

GRI 401-3

Cathay Real Estate Group Parental Leave Statistics 2025

	Male	Female
Number of Employees Applying for Parental Leave	8	13
Number of Employees Expected to Return from Parental Leave (A)	9	20
Number of Employees Expected to Return from Parental Leave and Actually Returning (B)	6	13
Number of Employees Returning from Parental Leave in Previous Year (C)	3	15
Number of Employees Returning from Parental Leave and Working for Over 1 Year (D)	2	13
Return-to-work rate (B/A)	65.5%	
Retention Rate (D/C)	83.3%	

Employee Satisfaction Survey

Questionnaire Response Rate

72.3%

Employee Satisfaction Indicators

55 points Identification index

94% Retention intention

Satisfaction Survey Assessment Dimensions

Brand identification	Team results	Team spirit
Professional performance	Personal goals	Personal value
Personal belonging	Personal development	Other

Voices of the Company's Partners

It was an honor to join Cathay Real Estate in February 2025. Before joining, I already had a certain understanding of the Company's brand and reputation, and so held expectations for being able to join.

After actually taking up project-related work, I have participated in project advancement and customer service at different stages — from front-end project sales (such as Cathay Xi), to customer modification operations in progress (such as Cathay Xu), to later-stage inspection and handover (such as Cathay You Yang and Youjing). Through these experiences, I have come closer to the complete flow of the development industry from planning and execution to delivery, and gradually come to understand the expertise and details required behind each step.

I previously worked at property management and small development companies; after joining Cathay, I have felt much more clearly the completeness of its systems and the consistency of execution. From project advancement and cross-departmental cooperation to construction quality management and customer service processes, there are clear standards, faithfully enforced. This gives me a stronger sense of direction when facing various situations, and in turn lets me build professional expertise.

In addition, I really like the company's overall atmosphere — teams gladly share experience and support one another, and when facing new work content or project changes, we can quickly communicate, adjust, and coordinate.

At the same time, the company values not only work performance but also puts real care into employees' lives — club activities, hiking, family days, employee trips, and more — giving everyone chances to relax outside work. This kind of environment makes me feel I am not just coming to work, but can strike a balance between work and life, and makes me more willing to invest and develop here long term.

Since joining, this has been for me not merely a change of job role, but a continuing journey of learning and accumulating experience. Going forward, I hope to keep improving, moving steadily forward together with the company and creating more lasting value.

Chih Ting Huang,
Project Section I

Talent Cultivation and Development

GRI 404-1 GRI 404-2 GRI 404-3

Talent Cultivation Strategy

In 2025, the Cathay real estate group completed 39,853 training participations, with training hours reaching 66,163 hours and total expenditure of NT$31,344,777. Course categories were led by professional courses, with 24,477 training participations and 36,707 training hours, the highest share of the total; general education courses had 9,774 participations and 18,916 hours; competency courses had 5,602 participations and 10,540 hours. Going forward, investment in talent development will continue to be strengthened, enhancing employees' professional capabilities and cross-domain knowledge through a diverse course structure.

Cathay Real Estate Group 2025 Education and Training Performance

41,062 Total training participations

57,159 Total training hours (hours)

31,344,777 Total expenditure (NT$)

Training Participations and Hours by Course Category

Course category	Training participations	Training hours (hr)
Professional Courses	25,115	30,628
General Knowledge Courses	10,185	17,660
Competency Courses	5,762	8,871

Professional Courses 25,115 participations; 30,628 hours

General Knowledge Courses 10,185 participations; 17,660 hours

Competency Courses 5,762 participations; 8,871 hours

Company	Supervisors Male	Supervisors Female	Staff Male	Staff Female
Cathay Real Estate (head office)	25.5	33.2	36.5	25.3
Cathay Healthcare Management	32.9	38.0	5.8	4.7
Cathay Hospitality Consulting	58.9	62.5	38.4	38.5
San Ching Engineering	12.9	10.0	15.9	10.8
Lin Yuan Property Management	8	0	19	17
Cathay Real Estate Management	0	0	8	0

Male Female

Employee Professional Certifications

Cathay Real Estate values the cultivation of professional talent and the enhancement of core capabilities, actively encouraging colleagues to obtain professional licenses in various fields and continuously strengthening the team's cross-domain professional depth. Colleagues currently holding professional licenses related to building development span diverse fields including engineering, land, finance, and real estate, comprising 11 real estate brokers, 8 architects, 7 land administration agents, and 1 holder each of professional licenses as an RICS chartered surveyor, civil engineer, CPA, appraiser, and geotechnical engineer.

In 2025, 1 more colleague obtained the urban planner professional license, further completing the Company's professional capacity in urban planning and effectively supporting increasingly diverse development and operational needs.

Cathay Real Estate Employee Professional Certifications - Names and Numbers

Professional Certifications	Number of Holders
RICS Chartered Surveyor	1
Real Estate Broker	11
Civil Engineer	1
Architect	8
CPA	1
Appraiser	1
Land Administration Agent	7
Geotechnical Engineer	1
Urban Planner	1

Note: Statistics on employees' professional licenses are as of December 31, 2025

Industry-Academia Collaboration: Cultivating Real Estate Professionals

Cathay Real Estate firmly believes campus talent can inject innovative momentum into the enterprise, and therefore actively plans a sound internship cultivation mechanism, divided into two types: semester internships and summer internships.

Semester internships design internship content in line with school courses and credit requirements, with mentors helping interns become familiar with departmental duties and actually participate in advancing various projects, effectively integrating classroom learning into workplace practice. Summer internships center on real estate industry operations, with a course design moving from depth to breadth, covering diverse learning items including real estate professional knowledge, departmental project participation, one-on-one mentoring by senior colleagues, and visits to affiliated enterprises, guiding interns to extend from single-point understanding to comprehensive command of real estate-related fields. At the internship's close, hands-on practice, report writing, and a final individual project presentation are arranged, with supervisors at all levels and colleagues asking questions on site and giving scored feedback, fully recording each intern's learning journey and growth. In 2025, a total of 7 students participated in the internship program across the semester and summer sessions.

Cathay Real Estate Internship Program Participation Statistics

Year	2023	2024	2025
Mid-term Internship Participants	2 personnels	3 personnels	3 personnels
Number of summer interns	6 personnels	4 personnels	4 personnels

Performance Evaluation

The Company conducts annual appraisal operations in accordance with the "Manager Performance Appraisal Guidelines" and the "Employee Performance Appraisal Regulations"

Ratio of Cathay Real Estate's 2025 Standard Entry-Level Salary to Taiwan's Basic Wage

Items	Number of Employees		Number actually appraised		Number not appraised		Appraisal ratio	
	Male	Female	Male	Female	Male	Female	Male	Female
Executive management (Vice President level and above)	5	1	5	1	0	0	100.0%	100.0%
Senior management (division level and above)	-	-	-	-	0	0	0.0%	0.0%
Middle management (manager level and above)	4	3	4	3	0	0	100.0%	100.0%
Frontline management (manager level and above)	14	9	14	9	0	0	100.0%	100.0%
General Employees	80	56	80	55	0	1	100.0%	98.2%
Total	103	69	103	68	0	1	100.0%	98.6%

Note: Under the "Employee Performance Appraisal Regulations," those formally employed for less than 3 months in the year are not appraised.

6.2 Pillar II: Employee Health and Safety

GRI 403-1 GRI 403-2 GRI 403-5 GRI 403-6 GRI 403-9

Material Topic – Occupational Health and Safety

Management Policy	Cathay Real Estate treats the on-site working environment safety of employees and suppliers as the top priority. Upholding the core principle that "prevention outweighs remedy" and with "zero work injuries" as its vision, it has established a complete occupational safety and health management mechanism, ensuring every on-site worker can work in a safe and healthy environment. In safety management, the Company systematically analyzes accident incidents at project sites over the years and clarifies accident causes, formulating and implementing complete safety management measures accordingly, covering construction risk assessment, hazard identification, on-site safety patrols, education and training, and preventive measures; it also requires construction contractors to establish occupational safety and health management policies and implement independent safety management at construction sites. In health protection, the Company has formulated workplace health and safety management plans in accordance with relevant regulations — including the "Implementation Measures for Maternal Health Protection of Female Workers," the "Prevention Plan for Diseases Induced by Abnormal Workloads," and the "Ergonomic Hazard Prevention Plan" — clearly setting out the tiered responsibilities of each unit, and establishing protection measure implementation processes, risk assessment mechanisms, and personnel training plans.
Management Commitment	• Moving toward the zero-work-injury vision: continuing to uphold the principle that prevention outweighs remedy, collaborating with construction contractors to strengthen on-site safety management, and advancing toward the zero-work-injury goal. • Strengthening risk prevention: systematically analyzing accident causes, implementing hazard identification and safety patrols, and establishing targeted risk prevention mechanisms. • Implementing contractor management: continuing to require construction contractors to implement independent occupational safety and health management, guarding operational safety at construction sites. • Deepening safety education: continuing to conduct occupational safety and health education and training, raising the self-protection awareness of employees and on-site personnel. • Promoting employee health: continuing to provide care services including health checks, on-site medical care, health lectures, and hiking activities, safeguarding employees' physical and mental health.
Resources Invested	• Human Resources Team: 3 people • Administration Team: 2 people (including the occupational safety and health affairs supervisor)
Responsible Unit	Human Resources Team, Administration Team
Goals	**Short-term (2026)** • Participate in labor safety or environmental protection awards with 1 construction project each year. • Organize health activities for construction workers in 1 construction project each year. • Provide free annual health checkup for employees once a year. • Implementing safety and health measures, assigning an occupational safety and health affairs supervisor, providing free personal protective equipment meeting standards such as safety helmets, and supervising employees' correct wearing of them. • Regular in-service training: refresher training in accordance with regulations, strengthening safety knowledge. • Overwork and workplace bullying: controlling overtime hours, and conducting surveys assessing "overwork risk," "abnormal workloads and disease prevention," "musculoskeletal symptoms," and the "overwork scale." • Unlawful physical or psychological infringement: establishing workplace bullying and sexual harassment grievance mechanisms, safeguarding employees' psychological health and safety. • Providing an employee physical and mental care platform (EAP).

	Medium-term (2028)	Long-term (2030)
Goals	• Participate in labor safety or environmental protection awards with 1 construction project each year. • Organize health activities for construction workers in 1 construction project each year. • Provide free annual health checkup for employees once a year. • Implementing safety and health measures, assigning an occupational safety and health affairs supervisor, providing free personal protective equipment meeting standards such as safety helmets, and supervising employees' correct wearing of them. • Regular in-service training: refresher training in accordance with regulations, strengthening safety knowledge. • Overwork and workplace bullying: controlling overtime hours, and conducting surveys assessing "overwork risk," "abnormal workloads and disease prevention," "musculoskeletal symptoms," and the "overwork scale." • Unlawful physical or psychological infringement: establishing workplace bullying and sexual harassment grievance mechanisms, safeguarding employees' psychological health and safety. • Providing an employee physical and mental care platform (EAP).	• Participate in labor safety or environmental protection awards with 1 construction project each year. • Organize health activities for construction workers in 1 construction project each year. • Provide free annual health checkup for employees once a year. • Implementing safety and health measures, assigning an occupational safety and health affairs supervisor, providing free personal protective equipment meeting standards such as safety helmets, and supervising employees' correct wearing of them. • Regular in-service training: refresher training in accordance with regulations, strengthening safety knowledge. • Overwork and workplace bullying: controlling overtime hours, and conducting surveys assessing "overwork risk," "abnormal workloads and disease prevention," "musculoskeletal symptoms," and the "overwork scale." • Unlawful physical or psychological infringement: establishing workplace bullying and sexual harassment grievance mechanisms, safeguarding employees' psychological health and safety. • Providing an employee physical and mental care platform (EAP).

