

# SYSTEX

TSE : 6214



## 2024 ANNUAL REPORT

Taiwan Stock Exchange Market Observation Post System : <https://mops.twse.com.tw>

SYSTEX annual report is available at [https://tw.systex.com/investors\\_reports](https://tw.systex.com/investors_reports)

Printed on April 28, 2025

# The Information of Company

## 1.Spokesperson & Deputy Spokesperson

### Spokesperson

Name: Chung, Chih-Chun

Title: CFO & Senior Vice President, Corporate Governance Officer

Tel: 886 -2-77201888

E-mail: larryc@system.com

### Deputy Spokesperson

Name: Cheng, Yuan-Yih

Title: Accounting Manager

Tel: 886-2-77201888

E-mail: eponc@system.com

## 2.Headquarters, Branches and Plant

Headquarters: No.318, Rueiguang Rd., Neihu District, Taipei City, Taiwan, R.O.C

Tel: 886-2- 77201888

Fuxing Branch: 12&13F. No.99, Guangfu N. Rd., Songshan Dist., Taipei City, Taiwan, R.O.C

Tel: 886-2- 25149191

Hsinchu Branch: 3F.-2, No.295, Sec. 2, Guangfu Rd., East Dist., Hsinchu City, Taiwan, R.O.C

Tel: 886-3- 5723322

Taichung Branch: 8F.-1, No.660, Sec. 3, Taiwan Blvd., Xitun Dist., Taichung City, Taiwan, R.O.C

Tel: 886-4-24529698

Kaohsiung Branch: 3F., No. 25, Chenggong 2nd Rd., Qianzhen Dist., Kaohsiung City, Taiwan , R.O.C

Tel: 886-7-537-9288

## 3.Shares Transfer Agent

Yuanta Securities Registrar and Transfer Agency Department

Address: B1, No. 67, Sec. 2, Dunhua S. Rd., Da'an Dist., Taipei City 106, Taiwan, R.O.C.

Website: <https://www.yuanta.com.tw>

Tel: 886-2-25865859

## 4.Auditors

Deloitte & Touche Accounting Firm

Auditors: Shue, Shiow-Ming; Huang,Hui-Min

Address: 20F., No. 100, Songren Rd., Xinyi Dist., Taipei City 110, Taiwan, R.O.C.

Website: <https://www.deloitte.com.tw>

Tel: 886-2-27259988

## 5.Overseas Securities Exchange: None.

## 6.Company Website: <https://www.system.com>

# Contents

I. Letter to Shareholders .....	1
II. Corporate Governance .....	4
2.1 Directors and Management Team .....	4
2.2 Remuneration of Directors and Management Team .....	16
2.3 Implementation of Corporate Governance .....	22
2.4 Information Regarding the Company's Audit Fee .....	61
2.5 Information Regarding the Replacement of CPA .....	62
2.6 Audit Independence .....	62
2.7 Changes in Shareholding of Directors, Managers and Major Shareholders .....	63
2.8 Relationship among the Top Ten Shareholders .....	65
2.9 Ownership of Shares in Affiliated Enterprises .....	66
III. Capital Overview .....	67
3.1 Capital and Shares .....	67
3.2 Corporate Bonds .....	72
3.3 Preferred share .....	72
3.4 Global Depository Receipts .....	72
3.5 Employee Stock Options .....	72
3.6 Issuance of New Restricted Employee Shares .....	73
3.7 Status of New Shares Issuance in Connection with Mergers and Acquisitions .....	77
3.8 Financing Plans and Implementation .....	77
IV. Operation Highlights .....	78
4.1 Business Activities .....	78
4.2 Market, Production and Sales Outlook .....	92
4.3 Human Resources .....	100
4.4 Information on Environmental Protection Costs .....	100
4.5 Labor Relations .....	101
4.6 Cyber security management .....	105
4.7 Material Contracts .....	107
V. Review of Financial Conditions, Operating Results, and Risk Management .....	108
5.1 Analysis of Financial Status .....	108
5.2 Analysis of Operating Results .....	109
5.3 Analysis of Cash Flow .....	110
5.4 Major Capital Expenditure Items .....	111
5.5 Investment Policy in the Last Year, Main Causes for Profits or Losses, Improvement Plans and Investment Plans for the Coming Year .....	111
5.6 Analysis of Risk Management .....	113
5.7 Other Major Risks .....	119
VI. Special Disclosure .....	120
6.1 Summary of Affiliated Companies .....	120
6.2 Private Placement Securities in the Most Recent Years .....	134
6.3 Other Necessary Supplement .....	134
6.4 Any Events in 2024 and as of the Date of this Annual Report that Had Significant Impacts on Shareholders' Right or Security Prices as Stated in Item 3 Paragraph 2 of Article 36 of Securities and Exchange Law of Taiwan .....	134