	Key Performance Indicators	2025 Evaluation Results
Key Performance Indicators and Evaluation Results	In 2025: 0 serious work injury incidents, a serious work injury rate of 0, and 0 occupational injury fatalities	=
	2025 employee health care: annual health checks for all employees, 36 on-site medical service sessions, 5 health lectures (79 participants), and 585 participations in hiking activities	✓
	Cathay THE PARK received the 27th National Golden Award for Architecture	✓
	Sanchong RiVER PARK received the 2025 Friendly Construction Site Award	✓
	Cathay THE PARK received the 27th National Golden Award for Architecture	✓
	META PARK received the 2025 Occupational Safety Award – Outstanding Organization from the New Taipei City Government Labor Affairs Department	✓

Note: ✓ Exceeding the original target or the previous year's performance; = Same as the original target or the previous year's performance; ✗ Did not achieve the set target

Occupational Safety and Health Management Measures

2025 Occupational Safety and Health Education and Training

Training Topic	Content Description	Sessions Held	Total Hours	Participants
General occupational safety and health training for new employees	1-hour occupational safety training session	1 Session	13	13
	2-hour online occupational safety training session	Multiple sessions	12	6

Health Promotion for All Employees

On-site Employee Health Services

3 times/year
On-site physician medical consultations

3 times/month
On-site nurse medical consultations

Physicians and nurses regularly visit the Company to provide on-site medical consultation services

All Employees

Ergonomic Hazard Prevention

1 times/year
Questionnaire survey

High-risk employees
Individual care and follow-up services

Annual questionnaire surveys, with individual care and follow-up provided for high-risk employees

All Employees

Health Lectures

Held regularly each year
Health lecture activities

Interactive course format
Enhancing occupational safety knowledge

Health lectures held each year, enhancing employees' occupational safety knowledge through interactive courses

All Employees

2025 Employee Health Care Services

Service Item	Service Item Description	2025 Users
Annual employee health checks	Free employee health examinations provided once a year for all employees	All Employees
On-site medical consultation services	3 times a year and 3 times a month, for a total of 36 consultation sessions across the year	23
Employee health promotion lectures	Five "healing handicraft interactive lectures" held: two in Taipei and one each at the Taichung, Tainan, and Kaohsiung offices	79
Employee hiking activities	4 times a year, encouraging employees to head outdoors with their families	585

Implementing Occupational Health and Safety Surveys

In accordance with relevant regulations, Cathay Real Estate has formulated workplace health and safety management plans including the "Implementation Measures for Maternal Health Protection of Female Workers," the "Prevention Plan for Diseases Induced by Abnormal Workloads," and the "Ergonomic Hazard Prevention Plan," clearly setting out the tiered responsibilities of each unit, and establishing protection measure implementation processes, risk assessment mechanisms, and personnel training plans. In 2025, a total of 37 employees across the Cathay real estate group suffered occupational safety injuries; the Company has completed cause reviews and improvements for each incident, and continues to strengthen workplace environment education and training, raising employees' self-protection awareness.

Cathay Real Estate Group 2025 Employee Occupational Injury Statistics

Occupational Injury Indicators	Male	Female
Total Work Hours	2,707,137	1,836,141
Total Work Days	338,392	229,518
Number of Occupational Injuries	21	16
Occupational Injury Rate	1.55	1.74
Number of Occupational Injury Deaths	0	0
Occupational Injury Death Rate	0	0
Lost Work Days	82	47
Lost Day Rate LDR	6.02	5.08
Total Absence Days	574	1,736
Absenteeism Rate	0.17%	0.76%
Number of Severe Work Injuries	0	0
Severe Work Injury Rate	0	0

Note 1: Refers to the number of recordable occupational injuries, including the number of deaths caused by occupational injuries.
Note 2: Occupational injury rate = (Number of occupational injuries / Total work hours) × 200,000*
Note 3: Number of deaths due to occupational injuries.
Note 4: Occupational injury death rate = (Number of occupational injury deaths / Total work hours) × 200,000*
Note 5: Total lost work days refers to the total number of days that employees are temporarily (or permanently) unable to return to work due to injury, which refers to the number of leave days due to occupational injury.
Note 6: Lost day rate (LDR) = (Lost work days / Total work hours) x 200,000*
Note 7: Absence definition: Employee absence due to loss of working capacity, including: occupational injury leave, sick leave, menstrual leave, but not including leave applied due to traffic accidents.
Note 8: Absentee rate (AR) = (Total absence days / Total work days) × 100%
Note 9: Severe work injury refers to an injury that makes it difficult for the worker to recover to the pre-injury health condition within 6 months, excluding deaths.
Note 10: Severe work injury rate = (Number of severe work injury incidents / Total work hours) × 200,000*
Note 11: *refers to the rate per 100 employees, calculated based on 50 weeks per year, 40 hours per week
Note 12: For construction contractors other than San Ching Engineering, only data for the portions of the Company's sites they contract are counted

Natural Disaster Emergency Assistance

Facing sudden natural disasters such as typhoons and earthquakes, the Company has specially formulated the "Guidelines for Employee Emergency Relief in Natural Disasters," ensuring every affected employee can receive necessary assistance and support at the first moment.

Cathay Real Estate Natural Disaster Employee Emergency Assistance Guidelines

Applicable Targets: Full-time employees whose houses are completely destroyed, partially destroyed, or financially damaged due to natural disasters (typhoons, earthquakes, floods, and fires.)

Assistance Methods: For employees or their dependents whose houses are completely or partially destroyed due to natural disasters, corresponding compensation will be provided.

6.3 Pillar III: Energy and Resource Management

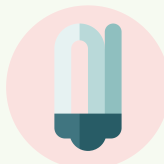
Energy Management

GRI 302-1 GRI 302-3 GRI 302-4 SASB IF-RE-130a.1~3

Cathay Real Estate's Taipei headquarters (the Taipei International Building) completed its office lighting renewal project in 2025, fully replacing the original T5 fixtures with LED panel lights. After the replacement, 2025 electricity use fell from 344,312 kWh in 2024 to 280,757 kWh, a reduction of 63,555 kWh, or 18.5%, effectively enhancing energy efficiency and concretely realizing the office energy conservation goal.

Office Lighting Replacement Project

Before replacement
2024

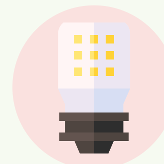


T5 fixtures

344,312 kWh

Replacement and upgrade

After replacement
2025



LED panel lights

280,757 kWh

Energy-saving results: electricity use reduced by **63,555** kWh, a decrease of **18.5%**

Historical Energy Data Statistics

Item	2023	2024	2025
Direct Energy Consumption (GJ)	219.40	197.02	165.54
Indirect Energy Consumption (GJ)	10,279	9,539	7,774.68
Total Energy Consumption (GJ)	10,498	9,736	7,940.23
Year-over-Year Increase Rate	308.98%	-7.83%	-18.44%
Energy intensity (GJ/person)	67.30	56.60	42.46

Note 1: Primary energy consists of gasoline and diesel
Note 2: Secondary energy refers to purchased electricity, and no renewable energy is used
Note 3: Energy conversion factors refer to the heat value coefficients of various energy sources from the greenhouse gas emission factors announced by the Ministry of Environment on February 5, 2024 (Gasoline: 7,609Kcal/L; Diesel: 8,642Kcal/L); electricity is converted at 1 kWh = 0.0036GJ
Note 4: Energy use data coverage reached 100%
Note 5: The Company's 2025 grid electricity percentage was 97.92%

Item	Cathay Healthcare Management	Cathay Hospitality Consulting	San Ching Engineering	Lin Yuan Property Management
Direct Energy Consumption (GJ)	11.81	10,896.28	2,584.09	437.64
Indirect Energy Consumption (GJ)	1,176.49	75,618.54	36,472.20	1,483.80
Total Energy Consumption (GJ)	1,188.29	86,514.82	39,056.29	1,921.44
Year-over-Year Increase Rate (%)	-34.87%	-1.30%	36.87%	17.73%
Energy intensity (GJ/person)	2.87	108.41	142.02	4.11

Note 1: Cathay Real Estate Management shares offices with the parent company, so its energy use is calculated jointly with the Company's.
Note 2: The 2025 grid electricity percentages of Cathay Healthcare Management, Cathay Hospitality Consulting, San Ching Engineering, and Lin Yuan Property Management were 99.01%, 87.41%, 93.38%, and 77.22%, respectively

GHG Inventory and Management

GRI 305-1 GRI 305-2 GRI 305-3

Cathay Real Estate has conducted inventories under the latest ISO 14064-1:2018 standard since 2019; this inventory used the GHG Protocol, and a verification statement issued by SGS was obtained. 2025 Scope 1 and Scope 2 emissions were 1,401.39, a 19.2% decrease from 2024 Scope 1 and Scope 2 emissions of 1,735.09, mainly because the Taipei headquarters replaced its lighting with energy-saving fixtures, reducing electricity use. In addition, because electricity use decreased, upstream fuel- and energy-related activities under Scope 3 also fell correspondingly. Verification of the greenhouse gas inventories of subsidiaries in the consolidated financial report is expected to be completed in 2027.

Greenhouse Gas Emissions Trend over the Past Two Years

Item		2025		2024	
		Emissions	Ratio	Emissions	Ratio
Parent Company	Scope 1	413.62	25.29%	479.15	24.00%
	Scope 2	987.77	60.40%	1,255.94	62.90%
	Scope 3	234.05	14.31%	261.54	13.10%
	Subtotal (CO_2e ton)	1,635.44	100%	1,996.63	100%
Subsidiaries in consolidated financial statements	Scope 1	1,441.37	6.95%	1,541.12	7.95%
	Scope 2	15,488.93	74.67%	14,679.27	75.69%
	Scope 3	3,813.65	18.38%	3,173.93	16.37%
	Subtotal (CO_2e ton)	20,743.95	100.00%	19,394.32	100.00%
Total (CO_2e ton)		22,379.39		21,390.95	
Greenhouse gas emission intensity (tonnes CO_2e/million revenue)		0.9214		0.8966	

Note 1: The unit is metric tons of carbon dioxide equivalent (CO_2e), calculated as activity data x emission factor x GWP value.
Note 2: Year of GWP reference data: IPCC Sixth Assessment Report (2022).
Note 3: Source of carbon emission factors: calculated using the latest electricity emission factor announced by the Energy Administration at the time of the inventory (the carbon emission equivalent factor announced in 2025: 0.474 kg/kWh).
Note 4: Inventory boundary setting method: operational control approach.
Note 5: Greenhouse gases covered include CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, and NF_3.
Note 6: GHG emission intensity = Total GHG emissions (metric tons CO_2e) / Operating revenue (Million NT$).

Cathay Real Estate's Carbon Reduction Pathway and Targets

Using 2024 as the base year for reduction, the reduction targets for each period are:

- Short-term (2026) ⬇ 1%
- Medium-term (2028) ⬇ 2%
- Long-term: after 2031 ⬇ 3%

Reduction Strategies and Action Plans

- Exploring green building possibilities at each stage of the building lifecycle
- Sharing green building experience through contractor observation meetings
- Planning for selected projects to obtain domestic and international green building labels
- Promoting the procurement or leasing of energy-saving equipment such as company vehicles and office machines
- Reaching energy-saving consensus with the owner of the office building on the replacement and renewal of elevators, air conditioning, and other equipment
- Strong internal awareness campaigns, building colleagues' good energy-saving work habits

2025 Reduction Target Achievement Status

- Introducing energy-saving design, implementing green building and environmental sustainability thinking
- Planning Kaohsiung House and Taichung Livable Building projects adapted to local conditions
- 100% adoption of emerging technologies such as BIM and building modularization to enhance efficiency
- Recycling and reusing waste generated during construction
- Reuse of sales sites (the joint sales center; Cathay Mei He continuing to use the sales agency center)
- Digital transformation: online repair request system, online building material and equipment selection system
- Some building components and materials prefabricated in factories, then transported to sites for integrated assembly

Green Actions

In recent years, Cathay Real Estate has continuously promoted energy conservation actions in the office workplace — internally procuring or leasing energy-saving equipment such as company vehicles and office machines, externally reaching energy-saving consensus with the owner of the office building on equipment replacement and renewal including elevators, air conditioning, and restroom renovation works, while also conducting strong internal awareness campaigns to build colleagues' good work habits of plastic reduction and energy conservation.

Office Energy Conservation Management Implementation Details

Air Conditioning

- Reached a consensus on environmental protection and energy saving with the landlord, and completed the construction of more energy-efficient air conditioning equipment throughout the building.
- Continue to implement the office air conditioning temperature setting at 26°C to ensure the most efficient operation of air conditioning.
- Continue to implement the daily shutdown of air conditioning equipment power after work to avoid unnecessary energy waste.

Company Vehicles

- The Company vehicles currently used are mainly environmentally friendly low-fuel-consumption hybrid models.
- Continue to strengthen the advocacy of energy-saving and carbon-reduction concepts to Company vehicle drivers, requiring them to avoid idling, maintain the most appropriate vehicle load at all times, and perform regular vehicle maintenance to maintain the best fuel efficiency.

Elevators

- The construction of replacing elevator equipment with smart and highly efficient operating models has been completed with the landlord's consensus on environmental protection and energy saving, which greatly benefits the management efficiency and energy-saving goals of the entire office building.
- Negotiated with the building management office to set the elevators to serve different floors during morning, midday, and evening peak hours for maximum operational efficiency.
- Continue to encourage employees on lower floors to use stairs for going up and down, which not only promotes health and improves physical fitness but also achieves environmental protection and energy-saving goals.

Office Machines

- Multifunction machines, printers, and other office machines procured or leased upon contract renewal are all green, environmentally friendly, energy-saving models; QSL energy-saving switches save electricity effectively, cutting electricity use by approximately 20%.
- Thoroughly utilize the smart energy management functions of office equipment to optimize equipment operation efficiency and effectiveness.
- Through statistical operation management, control the use of copy paper, promote paperless practices, and reduce unnecessary waste of resources.
- In the future, office equipment with power-saving functions will be purchased. If not used for 15 minutes, it can automatically enter a power-saving sleep state.
- In the future, it will be combined with information security software. When printing, login authentication will be required to reduce paper misprinting. Detailed quantity statistics charts will be used to control printing costs and effectively control expenses.

Office Energy Management

- Continue to promote office plastic reduction measures and encourage employees to bring their own tableware and tea sets.
- Continue to implement regular light-off mechanisms during lunch breaks and after work.
- Continue to strengthen the advocacy of the habit of turning off office equipment power after work.
- [New in 2025] The International Building, where the Taipei office is located, implemented an office lighting renewal project (originally T5 fixtures); after the renewal, LED panel lights are used, achieving both electricity savings and energy conservation.
- The operation model of video conferencing systems and paperless meeting materials has become mature and is frequently used in practice, reducing the commuting of attendees and carbon dioxide emissions, greatly improving the efficiency and effectiveness of resource use.
- Use electronic whiteboards to directly write or annotate on the screen, improving communication efficiency.
- Adopt zoned lighting with independent switches, and turn on the lighting in specific areas according to actual usage needs. For example, when working overtime after hours or on holidays, only turn on the lighting in designated areas and turn off unnecessary lighting to achieve electricity saving.
- Encourage turning off lighting and air conditioning in unused meeting rooms and reception areas.

Water Resource Management

GRI 303-3 SASB IF-RE-140a.1~3

Facing the extreme weather impacts brought by intensifying climate change, the effective management of water resources has become an important issue for sustainable corporate operation. Cathay Real Estate's main water source is domestic water; it actively promotes water resource management at its 4 operating locations across Taiwan — Taipei, Taichung, Tainan, and Kaohsiung — continuously strengthening water use efficiency through systematic measures. Overall 2025 water use fell 2.60% from 2024, with both water use and water intensity reduced for 2 consecutive years — concrete, visible water-saving results demonstrating the Company's active commitment to the sustainable use of water resources.

Cathay Real Estate Annual Water Consumption

Year	Total water usage	Year-over-Year Increase in Water Consumption	Number of Employees	Water intensity
2023	1,832m^3	+5.08%	156 personnels	11.74m^3/person
2024	1,574m^3	-14.10%	172 personnels	9.15m^3/person
2025	1,533m^3	-2.60%	187 personnels	8.20m^3/person

2025 Water Use Statistics by Subsidiary

Cathay Real Estate subsidiaries	Operating Location	Water use (m³)	Total (m³)	Year-over-Year Increase in Water Consumption	Water intensity (m³/number of employees)
Cathay Healthcare Management	Taipei Headquarters	2692.58	2692.58	+7.92%	6.5
Cathay Hospitality Consulting	Hotels and Resorts under Management	294,694	294,694	-2.74%	0.52
San Ching Engineering	Taipei Headquarters and Project Construction Sites	83,563.19	83,563.19	This inventory's scope newly added the Company's project construction sites	4.55 Note: Covers the Taipei Headquarters only
Lin Yuan Property Management	Taipei Headquarters	775.22	875.35	-12.55%	11.75
	Construction and Maintenance Department	34.05			3.10
	Southern Region	66.08			6.61

Note: Cathay Real Estate Management shares offices with the parent company, so its water use is calculated jointly with the Company's.

6.4 Pillar IV: Creating Social Impact

Material Topic – Social Inclusion and Regeneration

Policy commitments	Upholding the spirit of "taking from society and giving back to society," Cathay Real Estate regards social inclusion as an important mission of sustainable corporate development, actively participating in community inclusion and urban renewal, linking Lin Yuan Group resources to give back to society through concrete action, creating shared value and deepening corporate social influence. In urban regeneration, the Company promotes urban renewal and dangerous-and-aging building reconstruction, consolidating urban renewal areas and submitting them to city governments for deliberation per administrative procedures, enhancing residential safety and improving urban functions and streetscapes through the renewal of old buildings, promoting regional regeneration and sustainable development; at the same time, it introduces green building, barrier-free environment, and urban disaster prevention designs, implementing the friendly-city philosophy of harmony with neighboring areas. In community inclusion, the Company regards neighboring residents as important partners, establishing mutual trust before work begins through mechanisms such as neighboring-property appraisals and construction briefing sessions, and holding community care activities and promoting volunteer service, so that every project can coexist harmoniously with the community. In charitable participation, the Company, through the Cathay Real Estate Foundation combined with Lin Yuan Group resources, takes part in diverse charitable actions including educational equity, support for the disadvantaged, and cultural preservation, extending corporate influence into every corner of society.

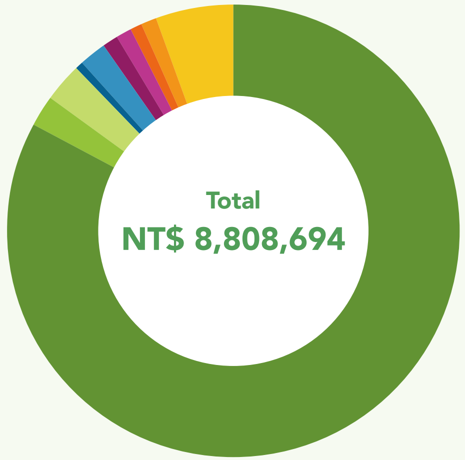
Responsible Unit	Cathay Real Estate Foundation	Resources Invested	• 1 Secretary-General and 3 officers • NT$7.29 million invested in the library, NT$200,000 in talent teaching activities

Goals	Short-term (2026)	Medium-term (2028)	Long-term (2030)
	• Teaching hours for talent education activities: 9 branches in Northern, Central, and Southern regions completed course offerings • Cathay Charity Group activities: 5 educational events, 1 blood donation drive • Number of Volunteer Club activities held: 1 • Number of sponsorships for small farmers' products: 1 • Number of sponsorships for social welfare organizations: 1	• Teaching hours for talent education activities: 9 branches in Northern, Central, and Southern regions completed course offerings • Cathay Charity Group activities: 5 educational events, 1 blood donation drive • Number of Volunteer Club activities held: 2 • Number of sponsorships for small farmers' products: 2 • Number of sponsorships for social welfare organizations: 2	• Actively advocate, integrate industry, government, and academia to develop diverse service models.

Key Performance Indicators and Evaluation Results	Key Performance Indicators	2025 Evaluation Results
	31 community care activities across Taiwan in 2025, each promoted 31 times on the official website and social media	✔
	1 volunteer beach cleanup held in 2025	✔
	Providing library reading space: Approximately 7,500 users, with 25,000 visitor entries	✔
	Talent teaching activities: Courses totaling 241 hours, with 162 participations	✔
	Sponsoring "Teach For Taiwan": to date supporting at least 373 teachers, with approximately 8,310 schoolchildren benefiting in total	✔
	Excellence Scholarship: Supported 100 high school students from underprivileged backgrounds	✔
	Dream Realization Program: Cumulatively supporting dream-pursuit programs at 211 elementary schools, benefiting nearly 4,830 schoolchildren, with more than NT$36.59 million in dream fulfillment grants disbursed	✔

Note: ✔ Exceeding the original target or the previous year's performance; ⊖ Same as the original target or the previous year's performance; ✖ Did not achieve the set target

Cathay Real Estate Group 2025 Social Welfare Investment



82.7%	Lin Yuan Library	7,287,771
2.3%	Talent teaching activities	201,593
2.8%	After-School Care Classes	250,000
0.6%	Blood donation drives	50,000
1.7%	Dream Realization Program	150,000
1.1%	Winter Warmth Activities	100,000
1.1%	Teach For Taiwan (TFT)	100,000
1.1%	Cathay Youth Excellence Scholarship	100,000
1.1%	Formosa	100,000
5.3%	Administrative Management Expenditures	469,330

The Company's Social Impact

	Beneficiary Groups	Method of Assistance	Project Results and Outputs	Social Impact
Cultural and Educational Activities	Rural schoolchildren; disadvantaged families; young students; community residents; TFT teachers	9 Lin Yuan Library branches	241 course hours ｜ 162 participant-attendances	• Rural children's learning pass rate of 73%; positive demonstration of non-cognitive abilities, 75% • Teach For Taiwan Teacher retention rate of nearly 97% • Residents acquire handicraft skills, strengthening neighborhood bonds • Students from low-income families face reduced schooling pressure, with enhanced psychological resilience
		Teach For Taiwan Partnership	2,440 rural schoolchildren benefited (51 schools)	
		After-School Care Classes	190 local children and youth	
		Winter Warmth	18,000 people received care (225 elementary schools)	
		Schoolchildren Dream Realization Program	420 schoolchildren taking on challenges (12th edition)	
		Excellence Grants	NT$9.26 million in grants	
		The Big Tree Project — Growing Seedlings into Big Trees	6,760 participations by disadvantaged students benefited 14 sports teams sponsored	
Environmental Care	Company employees; Community members; Local small farmers; Rural communities	Volunteer club beach cleanup action	81 participants ｜ 217kg of waste ｜ 162 hours	• Employees deepen environmental awareness, internalizing sustainability principles into daily life • Small farmers gain stable sales channels, promoting rural regional revitalization
		Local small farmer procurement	663 boxes of Changhua grapes ｜ NT$310,000 invested	
Disadvantaged Groups	Disadvantaged schoolchildren; Community elders; Patients; Disaster-affected residents; People with disabilities; New immigrants	Summer Blood Donation Campaign	54,769 bags of blood (550 drives)	• No shortage of blood for patients' medical needs • Elders rebuild social connections, with enhanced anti-fraud capabilities • Young people advance intergenerational inclusion and empathy • Disaster-affected residents receive immediate assistance; children of disadvantaged families see the education gap narrowed
		Charity and Environmental Fair	NT$2.38 million in charity sale proceeds (Taipei, Taichung, Kaohsiung)	
		Warm Supplies Donation Project	90 LCD televisions + 100 audio systems	
		Cathay Happy Farm	200 elders (5 community sites)	
		Youth-Elder Co-creation Elder Care	25 elders and at-risk youth	
		Hualien Disaster Relief Action	2,278 households served ｜ 700+ volunteers	

Promoting Cultural and Educational Activities

Cathay Schoolchildren Dream Fulfillment Program: Building Capabilities That Last a Lifetime

420 Schoolchildren Taking On Dream Challenges, Unfolding Life's Resilience and Radiance

Participating Organizations

Cathay Charity Foundation, Cathay United Bank Foundation, Cathay Cultural Foundation

The Project's Founding Intention

Every child holds a dream in their heart, but not every child has the resources and opportunities to realize it. Since 2013, the Cathay Schoolchildren Dream Fulfillment Program has focused on accompanying schoolchildren in remote areas and areas neither mountain nor city, letting them — under their teachers' guidance — bravely voice the dreams in their hearts, take on challenges in person, and fully experience a dream-fulfillment journey of their own. We believe that rather than giving answers, what matters more is letting every child learn cooperation and perseverance in the process, carrying that resilience and confidence into every challenge of the future.