# I. Letter to Shareholders

---

Dear Shareholders,

## I. Foreword

In 2024, the emergence of generative AI led to explosive corporate transformations, thoroughly overturning traditional operation models. SYSTEX Corporation (SYSTEX) is also taking fast action in response to new technology trends, including promoting within the Group the research and development of related applications in corporate scenarios, integrating AI into software based on the Group's existing well-developed data analysis technology, and introducing operational strategies for applications in a wide range of industries. Through these measures, SYSTEX is aiming to increase the proportion of revenue generated from services.

## II. Summary of 2024 Operational Outcomes

In 2024, SYSTEX achieved an operating revenue of NT\$ (same below) 11,982,990 thousand, a 13.55% increase from 2023. Our net income after taxes in 2024 was \$1,957,431 thousand. The consolidated revenue in 2024 was \$38,950,642 thousand, an increase of 10.70% from 2023. The consolidated net income after taxes in 2024 (excluding non-controlling equities) was \$1,957,431 thousand and earnings per share reached \$7.66. Revenue has reached record highs for nine consecutive years.

## III. Focus of 2024 Business Operations and Services

### ■ Five new service types to optimize profitability

In 2024, our operational focus was on providing five key services: corporate cloud services, data services, cybersecurity services, software development services, and maintenance and operation services. We actively promoted corporate subscription-based solutions to optimize profitability and continually enhance service revenue. For example, in cybersecurity services, we expanded our connections with ecosystem partners and integrated resources in order to meet the diverse cybersecurity requirements of enterprises, thereby responding to the increasingly challenging information security environment. We have also integrated cloud and data technologies and provided software development services and maintenance services, in order to help build applications for smart government and smart city. In this way, we have helped create more convenient and beneficial living environments by contributing to areas like disaster prevention, social welfare, land administration, and transportation. We have also gradually increased the proportion of services income in our revenues.

### ■ Accelerating corporate applications of AIGC and expanding applications in a wide range of industries

Regarding the artificial intelligence generated content (AIGC) issue, we have actively developed application solutions using generative AI technology. Centered around data, driven by software, and utilizing AI algorithms, these solutions are ultimately implemented in corporate operational scenarios, progressing from "Enabling SI" to "Empowering AI," enhancing end-to-end user experiences. Through the Group's internal AI Task Force, we have continued to develop various types of APIs and AI application interfaces internally, and have encouraged colleagues in technical sectors to improve their use of AI. These measures help customers from all sectors in implementing AI in their operational scenarios.

### ■ Cultivate key talent and provide employees with a platform for growth

# I. Letter to Shareholders

---

We have continued to create a good working environment for our employees, encouraging them to participate in exercise and endeavoring to strike a good work-life balance. We have also established a culture of learning. We invest in employee training by designing personal learning paths for employees based on our internal organization, so that they can learn about new technologies and applications. This enables employees to enhance their skills and improve their personal capabilities. We also integrate cross-domain learning in our ecosystem, in order to encourage co-learning and co-creation as well as maximize value.