Project Highlight Results

- Cumulative schoolchildren supported: more than **4,800**
- Cumulative dream fulfillment grants: more than NT$ **36** million
- Schools selected in 2025: **23**
- Cases supported in 2025: **211**
- Schoolchildren selected in 2025: **420**

> "The Company believes every child is an as-yet-undiscovered gem — when they meet teachers who accompany them attentively and cultivate them with passion, that hidden radiance is awakened bit by bit; children find their own direction and walk a path of their own."

The Jiaming Lake roots-seeking team of Padan indigenous Elementary and Junior High School saw the children successfully challenge the summit, returning to the birthplace of their ancestors. A teacher shared movingly: "Precisely because the road was hard, the children came to understand — amid sweat and mist — what perseverance and companionship mean."

Students of the ocarina team at Shuangxi Elementary School in Chiayi County happily shared: "We have to practice together every day. Sometimes it feels really tiring, but seeing everyone working so hard makes us feel we should keep going too. And when we get a piece of music right together, that feeling is really wonderful."

The glove puppetry team of Ronghua Elementary School in Pingtung: the children took on the challenge of recreating outdoor stage theater and performing publicly in their hometown, passing on traditional arts and letting culture shine once more.

Cathay × Teach For Taiwan

Participating Organizations

Organizer: TFT (Teach For Taiwan)

Co-organizers: Cathay Charity Foundation, Cathay United Bank Foundation, Cathay Cultural Foundation

The Project's Founding Intention

In Taiwan, a child's origins often determine their future. The resource gap between urban and rural areas leaves more than 130,000 rural children facing systemic inequality on their learning journey. Cathay firmly believes the most effective investment in changing education is not hardware but "people" — a teacher willing to go deep into high-need areas and accompany children as they grow. Since 2016, the Cathay charitable group has joined hands with Teach For Taiwan (TFT) for nine consecutive years — through teacher capacity building, the infusion of teaching resources, physical and mental care, and outreach through diverse channels — enabling outstanding young people to enter rural areas and become a stable accompanying force for children, jointly advancing educational equity in Taiwan.

> "May all of Taiwan's children, regardless of origin, enjoy quality education and opportunities for self-development."

The Cathay charitable group supports TFT in cultivating teachers to enter elementary schools in Taiwan's high-need areas, exerting influence starting from the classroom, understanding on-the-ground challenges and children's needs, and providing children with better, more equal education and opportunities for self-development.

Project Highlight Results

- TFT program members in 2025: **114**
- Partner rural schools in 2025: **53**
- Schoolchildren served in 2025: **2,266**
- Cumulative TFT program members cultivated: **467**
- Cumulative schoolchildren served: **8,310**
- Cumulative partner schools: **103**
- Annual training hours per member: more than **200** hours
- Training hours at the Cathay Tamsui Education Center: **200** hours
- Cumulative public reach of the Cathay × TFT project: 2.6 million
- Teacher Care

  TFT supervisors made **235+** school guidance visits; **110+** Employee Assistance Program (EAP) sessions; teachers self-organized physical and mental support co-creation groups
- Learning Outcomes

  Learning support pass rate of **73%**; positive demonstration of non-cognitive abilities, **75%**; TFT program members' two-year completion rate of **97%**

2025 "Festival of Feeling" (Youganjie) Annual Advocacy Theme

Is the highest quality — silence?

We can pursue the "highest quality" as we each define it, in different ways.

The 2025 Festival of Feeling invites you to listen — to the voices of children, the voices of teachers, the voices of society, and your own answer. Find the highest quality that belongs to you, and the way you want to respond.

Cathay Excellence Grant Program: Supporting Young People to Move Forward Bravely, Accompanying Charitable Practice into Reality

Participating Organizations

Cathay Charity Foundation, Cathay United Bank Foundation, Cathay Cultural Foundation

The Project's Founding Intention

Every young person carries in their heart a seed for changing the world, but not everyone has equal resources to let it sprout. The Cathay charitable group believes that giving young students long-term, powerful support makes more possibilities for change visible. Since its founding in 1980, it has continuously operated scholarship programs, accompanying countless students steadily forward on their learning journeys for 46 years; in recent years it has further encouraged young people to apply their strengths and respond to social issues through concrete action, making the grants not merely a gift of money, but a deep investment in young people's influence.

Project Highlight Results

- Cumulative students funded: **18,988**
- Cumulative grants awarded: more than NT$**238** million
- Total 2025 grant amount: NT$**9.26** million
- Distinctive Grant category winning teams: **28**
- Distinctive Grant category maximum grant: NT$**200,000**
- Outstanding Student category winners: **100**
- Outstanding Student category grant per person: NT$**50,000**
- Excellence Documentary Award winning teams: **4**
- Excellence Documentary Award grant amounts: NT$**30,000–50,000**

Cathay Cultural Foundation Chairman Chin Kuei Chang presented award certificates to the winning teams in the Distinctive Grant category's "Education and Community Development Group"

> “All the winners are seeds of goodness; we look forward to them letting this power keep sprouting.”

2025 Lin Yuan Library Course Topics and Hours

Branch	Course Topic		Total Hours
	First Half of the Year	Second Half of the Year	
Neiwei Branch	Bread Baking Hands-on Class	Bread Baking Hands-on Class	32
Xiaoming Branch	Baking and Ingredients Workshop	Baking and Ingredients Workshop	32
Xinzhuang Branch	-	Painting Class	16
Lingya Branch	Art Class	Art Class	32
Huayuan Branch	Wellness and Bodywork Class	-	16
Banqiao Branch	-	Basic Woven Strap Handicraft Class	16
Yunong Branch	Parent-Child Decoupage and Mosaic Class	Parent-Child Decoupage and Mosaic Class	32
Mingren Branch	Decoupage Class	Decoupage Class	33
Sanchong Branch	Guided Reading of the Four Books	Guided Reading of the Four Books	32
2025 Annual Participants			162
2025 Total Course Hours			241

Taipei Celebrity's House: students use the environment to study attentively on their own, while members of the public read books and newspapers, immersed in intellectual time

Taipei Celebrity' s House: decoupage teaching, with the teacher guiding composition on different materials and small techniques to note

Xiaoming Branch: the baking and cooking workshop — a rich variety of delicious home dishes brought participants abundant results

Yunong Branch: shared learning with parents at their side — immersed in a colorful world of creation through drawing and handicrafts

Rural ESG Education

The Project's Founding Intention

Cathay Hospitality Consulting continues to focus on local education and community development; in 2025, through its sponsorship of Padan Indigenous Elementary and Junior High School, it supported rural educational resources with action and deepened its connection with the local community. In June of the same year, the team personally participated in the school's ethnic exchange activities, taking part on the ground in the "Four Festivals cultural education" it supports, and in Q3–Q4 sponsored the "Learning from the Mountains" and "Service Learning" courses, helping students build positive concepts of coexisting with nature and giving back to society. This charitable action also echoes multiple UN Sustainable Development Goals (SDGs), including promoting students' physical and mental health and well-being (SDG 3), providing quality and diverse educational opportunities (SDG 4), strengthening community and cultural sustainability awareness (SDG 11), and cultivating resource-cherishing and environmentally friendly behavior (SDG 12). At the same time, climate education raises attention to environmental issues (SDG 13), and cooperation with the school and local partners (SDG 17) jointly advances sustainability actions with long-term influence.

Stakeholders covered by the project

Rural school and students (teachers and students of Padan Indigenous Elementary and Junior High School)

Resource Investment

- Funding sponsorship totaling NT$145,248
- Colleagues participated on the ground in ethnic exchange and Four Festivals cultural education activities

Project Results

- Strengthening rural educational resources, providing diverse learning and cultural experience opportunities, and raising awareness of cultural transmission
- Practicing multiple SDG goals, expanding educational and sustainability influence

Supporting Disadvantaged Groups

Zoo Outing Fun: an accommodation package combining animal welfare and educational meaning

The Project's Founding Intention

Combining the resources of its hotels to promote diverse charitable actions: through the accommodation package's giving-back mechanism, package revenue is converted into zoo conservation donations, making every stay a concrete action supporting animal welfare, balancing the guest experience with social responsibility.

Stakeholders covered by the project

Shoushan Zoo, hotel guests

Resource Investment

- Providing preferential room rates for the accommodation package
- Gifting Shoushan Zoo admission tickets; donations to the animal adoption program

Project Results

- Room bookings linked to animal conservation donations expand charitable influence; guests participate in animal adoption through actual consumption, raising public attention to animal welfare issues.

For details, please refer to the HOTEL COZZI official website

Cathay Blood Donation Action: guarding society with warm blood, implementing the ESG spirit for many years

Participating Organizations

Organizer: Cathay Charity Foundation;

Co-organizer: Cathay Cultural Foundation

In 2025, in front of the Company's head office building, the Cathay Cultural Foundation and the Cathay Life Foundation jointly held a blood donation drive; employees generously donated blood, and a fully electric blood donation vehicle was dispatched for the first time, echoing the group's sustainability theme

The Project's Founding Intention

Every summer, Taiwan's blood banks face their most severe shortage test. Since 2000, the Cathay Charity Foundation has joined hands with the Taiwan Blood Services Foundation, stepping forward year after year at the moments blood is needed most. For 26 years, Cathay volunteers have stood at the front line of society's needs, turning concrete action into an important force stabilizing medical resources, letting love and goodwill extend to every place in need and becoming a sustainable altruistic force.

Project Highlight Results

- Cumulative blood donated: more than **749,428** units
- Cumulative equivalent life energy: **187,357,000** c.c.
- 2025 drives: **550** (early May to late September)
- Blood collected in 2025: **54,769** bags
- Single-drive all-time record: **203** bags (September 16, 2025)
- Award: the Ministry of Health and Welfare, Executive Yuan's "**2025 Outstanding Blood Donation Performance**" honor
- First fully electric blood donation vehicle: Echoing the group's sustainability theme, a fully electric blood donation vehicle was dispatched for the first time to participate in the drives
- Combined with financial anti-fraud awareness: At some drives, police assisted in reminding the public to stay vigilant, making the blood donation drives simultaneously a platform for raising social safety awareness

> "Blood donation is a simple action that can nonetheless profoundly change lives. Through hands-on participation, Cathay volunteers demonstrate the passion and warmth the enterprise invests in promoting social inclusion, letting love and goodwill extend to every place in need."

Cathay Winter Love for Schoolchildren: 24 Years of Unceasing Love

Participating Organizations

Organizer: Cathay Charity Foundation;

Co-organizer: Cathay Cultural Foundation

The Project's Founding Intention

Every year-end in the cold of winter, there are always children in rural corners quietly waiting for a share of warmth. For 24 consecutive years, the Cathay charitable group has entered rural campuses across Taiwan, not only delivering cold-weather supplies but also — through volunteers' companionship and interaction — planting seeds of "love and giving back" in children's hearts. Upholding the founding conviction that "giving happiness is happiness," Cathay believes goodwill will ultimately spread, letting every share of warmth pass on like a torch to more people in need.

Project Highlight Results

- Cumulative years of the activity **24**
- Schools covered in 2025: **225** elementary schools across Taiwan
- Cumulative schoolchildren benefited: more than **18,000**

> "Cathay volunteers step into every rural campus, turning care into concrete action and planting seeds of love deep in children's hearts, hoping to become a strength for their journeys ahead"

Mid-Autumn Festival Warmth Giving

The Project's Founding Intention

On the eve of Mid-Autumn Festival 2025, the headquarters of Cathay Hospitality Consulting donated Mid-Autumn gift boxes to the social welfare organizations "Twilight Box" and "Grass Bookhouse," extending the reach of care to youth in adversity and high-risk families, conveying warmth and support at the festive moment and practicing the philosophy of shared social good. At the end of the same year, it participated in the "Cathay Life Charity Fair," selling COZZI CAFE and HOTEL COZZI Kaohsiung products on site, with all proceeds donated to the YMCA, linking employees and the public through the charitable activity to jointly invest in social giving. In addition, in December of the same year, LCD televisions and hair dryers from HOTEL COZZI Minsheng and Zhongxiao were donated to Guangfu Township in Hualien — including the Good Shepherd Foundation's Guangfu Center and the Hualien County Indigenous Diverse Care Association — supporting the living needs of rural and disaster-affected areas and implementing the spirit of sustainability.