## IV. Intensified and Accelerated Interactions Between the External Globalized Environment and Macroeconomic Trends as Well as the Related Effects of Regulations and Policies

The international community still had to face a variety of geopolitical conflicts and multilateral tensions in 2024, which will continue to evolve and affect the economic situation in 2025. These include the new tariffs and border policies of the Trump administration in the United States, which will drive changes in the market deployment of companies around the world. In addition, cybersecurity issues have become more challenging to enterprises due to the development of new technologies. Information security is now a major problem that national governments and corporations must take seriously. But crises can also bring business opportunities. In terms of the technology, generative AI has seen rapid developments. The best growth opportunity for Taiwan's IT services industry will come from using software technology to connect a wide variety of data on heterogeneous platforms, in order to provide accurate and effective AI training and contribute to customers' global deployment strategies for new markets.

## V. 2025 Operational Plan

### ■ Expand investment in AI

SYSTEX will boost AI investment, infrastructure, and development, including expanding horizontal alliances to establish an "AI ecosystem" and deepening the vertical expansion of the company's "Ai4iA" for industry applications. This will benefit the tangible realization of industry application scenarios and create business opportunities for a wide range of industries in AI application services. We will also find new ways to internally integrate our technology, talent, marketing, and international collaborative capabilities to become an AI organization that is active in the whole region. Our goals are to develop an independent and innovative AI platform, to be able to set prices for AI services, and to become the information service company that understands AI best.

### ■ Expand into international markets

We will promote our regional development and offer "global IT services." We will focus on the Southeast Asian and Japanese markets in addition to serving Taiwanese companies, Mainland Chinese companies, and Hong Kong companies, so that all enterprises in the region can receive our services. At first, we will start with value-added distributor (VAD) services, seeking partnerships as a regional agent and aiming to gradually build up the scale of operations. Then we will further expand our services to include our own products, joining with

## I. Letter to Shareholders

---

the strengths of our local partners to maximize the benefits of collaboration. Currently, we have established a branch location in Vietnam, and we use our Singapore location as our Southeast Asian operational headquarters. This helps us find more local service opportunities.

### ■ Deepen the offering of new services

We will leverage our technological advantages in this new economy to create differentiated value-added services, thereby enhancing our ability to set prices for our services as well as increase gross profit margins. This new service-oriented positioning, in which applications are innovatively brought to reality in corporate settings, will help us price our services in a way that will maximize profitability. Furthermore, by combining new technologies with AI, SYSTEX will become an AI agent company that understands AI best. This is a great direction and opportunity for creating future growth.

### ■ Promote IPOs of subsidiaries

We will promote the public listing of Group subsidiaries so that high-potential businesses can contribute greater value to the Group, as well as provide employees with a stronger foundation for growth. This, in turn, will encourage the retention, recruitment, and attraction of talent. SYSTEX Fintech Corporation completed its listing on the over-the-counter market on February 12, 2025. In the future, we will continue to promote listing by subsidiaries with outstanding performance.

## VI. Future Development Strategy

SYSTEX has positioned itself as “a Data Software company,” and is pursuing a 10 year growth plan based on this foundation. SYSTEX has set five major investment directions and business priorities for 2025: AI, go global, new type of services, JAMAL, and IPOs of subsidiaries. With the advantage of many years of experience in system integration services and cross-platform heterogeneous platform data integration, SYSTEX has independently developed many world-class and innovative products and services, and is aiming to create unique value and establish the ability to price its services accordingly. Furthermore, we will also expand our deployments in the Asian market, build connections with ecosystem partners to pursue greater business opportunities, and promote IPOs by Group subsidiaries. These measures will help us explore more opportunities for SYSTEX to find greater value in the company and in the market, and ensure that SYSTEX will maintain its leading position.