Stakeholders covered by the project

- Social welfare organizations
- Disadvantaged groups (youth in adversity, high-risk families, disaster-affected households, children with disabilities, etc.)

Resource Investment

- 160 Mid-Autumn gift boxes in total
- 30 LCD televisions and 71 hair dryers
- Charity sale goods and proceeds totaling approximately NT$40,000

Project Results

- Expanding the scope of social care, supporting diverse groups (youth, high-risk families, rural communities, people with disabilities)
- Resource matching and goods reuse, raising resource utilization
- Substantively supporting social welfare institutions through the charity sale, strengthening the corporate social responsibility image

2025 Real Estate Group Dingliao Beach Cleanup

Small Hands Holding Big Hands, Loving and Guarding the Ocean for Life

Activity Location

Beach cleanup in the Dingliao coastal area, Wanli District, New Taipei City

Employees and dependents participating together

80 participations

Environmental Action Results

- Beach (river) cleanup range: **500 km**
- Weight of garbage removed: **50 kg**

Single-use waste avoided

- **80** 600-ml bottles of water
- **80** paper lunch boxes
- **80** pairs of bamboo chopsticks
- **80** disposable raincoats

Sustainable Dining and Local Co-prosperity Actions

The Project's Founding Intention

Cathay Hospitality Consulting promotes sustainable dining and local co-prosperity actions: from January 2025, all its properties introduced "friendly fruit" at breakfast buffets, supporting environmentally friendly farming; and from May 2025, this was further expanded to the supply of "friendly farm foods," with on-site signboards introducing the partner farms and farmers' stories, letting guests come to know the value of the land and its producers while enjoying their meals. At the system level, the procurement ratio of friendly ingredients is being raised progressively. Through the linkage from farm to table, guests are provided with reassuring dining choices, while concrete action supports local agriculture, practicing the enterprise's long-term commitment to the environment and society.

Stakeholders covered by the project

- Local friendly farmers and partner farms
- Staying guests and dining customers

Resource Investment

- 2025 friendly ingredient procurement spending up 5% from 2024
- Setting up buffet signboards introducing the farms and farmers' stories

Project Results

- Raising the usage ratio of friendly ingredients, supporting local agriculture and sustainable farming
- Strengthening customers' awareness of and participation in sustainable dining, enhancing brand image and value identification

Implementing Environmental Friendliness

The Project's Founding Intention

Promoting environmental and social charitable actions, combining the strength of its hotels and employees to implement sustainability principles. Activities participated in include:

- Walking with Trees tree-planting action: joining hands with udn.com to travel to Qieding, Kaohsiung and take part in tree planting, increasing the Earth's green coverage and promoting environmental protection awareness.
- Earth Hour response action: its HOTEL COZZI properties, MADISON TAIPEI, the Premier Selection collection, and Courtyard by Marriott Taipei — 7 hotels in total — participated in Earth Hour, advocating energy conservation, carbon reduction, and sustainable living by turning off non-essential lighting and exterior signage.

Stakeholders covered by the project

Charitable partners, employees, media, in-house guests, and the public

Resource Investment

- Sponsoring the udn.com tree-planting action with NT$60,900
- Turning off hotel building signage and exterior landscape lighting for one hour
- News and social media publicity

Project Results

- Increasing tree coverage, raising environmental protection awareness, and promoting employee participation in sustainability actions
- Reducing energy consumption and carbon emissions, and promoting energy conservation and carbon reduction
- Media news exposure for the Earth Hour activity, with advertising value exceeding NT$4 million

Happy Habit Probiotics Implementing Green Sustainability

The Project's Founding Intention

The entire "Happy Habit" series uses FSC-certified paper materials and eco-friendly inks, reducing the carbon footprint and practicing truly responsible production. When consumers choose "Happy Habit," they are choosing not only health, but also a more environmentally friendly way of living. Letting "health × sustainability" become a power that can accumulate.

Stakeholders covered by the project

Cathay Healthcare Management, the Cathay General Hospital R&D team, consumers

Resource Investment

Jointly developed by Cathay Healthcare Management and Cathay General Hospital; using FSC sustainability-certified packaging materials and all-vegetable-oil inks

Project Results

- The product received the international A.A. Clean Label three-star no-additive certification
- With FSC-certified sustainable packaging, converting every purchase into an Earth-friendly action, practicing the brand promise that "health supplementation can be the first step in a sustainable cycle"

Cathay Real Estate Index

Since 2002, Cathay Real Estate Development has cooperated with National Chengchi University's Taiwan Real Estate Research Center and real estate scholars to jointly compile the "Cathay Real Estate Index." Based on new project data and rigorous assessment and research methods, the index has become one of Taiwan's credible indicators of real estate market trends. The Company regularly publishes survey reports, providing the public with reference for home-buying and investment decisions, helping people grasp complete market information and find the living solution that suits them best. In 2025, 6 research personnel were invested — 1 principal investigator, 2 co-principal investigators, 2 researchers, and 1 assistant researcher — with total research funding of NT$3,220,000; through stable investment of personnel and resources, credible real estate market research results continue to be produced.

Cathay Real Estate Index

Lack of transparency in Taiwan's real estate market
→ Insufficient housing information for consumers
→ Lack of complete research data

Asking Price Index	Judge future price trends based on construction companies' confidence in their projects
Potential Transaction Price Index	Judge market transaction trends through fluctuations in transaction prices
New supply index	Judge competition intensity through the total volume of newly launched projects
negotiation margin index	Judge negotiation flexibility between buyers and sellers through acceptable discount rates in the residential market.
30-Day Transaction Volume Index	Observe market changes through average monthly absorption rate of new projects in the quarter
30-Day Sales Rate Index	Understand sales rate through average monthly absorption rate of new projects in the quarter

→ Provide real estate information to consumers
→ Open dialogue between industry, academia, and government
→ Providing professional services, perfecting the Company's corporate social responsibility

國泰建設
Cathay Real Estate

Government Reference

Constructing a national real estate information platform

- Ministry of the Interior Real Estate Information Platform – housing price indicator information

Financial Institution Reference

Serving as a reference for interest rates and loan-to-value ratios

- Central Bank – Financial Stability Report
- Central Deposit Insurance Corporation - Insured Risk Dynamics

Academic Reference

An important data source for academic research and real estate-related newspapers

- The Central Bank and National Development Council cite the Cathay Index in their reports as a reference for policy implementation.
- Master's and doctoral thesis citations: 175 citations as of December 2025
- Book and literature citations: 7 citations from 2011 to 2020

Appendices

7.1 GRI Standards Index

Terms of Use	Cathay Real Estate has reported the information cited in this GRI content index for the period from January 1, 2025 to December 31, 2025 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

GRI 2: General Disclosures 2021

Topic No.		Topic Title	Report Content or Explanation	Pages
The Organization and its Reporting Practices	2-1	Organizational Details	0.3 About the Company	10
	2-2	Entities included in the organization' s sustainability reporting	0.1 About This Report	7
	2-3	Reporting period, frequency and contact point	0.1 About This Report	7
	2-4	Restatements of information	0.1 About This Report	7
	2-5	External assurance	7.6 Accountant Assurance Item Index 7.7 Independent External Assurance Statement	135~137
Activities and Workers	2-6	Activities, value chain and other business relationships	0.3 About the Company	10
	2-7	Employees	6.1 Cornerstone I: A Happy Workplace	93
	2-8	Workers who are not employees	6.1 Cornerstone I: A Happy Workplace	93
Governance	2-9	Governance structure and composition	1.2 Blueprint II: Corporate Governance	31
	2-10	Nomination and selection of the highest governance body	1.2 Blueprint II: Corporate Governance	31
	2-11	Chair of the highest governance body	1.2 Blueprint II: Corporate Governance	31
	2-12	Role of the highest governance body in overseeing the management of impacts	1.2 Blueprint II: Corporate Governance	31
	2-13	Delegation of responsibility for managing impacts	1.2 Blueprint II: Corporate Governance	31
	2-14	Role of the highest governance body in sustainability reporting	1.2 Blueprint II: Corporate Governance	31
Governance	2-15	Conflicts of interest	1.2 Blueprint II: Corporate Governance	31
	2-16	Communication of critical concerns	1.1 Blueprint I: Sustainability Governance	23
	2-17	Collective knowledge of the highest governance body	1.2 Blueprint II: Corporate Governance	31
	2-18	Evaluation of the performance of the highest governance body	1.2 Blueprint II: Corporate Governance	31
	2-19	Remuneration policies	1.2 Blueprint II: Corporate Governance	31
	2-20	Process to determine remuneration	1.2 Blueprint II: Corporate Governance	31
	2-21	Annual total compensation ratio	1.2 Blueprint II: Corporate Governance	31
Policy commitments	2-22	Statement on sustainable development strategy	0.2 Letter from the Chairman	9
	2-23	Policy commitments	1.2 Blueprint II: Corporate Governance	31
	2-24	Embedding policy commitments	1.2 Blueprint II: Corporate Governance	31
	2-25	Processes to remediate negative impacts	1.2 Blueprint II: Corporate Governance	31
	2-26	Mechanisms for seeking advice and raising concerns	1.2 Blueprint II: Corporate Governance	31
	2-27	Compliance with Laws and Regulations	1.2 Blueprint II: Corporate Governance	31
	2-28	Membership associations	1.2 Blueprint II: Corporate Governance	31
Stakeholder Engagement	2-29	Approach to stakeholder engagement	1.1 Blueprint I: Sustainability Governance	23
	2-30	Collective bargaining agreements	The company does not have union organizations	

GRI 3: Management Approach 2021

Topic No.		Topic Title	Report Content or Explanation	Pages
Material Topics	3-1	Process to determine material topics	1.1 Blueprint I: Sustainability Governance	23
	3-2	List of material topics	1.1 Blueprint I: Sustainability Governance	23
	3-3	Management of material topics	Please refer to each issue content.	

GRI 200: Economic Topic-Specific Disclosures 2016

Topic No.		Topic Title	Report Content or Explanation	Pages
Economic Performance	201-1	Direct economic value generated and distributed by the organization	0.3 About the Company	10
	201-2	Financial implications and other risks and opportunities due to climate change	1.3 Blueprint III: Climate Governance	44
	201-3	201-3 Defined benefit plan obligations and other retirement plans	6.1 Cornerstone I: A Happy Workplace	93
Market Presence	202-1	Ratio of standard entry level wage by gender compared to local minimum wage	6.1 Cornerstone I: A Happy Workplace	93
	202-2	202-2 Proportion of senior management hired from the local community	6.1 Cornerstone I: A Happy Workplace	93
Procurement Practices	204-1	Proportion of spending on local suppliers	3.2 Commitment II: Working Safely Environment	68
Anti-Corruption	205-1	Operations assessed for risks related to corruption	1.2 Blueprint II: Corporate Governance	31
	205-2	Communication and training about anti-corruption policies and procedures	1.2 Blueprint II: Corporate Governance	31
	205-3	Confirmed incidents of corruption and actions taken	1.2 Blueprint II: Corporate Governance	31

GRI 300: Environmental Topic-specific Disclosures 2016

Topic No.		Topic Title	Report Content or Explanation	Pages
Energy	302-1	Energy consumption within the organization	6.3 Pillar III: Energy and Resource Management	108
	302-3	Energy intensity	6.3 Pillar III: Energy and Resource Management	108
	302-4	Reduction of energy consumption	6.3 Pillar III: Energy and Resource Management	108
Water	303-3 (2018)	Water withdrawal	6.3 Pillar III: Energy and Resource Management	108
	303-4 (2018)	Water discharge	6.3 Pillar III: Energy and Resource Management	108
Emissions	305-1	Direct (Scope 1) GHG emissions	6.3 Pillar III: Energy and Resource Management	108
	305-2	Energy indirect (Scope 2) GHG emissions	6.3 Pillar III: Energy and Resource Management	108
	305-3	Other indirect (Scope 3) GHG emissions	6.3 Pillar III: Energy and Resource Management	108
	305-4	GHG Emission Intensity	6.3 Pillar III: Energy and Resource Management	108
Waste	306-1 (2020)	Waste generation and significant waste-related impacts	4.2 Commitment II: Pollution Prevention at Construction Sites	79
	306-2 (2020)	Management of significant waste related impacts	4.2 Commitment II: Pollution Prevention at Construction Sites	79
	306-3 (2020)	Waste Generated	4.2 Commitment II: Pollution Prevention at Construction Sites	79
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	3.2 Commitment II: Working Safely Environment	68

GRI 400: Social Topic-Specific Disclosures 2016

Topic No.		Topic Title	Report Content or Explanation	Pages
Employment	401-1	New employee hires and employee turnover	6.1 Pillar I: Happy Workplace	93
	401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	6.1 Pillar I: Happy Workplace	93
	401-3	Parental leave	6.1 Pillar I: Happy Workplace	93
Labor/Management Relations	402-1	Minimum notice periods regarding operational changes	6.1 Pillar I: Happy Workplace	93
Occupational Health and Safety	403-1 (2018)	Occupational health and safety management system	6.2 Pillar II: Employee Health and Safety	104
	403-2 (2018)	Hazard identification, risk assessment, and incident investigation	6.2 Pillar II: Employee Health and Safety	104
	403-3 (2018)	Occupational health services	6.2 Pillar II: Employee Health and Safety	104
	403-5 (2018)	Worker training on occupational health and safety	6.2 Pillar II: Employee Health and Safety	104
	403-6 (2018)	Worker health promotion	6.2 Pillar II: Employee Health and Safety	104
Occupational Health and Safety	403-9 (2018)	Work-related injuries	No major occupational disease cases in 2025	104
	403-10 (2018)	Work-related ill health	No major occupational disease cases in 2025	104
Training and Education	404-1	Average hours of training per employee per year	6.1 Pillar I: Happy Workplace	93
	404-3	Percentage of employees receiving regular performance and career development reviews	6.1 Pillar I: Happy Workplace	93
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	1.2 Blueprint II: Corporate Governance	31
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	No related incidents occurred in 2025	
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	3.2 Commitment II: Working Safely Environment	68

7.2 Sustainability Accounting Standards Board (SASB) Index

Code	Disclosure Indicator	2025 Disclosure Content	Pages
Topic: Energy Management			
IF-RE-130a.1	Percentage of total energy consumption data coverage as a percentage of total floor area.	The energy use data coverage rates of Cathay Real Estate Development, Cathay Real Estate Management, Cathay Healthcare Management, Cathay Hospitality Consulting, San Ching Engineering, and Lin Yuan Property Management were 100%, 100%, 100%, 90%, 100%, and 100%, respectively.	108
IF-RE-130a.2	• Total energy consumed • Percentage of total energy consumption from grid electricity • Percentage of total energy consumption from renewable energy	For each company's energy consumption, see "6.3 Cornerstone III: Energy and Resource Management."	108
IF-RE-130a.3	Like-for-like percentage change in energy consumption.	For each company's annual energy use growth rate, see "6.3 Cornerstone III: Energy and Resource Management."	108
IF-RE-130a.4	Percentage of eligible portfolio that is by property subsector • Has an energy rating • Is certified to ENERGY STAR	• The Company's Kaohsiung office will submit its application in the first half of 2026, expecting to obtain Taiwan green building certification EEWH in the second half (Energy Efficiency Grade 1, corresponding to Gold-level green building certification). • Courtyard by Marriott Taipei obtained Taiwan green building certification EEWH (Diamond level).	85
IF-RE-130a.5	Describe how consideration of energy management is integrated into investment analysis and strategy formulation.	Cathay Real Estate Development integrates energy-saving and water-saving technologies into building design, assessing environmental and ecological impacts at each stage of the building lifecycle, while actively obtaining green building certifications. For details, see "4.3 Persistence III: Circular Regenerative Buildings"	82
Disclosure Topic: Water Resource Management			
IF-RE-140a.1	Percentage of water usage data coverage for the following items • Total floor area • Located in high water stress areas	The energy use data coverage rates of Cathay Real Estate Development, Cathay Real Estate Management, Cathay Healthcare Management, Cathay Hospitality Consulting, San Ching Engineering, and Lin Yuan Property Management were 100%, 100%, 100%, 90%, 100%, and 100%, respectively.	108
IF-RE-140a.2	• Total water usage • Total water use in high water stress areas	For each company's water use, see "6.3 Cornerstone III: Energy and Resource Management." Cathay Real Estate and its subsidiaries are not located in regions with high water stress.	108
IF-RE-140a.3	Percentage change in water usage compared to previous year.	For each company's annual water use growth rate, see "6.3 Cornerstone III: Energy and Resource Management."	108
IF-RE-140a.4	Describe water resource management risks and mitigation strategies.	From the initial design stage of construction projects, Cathay Real Estate incorporates various water-saving designs (using toilets and related facilities with water efficiency labels), mitigating the potential impact of water resource risks on customers. For details, see "6.3 Cornerstone III: Energy and Resource Management."	108

Code	Disclosure Indicator	2025 Disclosure Content	Pages
Disclosure Topic: Customer Sustainability Impact Management			
IF-RE-410a.1	• Percentage of new lease agreements that include resource efficiency cost improvements • Relevant contract area	In 2025, no costs were invested in improving resource use efficiency, and no related leases were signed.	
IF-RE-410a.2	Percentage of customers with separate or shared metering for the following items. • Grid electricity consumption • Water usage	The floor areas that Cathay Real Estate has leased to clients are equipped with either dedicated or shared metering for energy consumption, with a coverage rate of 100%. For water usage, the metering coverage rate for the leased floor area is 31%.	58
IF-RE-410a.3	Discussion of approach to measuring, incentivizing, and improving sustainability impacts of tenants.	See "2.2 Persistence II: Safe and Sustainable Customer Service." With "customer residential health," "energy management," "water resource management," and "supporting third-party green lease initiatives" as the four service cores, planning the introduction of the green lease concept.	58
Disclosure Topic: Climate Change Adaptation			
IF-RE-450a.1	Area of properties located in 100-year flood zones	With reference to the flood potential maps announced on the government data open platform and analyzing the locations of properties, none of the properties are located in 100-year flood zones.	
IF-RE-450a.2	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks.	See "1.3 Blueprint III: Climate Governance," "7.4 Climate-related Information for Listed Companies," and the "IFRS S2 Climate-related Disclosures Index Table."	44 128 131
Activity indicators			
IF-RE-000.A	Number of assets, by property subsector	Cathay Real Estate's 15 assets are all commercial buildings (including storefronts).	
IF-RE-000.B	Leasable floor area, by property subsector	The leasable floor area of commercial buildings totals 145,529 square meters.	
IF-RE-000.C	Percentage of indirectly managed assets, by property subsector	Of the 15 commercial building assets under Cathay Construction, 86.81% are managed indirectly.	
IF-RE-000.D	Average occupancy rate, by property subsector	The average occupancy rate of Cathay Real Estate's commercial building assets is 86.81%.	

7.3 IFRS S2 Climate-related Disclosures Index Table

This index table was prepared in accordance with the Corporate Governance Center's "IFRS Sustainability Disclosure Standards – Disclosure Guidance and Examples," presenting the current status and planning of Cathay Real Estate Development's response to climate issues in 2025.

Key Disclosure Requirements		2025 Disclosure Content	Pages
Governance			
Governance and management structure for sustainability-related risks and opportunities	Describe the governance body or individual (board, committee, or individual) responsible for overseeing sustainability-related risks and opportunities, including a description of duties, the frequency of being informed, and how climate issues are incorporated into strategy and risk decisions.	• See "1.3 Blueprint III: Climate Governance" and "7.4 Climate-related Information for Listed Companies." • The Board of Directors is the highest oversight body; the "Corporate Sustainable Development and Nominating Committee" was established in 2025, with the execution level driven by the 5 functional task groups under the "Corporate Sustainable Development Executive Committee," reporting regularly to the Board.	44 131
Development of the governance body's sustainability-related skills and expertise	Describe how the governance body determines whether appropriate skills and expertise are available or will be developed to oversee strategies responding to sustainability-related risks and opportunities.	See "1.2 Blueprint II: Corporate Governance" — Board members' participation in sustainability-related training.	31
Weighing of policies on sustainability-related risks and opportunities	Describe how the governance body considers the trade-offs of sustainability-related risks and opportunities when overseeing strategy and risk management.	See "1.3 Blueprint III: Climate Governance." The Corporate Sustainable Development Executive Committee measures the likelihood, degree of impact, and financial impact of each climate risk and opportunity, prioritizes high-impact items, formulates response measures, and balances short-term costs against long-term resilience in strategic decisions.	44
Target setting for sustainability-related risks and opportunities, and linkage of performance to compensation policy	Describe how the governance body oversees the setting of and progress on climate-related targets, and whether and how related performance indicators are incorporated into compensation policy.	See "1.3 Blueprint III: Climate Governance" and "1.2 Blueprint II: Corporate Governance." Senior manager compensation currently incorporates overall sustainability performance considerations; a specific ratio linking individual climate indicators to compensation has not yet been set.	31 44
Strategy			
Sustainability-related risks and opportunities	Describe the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects, indicating whether they are physical or transition risks, and specifying the expected short-, medium-, and long-term time horizons and their definitions.	See "1.3 Blueprint III: Climate Governance."	44
Impact of sustainability-related risks and opportunities on strategy and decision-making	Describe the current and expected impacts of climate-related risks and opportunities on the entity's business model and value chain, including the geographic areas, facilities, and asset types where risk is concentrated.	See "1.3 Blueprint III: Climate Governance." 15 commercial building assets (northern, central, and southern Taiwan) and project construction sites are the main exposure points; the raw material procurement supply chain is the value chain link where transition risk is concentrated. None of the Company's assets are located in 100-year floodplains.	44
	Describe how the entity has responded to climate risks and opportunities in strategy and decision-making, including the key assumptions of the transition plan, resource investment, and progress on earlier plans.	See "1.3 Blueprint III: Climate Governance."	44
	Disclose the current and expected impacts of climate-related risks and opportunities on financial position, financial performance, and cash flows; where quantification is not possible, explain why and provide qualitative information.	See "1.3 Blueprint III: Climate Governance."	44

Key Disclosure Requirements		2025 Disclosure Content	Pages
Resilience Assessment	Use climate scenario analysis to assess the resilience of strategy and the business model, disclosing the scenario sources used, time horizons, key assumptions (climate policy, energy mix, technological development), and the assessment results on strategic resilience.	• See "1.3 Blueprint III: Climate Governance." • Climate scenario analysis was introduced in 2025, referencing IPCC and IEA scenarios to assess the financial impacts of "construction delays caused by extreme heat/rainfall" and "rising raw material costs from the implementation of the carbon fee system."	44
Risk Management			
Management processes and policies for sustainability-related risks and opportunities	Describe the entity's processes and related policies for identifying, assessing, prioritizing, and monitoring climate-related risks and opportunities, and how they are integrated into the entity's overall risk management process.	• See "1.3 Blueprint III: Climate Governance." • The Corporate Sustainable Development Executive Committee leads cross-departmental discussion, completing the identification and prioritization of major climate risks; the functional task groups then propose risk management assessments and action directions, integrated into the Company's overall risk management framework.	44
Inputs and parameters used to identify sustainability-related risks and opportunities	Describe the data sources, inputs, and parameters used to identify climate-related risks and opportunities, and the operational scope the process covers.	• See "1.3 Blueprint III: Climate Governance." • Referencing TCFD sector-specific recommendations, international climate science reports (IPCC), IEA energy scenarios, peer disclosures, and the characteristics of the Company's operating value chain.	44
Approach to assessing the nature, likelihood, and magnitude of sustainability-related risks and opportunities	Describe how the entity assesses the nature, likelihood of occurrence, and magnitude of climate-related risks (qualitative factors, quantitative thresholds, or other criteria).	• See "1.3 Blueprint III: Climate Governance." • The Corporate Sustainable Development Executive Committee assesses each climate risk with a two-dimensional likelihood-impact matrix, cross-referencing short-, medium-, and long-term occurrence timing, identifying high-impact short-term risks as priority management targets.	44
Approach to prioritizing sustainability-related risks and opportunities	Describe how the entity ranks climate-related risks relative to other types of risks to determine management priority.	• See "1.3 Blueprint III: Climate Governance." • Ranked by likelihood-and-impact analysis; climate risks are incorporated into the Company's overall ESG risk issue management framework and tracked together with other major risks.	44
Approach to monitoring sustainability-related risks and opportunities	Describe how the entity monitors climate-related risks, and whether the process has changed compared with the previous reporting period.	See "1.3 Blueprint III: Climate Governance."	44