Chairman and President Lin, Lung-Fen

## II. Corporate Governance

### 2.1 Directors and Management Team

#### 2.1.1 Directors

As of March 30, 2025

Title/Name (Note1)	Nationality / Country of Origin	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangemen		Experience (Education)	Other Position (Note 2)	Executives, Directors who are spouses or within two degrees of kinship			Remark(s)
						Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Chairman / Lin, Lung-Fen	R. O. C.	Male 56~65	May 26, 2022	3	March 28, 2002	1,324,762	0.49	1,607,369	0.59	263	-	-	-	EMBA, CEIBS Master's degree in Computer Science, University of the Pacific	Note 4	-	-	-	Note 3
Director/ Cheng, Deng-Yuan	R. O. C.	Male 66~75	May 26, 2022	3	March 28, 2002	153,152	0.06	145,354	0.05	-	-	-	-	EMBA, Fudan University Fu Jen University, Dept. of Accounting	Note 5	-	-	-	-
Director/ Huang, Ting-Rong	R. O. C.	Female 50 under	May 26, 2022	3	June 17, 2016	242,152	0.09	242,152	0.09	-	-	-	-	MBA, Waseda University	Note 6	Director	Huang, Chi-Rong	two degree	-
Director/ Huang, Chi-Rong	R. O. C.	Female 50 under	May 26, 2022	3	June 17, 2016	633,780	0.24	633,780	0.23	-	-	-	-	Wharton School of the University of Pennsylvania, Dept. of Economics	Note 7	Director	Huang, Ting-Rong	two degree	-
Director/ Lu, Ta-Wei	R. O. C.	Male 56~65	May 26, 2022	3	June 13, 2007	415,656	0.15	415,656	0.15	-	-	-	-	Tunghai University, Dept. of Chemistry	Note 8	-	-	-	-
Director/ Shaw, Shung-Ho	R. O. C.	Male 66~75	May 26, 2022	3	March 28, 2002	1,027,475	0.38	1,096,475	0.40	229,201	0.08	-	-	MBA, National Chengchi University	Note 9	-	-	-	-
Director/ Hsieh, Chin-Ho	R. O. C.	Male 56~65	May 26, 2022	3	June 18, 2010	20,000	0.01	20,000	0.01	-	-	-	-	Master Degree in Graduate of East Asian Studies, National Chengchi University	Note 10	-	-	-	-
Independent Director/ Cheng, Wen-Feng	R. O. C.	Male 66~75	May 26, 2022	3	June 21, 2013	-	-	-	-	845	-	-	-	Master Degree in Chemical Engineering, National Tsing Hua University	Note 11	-	-	-	-

## II. Corporate Governance

As of March 30, 2025

Title/Name (Note 1)	Nationality / Country of Origin	Gender Age	Date Elected	Term (Years)	Date First Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangemen		Experience (Education)	Other Position (Note 2)	Executives, Directors who are spouses or within two degrees of kinship			Remark(s)
						Shares	%	Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Independent Director/ Lai, Chien-Hua	R. O. C.	Male 56~65	May 26, 2022	3	June 13, 2019	-	-	-	-	-	-	-	-	Feng Chia University, Dept. of Business Administration	Note 12	-	-	-	-
Independent Director/ Huang, Ta-Lun	R. O. C.	Male 56~65	May 26, 2022	3	May 26, 2022	-	-	-	-	-	-	-	-	Master Degree in University of Michigan Ann Arbor	Note13	-	-	-	-

Note 1: Institutional representatives shall indicate the names of the institutional shareholders and fill in the information specified in Table 1 below.

Note 2: Concurrent positions as of the date of publication of the annual report.

Note 3: Where the Chairman of the Board of Directors and the President or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto:

The chairman of the company also serves as the general manager, in order to improve operating efficiency and decision-making execution. The chairman of the board of directors also closely communicates with the directors on the company's current operating conditions and planning guidelines in order to implement corporate governance.

The measures adopted in response thereto:

(1) The current four independent directors are specialized financial and accounting affairs, leadership, operation, investing management respectively, possess academic and industrial knowledge and international market perspective, and can effectively perform their supervisory functions.

(2) More than half of the directors of the company do not concurrently serve as employees or managers.

(3) The audit committee and remuneration committee of the company are composed of three independent directors. Independent directors can fully discuss and put forward suggestions in each functional committee for the reference of the board of directors to implement corporate governance.



## II. Corporate Governance

Note 4: President of SYSEX Corp.

Chairman, Ching Pu Investment Corp., Golden Bridge Information Corp., Syslink Corp., Systex Software & Service Corp., Smartsys Technology Corp. and Syswiser Technology Corp.

Director, Syscore Corp., Syslong Corp., SoftMobile Technology Corp., Systex Solutions Corp., Syspower Corp., Naturint Ltd., Kimo.com (BVI) Corp., Systex Capital Group, Inc. and Systex Solutions (HK) Ltd.

Note5: Director, Genesis Technology, Inc., Systex Information (H.K.) Ltd., Rainbow Tech Information (HK)

Limited, Shenzhen Sunlight Technology Co., Ltd.

Supervisor, Suntex Technology (Shenzhen) Co., Ltd.

Note 6: Executive Director, Asiavest Capital Co., Ltd.

Director, Joway Investment Co., Ltd. and Joray Co., Ltd.

Note 7: Executive Director, Asiavest Capital Co., Ltd.

Director, Joway Investment Co., Ltd., Joray Co., Ltd. and Taiwan Hopax Chems. Mfg. Co., Ltd.

Note 8: Chairman, Firstweb Limited

Note 9: Chairman, Liang Hsin Finance Corp.

Director, Scientech Corp.

Note 10: Chairman, Wealth Media Corp., Investment Media Ltd., Genetinfo Inc., Wealth Magazine Co., Ltd., Business

Today Publisher and Business Today Co., Ltd.

Director, Cashbox Partyworld Co., Ltd. and Business Today Marketing Corp. and Diancan Art & Collection Ltd.

Note 11: Independent Director, Chipbond Technology Corp.

Note 12: Consultant, Jades Integrate Co., Ltd.

Note 13: Chairman, GCS Holdings, Inc. and GCS Device Technologies, Co., Ltd.

Director, Parade Technologies, Ltd.

Table1- Major shareholders of the institutional shareholders

As of March 30 2025

Name	Major Shareholders
None	

## II. Corporate Governance

### A. Disclosure of Information Regarding the Professional Qualifications and Experience of Directors and the Independence of Independent Directors

As of March 30, 2025

<div>Criteria</div> <div>Name</div>	Professional qualifications and experience (Note 1)	Independence analysis (Note 2)	No. of other public companies at which the person concurrently serves as an independent director
Lin, Lung-Fen	He has been the chairman of the company since December 2020, and has been the President since 2009. He has led SYSTEX and its subsidiaries to make steady progress, continue to carry out strategic acquisitions, mergers and integrations, and strengthen the professional energy of SYSTEX ecological integration. Build a complete service network across the Mainland, Taiwan and Hong Kong, with excellent operating performance.	(1) The President of SYSTEX. (2) The Director of SYSTEX's Subsidiaries. (3) He and spouse are holding 1,607,632 shares (0.59%) of SYSTEX. (4) Except for the above, the others still maintain independence in Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	0
Cheng, Deng-Yuan	In 2000, he joined the company as the chief financial officer, during which he promoted the company's OTC listing and major merger and acquisition cases. He has been appointed Chief of Staff since January 2009 until February, 2024 was in charge of China market operations.	(1) The Director of SYSTEX's Subsidiaries. (2) He is holding 145,354 shares (0.05%) of SYSTEX. (3) Except for the above, the others still maintain independence in Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	0
Huang, Ting-Rong	She has practical experience in business management and financial accounting affairs. She has been the independent director of Chipbond Technology Corp.	(1) She relatives within the second degree of kinship with Huang, Chi-Rong. (2) She is holding 242,152 shares (0.09%) of SYSTEX (3) Except for the above, the others still maintain independence in Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	0