Key Disclosure Requirements		2025 Disclosure Content	Pages
Indicators and Goals			
Cross-Industry Metrics			
Greenhouse Gas Emission	Disclose Scope 1, Scope 2, and Scope 3 greenhouse gas emissions (tonnes CO_2e), including measurement methods, inputs, assumptions, and changes during the reporting period; disclose location-based Scope 2 emissions and contractual instrument information.	For details, see "6.3 Cornerstone III: Energy and Resource Management."	108
Transition Risk Assets	Disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	• See "1.3 Blueprint III: Climate Governance." • Transition risk is concentrated mainly in raw material procurement costs and the carbon costs of building material production processes; climate scenario analysis has been introduced to assess transition financial risk.	44
Physical Risk Assets	Disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	• None of the Company's 15 commercial building assets are located in 100-year floodplains. • Climate scenario analysis was introduced in 2025, assessing the financial impact of construction delays at projects under construction caused by extreme heat/rainfall.	44
Climate Opportunity Assets	Disclose the amount and percentage of assets or business activities corresponding to climate-related opportunities.	For details, see "4.3 Persistence III: Circular Regenerative Buildings."	82
Capital Deployment	Disclose the amount of capital expenditure, financing, or investment deployed toward climate-related risks and opportunities.	For details, see "1.3 Blueprint III: Climate Governance" and "4.3 Persistence III: Circular Regenerative Buildings."	44 82
Internal Carbon Pricing	Describe whether and how internal carbon pricing is applied in decision-making, and the price per tonne of greenhouse gas emissions.	An internal carbon pricing mechanism has not yet been introduced this year; the direction of carbon fee policy will be assessed going forward, and the applicable approach for internal carbon pricing will be studied.	
Industry-Based Metrics			
Industry-Based Metrics	Disclose industry-based metrics associated with the particular business models, activities, and other common features of participation in an industry, referencing the IFRS S2 industry-based guidance.	See 7.2 Sustainability Accounting Standards Board (SASB) Index Table, covering disclosure topics including energy management, water resource management, customer sustainability impact management, and climate change adaptation.	126

7.4 Climate-related Information of Listed Companies

Disclosure Item		Implementation Status
1	Describe the Board and management's supervision and governance of climate-related risks and opportunities	See "1.3 Blueprint III: Climate Governance."
2	State how the identified climate risks and opportunities affect the enterprise's business, strategy, and finances (short-term, medium-term, long-term).	See "1.3 Blueprint III: Climate Governance."
3	Describe the financial impacts of extreme weather events and transition actions	See "1.3 Blueprint III: Climate Governance."
4	Describe how climate risk identification, assessment and management processes are integrated into the overall risk management system	See "1.3 Blueprint III: Climate Governance."
5	If scenario analysis is used to assess resilience to climate change risks, explain the scenarios, parameters, assumptions, analysis factors and main financial impacts used	In 2025, Cathay Real Estate Development introduced climate scenario analysis methods, assessing potential financial impacts for "construction delays caused by extreme heat/rainfall" and "rising raw material costs from the implementation of the carbon fee system," referencing future climate scenarios published by the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA).
6	If there is a transition plan for managing climate-related risks, describe its content along with the indicators and targets used to identify and manage both physical risks and transition risks	See "1.3 Blueprint III: Climate Governance."
7	If internal carbon pricing is used as a planning tool, explain the basis for price setting	Cathay Real Estate did not implement any internal carbon pricing measures this year
8	If climate-related targets are set, describe information such as the activities covered, greenhouse gas emission scopes, planned timeline, and annual progress towards achievement. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve related targets, explain the source and quantity of carbon reduction credits offset or the quantity of Renewable Energy Certificates (RECs).	See "1.3 Blueprint III: Climate Governance" and "6.3 Cornerstone III: Energy and Resource Management"
9	Greenhouse gas inventory and assurance status, reduction targets, strategies and specific action plans	For greenhouse gas inventory and assurance status, see the table below; for greenhouse gas reduction targets, strategies, and concrete action plans, see "1.3 Blueprint III: Climate Governance" and "6.3 Cornerstone III: Energy and Resource Management"

The Company's Greenhouse Gas Inventory and Assurance Status for the Most Recent Two Years

Items		2024	2025
Parent Company	Scope 1: direct emissions (tonnes CO_2e)	479.15	413.62
	Scope 2: energy indirect emissions (tonnes CO_2e)	1,255.94	987.77
	Scope 3: other indirect emissions (tonnes CO_2e)	261.54	234.05
	Subtotal (ton CO_2e)	1,996.63	1,635.44
Subsidiaries in consolidated financial statements	Scope 1: direct emissions (tonnes CO_2e)	1,541.12	1,441.37
	Scope 2: energy indirect emissions (tonnes CO_2e)	14,679.27	15,488.93
	Scope 3: other indirect emissions (tonnes CO_2e)	3,173.93	3,813.65
	Subtotal (ton CO_2e)	19,394.32	20,743.95
Total (CO_2e ton)		21,390.95	22379.39
Greenhouse gas emission intensity (tonnes CO_2e/million revenue)		0.8966	0.9214

	2024	2025
Assurance institution	SGS Taiwan Ltd.	SGS Taiwan Ltd.
Data coverage scope	Parent company has completed inventory and assurance; subsidiaries are expected to begin assurance implementation in 2027	Parent company has completed inventory and assurance; subsidiaries are expected to begin assurance implementation in 2027
Assurance criteria	ISO 14064-3:2019	ISO 14064-3:2019
Assurance status description	• Category 1 and Category 2: Reasonable assurance level • Category 3 to Category 6: Limited assurance level	• Category 1 and Category 2: Reasonable assurance level • Category 3 to Category 6: Limited assurance level

Greenhouse Gas Reduction Targets, Strategies, and Concrete Action Plans

State the greenhouse gas reduction base year and its data, reduction targets, strategies, and concrete action plans, and the achievement status of the reduction targets	Cathay Real Estate Development has set phased carbon reduction targets with 2024 as the base year: a 1% reduction by 2026, a 2% reduction by 2028, and a 3% reduction after 2031. The strategy covers green building promotion, energy-saving equipment renewal, waste recycling and reuse, and the digital transformation of buildings; in 2025, multiple concrete actions were completed — including full BIM adoption, trial factory-prefabricated assembly, and the reuse of sales venues — continuing to strengthen sustainability performance across the building's full lifecycle.

7.5 ESG Performance Indicators

This index table references Cathay Real Estate Development's sustainable development strategy and the ESG evaluation jointly promoted by the Taiwan Stock Exchange and the Taipei Exchange, disclosing the Company's ESG performance across items.

Note: For topics such as climate change and greenhouse gas emissions, water resource management, and energy management, see 7.2 Sustainability Accounting Standards Board (SASB) Index Table and 7.3 IFRS S2 Climate-related Disclosures Index Table.

	Topic		Indicator	Disclosure Content	Pages
E: Environment	Waste Management	Waste Management	Total weight of waste over the past 2 years	See "4.2 Persistence II: Construction Site Pollution Prevention." Waste generation volumes for 2024 and 2025 and the handling status of each category have been disclosed.	79
	Natural Ecology and Carbon Sinks	Biodiversity	Biodiversity policy or commitments, and implementation status	See the identification results for nature dependencies and impacts; for related implementation practices, see "4.2 Persistence II: Construction Site Pollution Prevention" and "5.1 Persistence I: Safe Land Selection."	79 87
		Natural Carbon Sinks	Strategies and measures for promoting natural carbon sinks	No natural carbon sink initiatives yet	
	Sustainable Finance	Sustainability Bonds	Status of issuing or investing in sustainability bonds	No issuance of or investment in sustainability bonds yet	

	Topic		Indicator	Disclosure Content	Pages
S: Social	Community Relations and Cultural Development	Community Impact Assessment	Risks or opportunities for communities, corresponding measures adopted, and implementation results	See "6.4 Cornerstone IV: Creating Social Impact."	112
		Support for Cultural Development	Investing resources to support domestic cultural development	See "6.4 Cornerstone IV: Creating Social Impact."	112
	Consumer Rights Protection	Personal Data Protection Policy	Personal data protection policy and implementation status	See "1.2 Blueprint II: Corporate Governance." Personal data protection policies have been established.	31
		Consumer Rights Policy	Consumer or customer rights policy and complaint procedures	See "2.2 Persistence II: Safe and Sustainable Customer Service." Consumer protection policies have been established, with diverse complaint channels in place; average satisfaction across all service stages reached 9.5 points or above.	58
	Employee Rights and Diversity and Inclusion	Marriage- and Childbirth-Friendly Workplace	Workplace environment and measures friendly to marriage, childbearing, or family care, and implementation results	See "6.1 Cornerstone I: A Happy Workplace." Providing friendly measures including parental leave, flexible working hours, lactation rooms, and family care leave, with the reinstatement rate continuously tracked.	93
		Workplace Diversity and Gender Equality	Workplace diversity or gender equality promotion policies, and implementation status	See "6.1 Cornerstone I: A Happy Workplace."	93

	Topic		Indicator	Disclosure Content	Pages
S: Social	Employee Rights and Diversity and Inclusion	Employee Opinion Surveys	Employee opinion surveys, implementation status, and improvement plans	See "6.1 Cornerstone I: A Happy Workplace." Employee satisfaction surveys are conducted regularly, with improvement plans formulated based on the results and outcomes reported to management.	93
		Employee Turnover Rate	Employee turnover rates for the past 2 years (by gender and age)	See "6.1 Cornerstone I: A Happy Workplace." Through diverse employee welfare measures and talent development mechanisms, the Company enhances colleagues' job satisfaction and sense of organizational belonging. In 2025, the number of departures fell to 10, with the turnover rate falling from 14.62% in 2024 to 5.8%.	93

	Topic		Indicator	Disclosure Content	Pages
G: Governance	Board Functions	Nominating Committee	Composition, duties, and operation of the Nominating Committee	See "1.2 Blueprint II: Corporate Governance"; in 2026, the Corporate Sustainable Development Committee was formally restructured into the Corporate Sustainable Development and Nominating Committee.	31
		Board Performance Evaluation	Implementation status and evaluation results of the Board performance evaluation rules	See "1.2 Blueprint II: Corporate Governance." The Board performance evaluation rules have been approved by the Board, and the evaluation has been completed and results disclosed in accordance with the rules.	31
	Sustainability Governance and Information Disclosure	Executive Compensation ESG Linkage	Policy linking senior manager compensation to ESG-related performance evaluation	See "1.2 Blueprint II: Corporate Governance." The mechanism linking senior manager compensation to sustainability performance evaluation has been disclosed, with sustainability performance incorporated into overall performance considerations.	31