## II. Corporate Governance

<div>Criteria</div> <div>Name</div>	Professional qualifications and experience(Note 1)	Independence analysis (Note 2)	No. of other public companies at which the person concurrently serves as an independent director
Huang, Chi-Rong	She has practical experience in business management and financial accounting affairs.	(1) She relatives within the second degree of kinship with Huang, Ting-Rong. (2) She is holding 633,780 shares (0.23%) of SYSTEX. (3) Except for the above, the others still maintain independence in Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	0
Lu, Ta-Wei	He has extensive practical experience in the IT industry.	He is holding 415,656 shares (0.15%) of SYSTEX's shares, The rest still meet the independence conditions stipulated in Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	0
Shaw, Shung-Ho	He has extensive practical experience in business management, investment and mergers and acquisitions. He has been the director of ALi Corp.	Except for himself and his spouse holding a total of 1,325,676 shares (0.49%) of SYSTEX's shares, The rest still meet the independence conditions stipulated in Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	0
Hsieh, Chin-Ho	He has extensive practical experience in investment trend exploration, industry dynamics and cross-strait relations.	He is holding 20,000 shares (0.01%) of SYSTEX's shares, The rest still meet the independence conditions stipulated in Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	0
Cheng, Wen-Feng	From May 1999 to September 2021, he served as the chairman and general manager of the listed company Boardtek Electronics Corp., and served as an independent director of Chipbond Technology Corp. and a director of Sandia Medical Technology Group, Possess professional skills in operational judgment, business management, leadership decision-making, and crisis management.	All meet the independence conditions stipulated in Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	1

## II. Corporate Governance

<div>Criteria</div> <div>Name</div>	Professional qualifications and experience(Note 1)	Independence analysis (Note 2)	No. of other public companies at which the person concurrently serves as an independent director
Lai, Chien-Hua	He served as the CFO of the company from August 2008 to May 2014. He has extensive practical experience in the IT industry and financial and accounting affairs, and is familiar with the company's business financial status and internal control system and to provide advice.	All meet the independence conditions stipulated in Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	0
Huang, Ta-Lun	He is the chairman of GCS Holdings, Inc., and the independent directors of Egis Technology Inc. and ALi Corp. Possess professional skills in operational judgment, business management, leadership decision-making, and crisis management.	All meet the independence conditions stipulated in Article 3 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".	0

Note 1: The Experience (Education) and other position of each Director, please referred page 4~6.

Every Director has not been a person of any conditions defined in Article 30 of the Company Law.

Note 2: Independence analysis is according to Article 3 of "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies".

## II. Corporate Governance

---

### B. Diversity and Independence of the Board of Directors:

On March 19, 2015, the board of directors of the company passed the "Corporate Governance Best Practice Principles", and set out a diversity policy in Chapter 3 "Enhancing the Functions of the Board of Directors".

The nomination and selection of members of the board of directors follows the provisions of the company's "Articles of Incorporation", adopts the candidate nomination system, and follows the "Rules for Election of Directors" and "Corporate Governance Best Practice Principles" to ensure the diversity and independence of the board members.

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

The specific management objectives are as follows:

- a. The Company's Board of Directors emphasizes gender equality among its members, and the ratio of female directors should reach one-third of the board seats.
- b. Board members should generally possess the knowledge, skills and qualities necessary to perform their duties. In order to achieve the ideal goal of corporate governance, the board of directors as a whole should possess the following capabilities: (1) operational judgment, (2) accounting and financial analysis capabilities, (3) business management capabilities, (4) crisis management capabilities, (5) industry knowledge, (6) international market perspectives, (7) leadership capabilities, and (8) decision-making capabilities.
- c. The term of office of an independent director should not exceed three consecutive terms.
- d. The number of directors who concurrently serve as company managers shall not exceed one-third of the board seats in order to achieve the purpose of supervision.

The achievement is as follows:

The 10th Board of Directors was re-elected in May 2022, appointing 12 directors, including 10 directors and 3 independent directors. In May 2023, an additional independent director was added. All members of the company's board possess the necessary knowledge, skills, qualifications, and industry decision-making and management abilities required to execute business operations. The company also continuously arranges 6 hours of diverse training courses for board members each year to enhance their decision-making quality and supervisory capabilities, thereby strengthening the functions of the board. In the 10th Board of Directors, the 4 independent directors account for 30.77% of the total board members, demonstrating greater independence than the 9th Board. In September 2024, due to the introduction of strategic partners, there were changes in the board composition, which currently consists of 7 directors and 3 independent directors, totaling 10 members. The board members have diverse experiences and backgrounds in corporate mergers and acquisitions, multinational investments, accounting and financial analysis, operational judgment, and legal expertise, ensuring that the overall composition of the board meets the needs of the company's operational development and strategic goals.

By the end of 2024, There are 10 members of the 10th Board of Directors (including 3 independent directors), except for 2 female members, Ms. Huang, Ting-Rong and Ms. Huang, Chi-Rong, who are good at business management and financial accounting affairs; good at leadership, operational judgment, business management, crisis Those who deal with industry knowledge and international market views include Mr. Lin, Lung-Fen, Mr. Cheng, Deng-Yuan, Mr. Lu, Ta-Wei, Mr. Shaw, Shung-Ho and Mr. Wu, Cheng-Huan; Mr. Hsieh, Chin-Ho, who specializes in domestic and foreign financial affairs; Lin, Chih-Min, who specializes in legal affairs As for the three independent directors including Mr. Lai, Chien-Hua, Mr. Cheng, Wen-Feng, Huang, Ta-Lun and Lu, Hsi-Peng, they are specialized in financial and accounting affairs, leadership, operation, investing management respectively, possess academic and industrial knowledge and international market perspective.

There are 20% of female directors and 10% of director with employee status, two directors are under the age of 50, three directors are 56-65 years old, five directors are 66-75 years old. One of independent director is the term of office less than 3 years, and one independent director is the term of office of is 4~6 years. Although one independent director of the company has served as for more than 9 years. He has extensive practical experience, which is obviously helpful to the company's business planning and decision-making, and continues to be elected as an independent director of the company.

## II. Corporate Governance

### 2.1.2 Management Team

As of March 30, 2025

Title/ Name	Nationality / Country of Origin	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position (Note 1)	Managers who are Spouses or Within two degrees of kinship			Rmark(s)
				Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President/ Lin, Lung-Fen	R.O.C.	Male	2009.10	1,607,369	0.59	263	-	-	-	EMBA, CEIBS Master's degree in Computer Science, University of the Pacific	Note 3	-	-	-	Note 2
CFO, Corporate Governance Officer & Senior Vice President/ Chung, Chih-Chun	R.O.C.	Male	2014.05	94,202	0.03	-	-	-	-	Master's degree in Banking and Finance, Tamkang University	Note 4	-	-	-	-
CHO, CSO & Senior Vice President / Huang, Yu-Jen	R.O.C.	Male	2017.03	75,202	0.03	-	-	-	-	Master's degree in Graduate Institute of Human Resource Management, National Central University	None	-	-	-	-
Chief Legal Officer & Vice President/ Chen, Shih-Chen	R.O.C.	Male	2022.09	-	-	-	-	-	-	LL.M., School of Law, Soochow University	Note 5				
Senior Vice President/ Yang, Shih-Chung	R.O.C.	Male	2007.01	95,427	0.04	-	-	-	-	National Cheng Kung University Dept. of Mathematics	Note 6	-	-	-	-
Senior Vice President/ Su, Kou-Lin	R.O.C.	Male	2005.01	-	-	-	-	-	-	Master's degree in, Environmental Engineering, National Chung Hsing University	None	-	-	-	-
Senior Vice President/ Tao, Yea-Kuan	R.O.C.	Male	2018.01	62,801	0.02	-	-	-	-	Chuan Yuan University, Dept. of Information and Computer Engineering	Note7	-	-	-	-