7.6 Accountant Assurance Item Index

No.	Page	Corresponding Chapter Title	Assurance Subject Matter and Applicable Criteria
1	61	2.2 Persistence II: Safe and Sustainable Customer Service	**Customer Satisfaction Surveys** In 2025, after providing sales, customer modification, handover, and after-sales services, Cathay Real Estate Development averaged the summed scores completed by customers on a scale from "very satisfied" to "very dissatisfied."
2	73	3.2 Commitment II: Working Safely Environment	**2025 procurement ratios by supplier category** Based on Cathay Real Estate's supplier list, identify domestic and foreign suppliers, and calculate the procurement ratio for each supplier category.
3	75	3.2 Commitment II: Working Safely Environment	**Number of construction works contracted to San Ching Engineering in 2025** Number of construction projects undertaken by San Ching Engineering for Cathay Real Estate; amount of construction projects undertaken by San Ching Engineering divided by total construction project amount.
4	107	6.2 Cornerstone II: Employee Health and Safety	**Cathay Real Estate Group 2025 Employee Occupational Injury Statistics** The human resources systems of Cathay Real Estate Development and its affiliated enterprises calculate the absentee rate as total employee days absent (including occupational injury leave, sick leave, and menstrual leave) divided by total scheduled workdays, expressed as a percentage; and calculate the respective rates by dividing the number of occupational injuries, the number of occupational injury fatalities, lost workdays due to injury, and the number of serious work injury incidents by total working hours.
	70	3.2 Commitment II: Working Safely Environment	**2025 Cathay Real Estate Construction Contractor Occupational Injuries** Construction contractors' human resource systems or occupational accident statistical reporting data for Cathay Real Estate; the absenteeism rate is calculated as a percentage by dividing the total number of employee absence days by the total required working days. and calculate various ratios by dividing the number of occupational injuries, occupational fatalities, lost workdays due to injuries, and number of serious injuries by total working hours.
5	85	4.3 Commitment III: Circular and Renewable Architecture	**2025 Green Building Certification Status** Based on the number of construction projects for which Cathay Real Estate has obtained green building candidate certificates or labels.
6	96~97	6.1 Cornerstone I: A Happy Workplace	**2025 New Hire and Departure Statistics** Based on the new hire and turnover roster of Cathay Real Estate and its affiliated companies; calculate the percentage by dividing the number of new hires and departures by the total number of employees at the end of the year.
7	101	6.1 Cornerstone I: A Happy Workplace	**2025 Applications for Unpaid Parental Leave** Calculate the return-to-work and retention rates based on the parental leave and reinstatement roster of Cathay Real Estate and its affiliated companies.。
8	98	6.1 Cornerstone I: A Happy Workplace	**Average annual salary of employees not holding managerial positions** Based on the average salary of all employees of Cathay Real Estate, excluding those in managerial positions.
9	111	6.3 Pillar III: Energy and Resource Management	**Water use, annual water use growth rate, and water intensity** Review water bill receipts for each month to calculate total water consumption and year-over-year increase in water consumption, and calculate water intensity based on the proportion of employees at Cathay Real Estate and its related enterprises.

No.	Page	Corresponding Chapter Title	Assurance Subject Matter and Applicable Criteria
10	126	7.2 Sustainability Accounting Standards Board (SASB) Index Table	**Water use data coverage rate** The water data coverage rate is calculated based on the total floor area of operating locations provided by Cathay Real Estate Development and its affiliated enterprises, and the floor area within each operating location for which water information is obtainable.
11	113	6.4 Cornerstone IV: Creating Social Impact	**Cathay Real Estate Development charitable activity statistics; activities co-organized with the Cathay charitable group** Review statistical data of public welfare activities recorded in accounts, work reports and account balance sheets and ledgers of the Cathay Real Estate Foundation.
12	100~101	6.1 Cornerstone I: A Happy Workplace	**2025 Employee Benefit Expenditure** Reviewing the recorded employee benefit expenditure statistics and, per the 2025 financial statements, calculating employee benefit expenditure as a percentage of total revenue.
13	102	6.1 Cornerstone I: A Happy Workplace	**2025 Education and Training Hours Statistics** Review training hours reports, participant numbers, and hour statistics to calculate average training hours for managers and employees.
14	81	4.2 Commitment II: Pollution Prevention at Construction Sites	**Waste Statistics** Based on the statistical data of mixed earthwork or construction waste and domestic waste from each construction site of Cathay Real Estate, calculate the average monthly production of waste and domestic waste.
15	98	6.1 Cornerstone I: A Happy Workplace	**2025 ratio of the Company's highest individual compensation to the median annual total compensation of all other employees** Based on the highest individual employee compensation and the annual total compensation of other employees at Cathay Real Estate, calculate the median ratio and year-over-year increase of annual total compensation.
16	126	7.2 Sustainability Accounting Standards Board (SASB) Index Table	**Energy use data coverage rate** The energy data coverage rate is calculated based on the total floor area of operating locations provided by Cathay Real Estate Development and its affiliated enterprises, and the floor area within each operating location for which energy information is obtainable.
17	108	6.3 Cornerstone III: Energy and Resource Management	**Energy consumption, annual growth rate, and grid electricity percentage** Reviewing monthly energy documentation to recompute total energy consumption, the grid electricity percentage, and the equivalent percentage change in energy consumption.

7.7 Independent Assurance Statement

Accountant's Assurance Report

EY安永
安永聯合會計師事務所
11012 台北市信義區基隆路一段333號9樓
9F, No. 333, Sec. 1, Keelung Road, Xinyi District, Taipei City 11012, Taiwan, R.O.C.
Tel: 886 2 2757 8888
Fax: 886 2 2757 6050
ey.com/zh_tw

會計師有限確信報告

國泰建設股份有限公司　公鑒

確信範圍

本會計師接受國泰建設股份有限公司(以下簡稱國泰建設)之委任，對2025年度永續報告書中所選定之永續績效資訊 (以下稱「標的資訊」)，執行財團法人中華民國會計研究發展基金會所發布之確信準則所定義之「有限確信案件」並出具報告。

標的資訊及其適用基準

有關國泰建設之標的資訊及其適用基準詳列於附件一。

管理階層之責任

國泰建設管理階層之責任係依據臺灣證券交易所「上市公司編製與申報永續報告書作業辦法」/財團法人中華民國證券櫃檯買賣中心「上櫃公司編製與申報永續報告書作業辦法」之規定，以及參考適當之基準編製標的資訊，包括參考全球永續性報告協會(Global Reporting Initiatives, GRI)所發布之2021年GRI 準則(GRI Standards)，國泰建設管理階層應選擇所適用之基準，並對標的資訊在所有重大方面是否依據該適用基準報導負責，此責任包括建立及維持與標的資訊編製有關之內部控制、維持適當之記錄並作成相關之估計，以確保標的資訊未存有導因於舞弊或錯誤之重大不實表達。

本會計師之責任

本會計師之責任係依據所取得之證據對標的資訊作成結論。

本會計師依照財團法人中華民國會計研究發展基金會所發布之確信準則3000號「非屬歷史性財務資訊查核或核閱之確信案件」之要求規劃並執行有限確信工作，以對標的資訊是否存有重大不實表達出具有限確信報告。本會計師依據專業判斷，包括對導因於舞弊或錯誤之重大不實表達風險之評估，以決定確信程序之性質、時間及範圍。

本會計師相信已取得足夠及適切之證據，以作為表示有限確信結論之基礎。

EY安永

會計師之獨立性及品質管理

本會計師及所隸屬組織遵循會計師職業道德規範中有關獨立性及其他道德規範之規定，該規範之基本原則為正直、公正客觀、專業能力及專業上應有之注意、保密及專業行為。

本事務所遵循品質管理準則1號「會計師事務所之品質管理」，該品質管理準則規定組織設計、付諸實行及執行品質管理制度，包含與遵循職業道德規範、專業準則及適用之法令規範相關之政策或程序。

所執行程序之說明

有限確信案件中執行程序之性質及時間與適用於合理確信案件不同，其範圍亦較小，因此，有限確信案件中取得之確信程度明顯低於合理確信案件中取得者。本會計師所設計之程序係為取得有限確信並據此作成結論，並不提供合理確信必要之所有證據。

儘管本會計師於決定確信程序之性質及範圍時曾考量國泰建設內部控制之有效性，惟本確信案件並非對國泰建設內部控制之有效性表示意見。本會計師所執行之程序不包括測試控制或執行與檢查資訊科技(IT)系統內資料之彙總或計算相關之程序。

有限確信案件包括進行查詢，主要係對負責編製標的資訊及相關資訊之人員進行查詢，並應用分析及其他適當程序。

本會計師所執行之程序包括：

- 與國泰建設人員進行訪談，以瞭解國泰建設之業務與履行永續發展之整體情況，以及永續報導流程；
- 透過訪談、檢查相關文件，以瞭解國泰建設之主要利害關係人及利害關係人之期望與需求、雙方具體之溝通管道，以及國泰建設如何回應該等期望與需求；
- 與國泰建設攸關人員進行訪談，以瞭解用以蒐集、整理及報導標的資訊之相關流程；
- 檢查計算標準是否已依據適用基準中概述的方法正確應用；
- 針對報告中所選定之永續績效資訊進行分析性程序；蒐集並評估其他支持證據資料及所取得之管理階層聲明；如必要時，則抽選樣本進行測試；
- 針對來源資訊之相關文件，抽選樣本進行測試以檢查其正確性；
- 閱讀國泰建設之永續報告書，確認其與本會計師取得關於永續發展整體履行情況之瞭解一致。

EY安永

先天限制

因永續報告中所包含之非財務資訊受到衡量不確定性之影響，選擇不同的衡量方式，可能導致績效衡量上之重大差異，且由於確信工作係採抽樣方式進行，任何內部控制均受有先天限制，故未必能查出所有業已存在之重大不實表達，無論是導因於舞弊或錯誤。

結論

依據所執行之程序及所取得之證據，本會計師未發現標的資訊有未依照適用基準編製而須作重大修正之情事。

安永聯合會計師事務所

會計師：徐榮煌

民國一一五年七月二十四日

GHG Verification Opinion Statement

意見書編號 TW26/00197GG

SGS

溫室氣體查驗意見書

2025 年溫室氣體排放資訊

國泰建設股份有限公司

臺北市大安區敦化南路二段 218 號 2 樓

經本公司依據 ISO 14064-3:2019 完成查驗，提出經修改之查驗意見，其符合下列標準要求

WBCSD/WRI Greenhouse Gas (GHG) Protocol

直接溫室氣體排放量
413.6184 公噸二氧化碳當量
能源間接溫室氣體排放量
987.7673 公噸二氧化碳當量
其他間接溫室氣體排放量
234.0459 公噸二氧化碳當量
直接與間接溫室氣體總排放量
1,635.432 公噸二氧化碳當量
簽署人

鮑柏宇
管理與保證事業群副總裁
日期: 2026年05月22日
版次:1

TGP56B-15-2 2601
台灣檢驗科技股份有限公司
248016 新北市五股區(新北產業園區)五工路 136 之 1 號
t (02) 22993279 f (02)22999453 www.sgs.com

GHG INVENTORY VERIFICATION ISO 14064-1 SGS

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Opinion TW26/00197GG

SGS

Greenhouse Gas Verification Opinion

The inventory of Greenhouse Gas emissions in year 2025 of

CATHAY REAL ESTATE

2F, NO.218, SEC. 2, DUNHUA S RD., DA-AN DIST., TAIPEI CITY 106, TAIWAN (R.O.C.)

has been verified in accordance with ISO 14064-3:2019 as meeting the requirements of

WBCSD/WRI Greenhouse Gas (GHG) Protocol

Opinion Type: Modified

Direct emissions
413.6184 tonnes of CO_2e
Energy Indirect emissions
987.7673 tonnes of CO_2e
Other Indirect emissions
234.0459 tonnes of CO_2e
Direct emissions and indirect emissions
1,635.432 tonnes of CO_2e

Authorized by

Stephen Pao
Business Assurance Director
Date: 22 May 2026
Version 1

TGP56B-15-2 2601
SGS Taiwan Ltd.
No. 136-1, Wu Kung Road, New Taipei Industrial Park,
Wu Ku District, New Taipei City 248016, Taiwan
t (02) 22993279 f (02)22999453 www.sgs.com

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This Opinion is not valid without the full verification scope, objectives, criteria and findings available on the Opinion.

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國泰建設
Cathay Real Estate