## II. Corporate Governance

As of March 30, 2025

Title/ Name	Nationality / Country of Origin	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position (Note 1)	Managers who are Spouses or Within two degrees of kinship			Rmark(s)
				Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Senior Vice President/ Chan, Yi-Cheng	R.O.C.	Male	2022.04	75,362	0.03	-	-	-	-	National Taiwan Normal University EMBA	Note 8				
Senior Vice President/ Lin, Cheng-Hsuan	R.O.C.	Male	2022.04	79,081	0.03	-	-	-	-	Soochow University Dept. of Economics	Note 9				
Senior Vice President/ Chen, Kuo-Jen	R.O.C.	Male	2022.07	97,801	0.04	-	-	-	-	Tunghai University Dept. of Computer Science	Note 10	-	-	-	-
Vice President/ Chang, Huang-Yu	R.O.C.	Male	2005.06	95,833	0.04	15,000	0.01	-	-	National Taiwan Normal University EMBA	Note 11	-	-	-	-
Vice President/ Chang, Ying-Chin	R.O.C.	Female	2007.01	5,599	-	-	-	-	-	National Taichun College Dept. of Banking and Insurance	Note 12	-	-	-	-
Vice President/ Pan, Tieh-Yi	R.O.C.	Male	2018.01	69,663	0.03	1,883	-	-	-	Chien Hsin University of Science and Technology Dept. of Electronic Engineering	Note 13	-	-	-	-
Vice President/ Wu, Wen-Shuen	R.O.C.	Male	2018.01	62,801	0.02	-	-	-	-	Master of Business Administration, National Chengchi University	Note 14	-	-	-	-
Vice President/ Chen, Sheng-Ming	R.O.C.	Male	2024.10	-	-	-	-	-	-	Soochow University Dept. of Business Mathematics	None				
Vice President/ Lin, Jen-Shou	R.O.C.	Male	2021.01	47,219	0.02	-	-	-	-	National Chengchi University, EMBA	Note 15				

## II. Corporate Governance

As of March 30, 2025

Title/ Name	Nationality / Country of Origin	Gender	Date Effective	Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Experience (Education)	Other Position (Note 1)	Managers who are Spouses or Within two degrees of kinship			Rmark(s)
				Shares	%	Shares	%	Shares	%			Title	Name	Relation	
Vice President/ Hsieh, Ming-Shu	R.O.C.	Male	2025.01	-	-	-	-	-	-	Master of business administration, Tamkang University	Note 16				
Chief Audit Executive/ Tsai, Chun-Hsiung	R.O.C.	Male	2007.01	41,966	0.02	-	-	-	-	National Taiwan University EMBA	None	-	-	-	-
Accounting Manager/ Cheng, Yuan-Yih	R.O.C.	Male	2008.12	825	-	-	-	-	-	National Chung Hsing University, Dept. of Accounting	Note 17	-	-	-	-



## II. Corporate Governance

---

Note 1: Concurrent positions as of the date of publication of the annual report.

Note 2: Where the Chairman of the Board of Directors and the President or person of an equivalent post (the highest level manager) of a company are the same person, spouses, or relatives within the first degree of kinship, the reason for, reasonableness, necessity thereof, and the measures adopted in response thereto:

The chairman of the company also serves as the general manager, in order to improve operating efficiency and decision-making execution. The chairman of the board of directors also closely communicates with the directors on the company's current operating conditions and planning guidelines in order to implement corporate governance.

The measures adopted in response thereto:

(1) The current four independent directors are specialized in financial and accounting affairs, leadership and operation and investing management, and can effectively perform their supervisory functions.

(2) More than half of the directors of the company do not concurrently serve as employees or managers.

(3) The audit committee and remuneration committee of the company are composed of three independent directors. Independent directors can fully discuss and put forward suggestions in each functional committee for the reference of the board of directors to implement corporate governance.

Note 3: Chairman, SYSTEX Corp.

Chairman, Ching Pu Investment Corp., Golden Bridge Information Corp., Syslink Corp., Systex Software & Service Corp., Smartsys Technology Corp. and Syswiser Technology Corp.

Director, Syscore Corp., Syslong Corp., SoftMobile Technology Corp., Systex Solutions Corp., Syspower Corp., Naturint Ltd., Kimo.com (BVI) Corp., Systex Capital Group, Inc. and Systex Solutions (HK) Ltd.

Note 4: Chairman, Syscore Corp. and Syslong Corp.

Director, Ching Pu Investment Corp., Golden Bridge Information Corp., Systemweb Technologies Co., Ltd., FinRobo Advisor Securities Investment Consulting Co., Ltd., Enova Technology Corp., Kimo.com (BVI) Corp., Systex Capital Group, Inc., Systex Solutions (HK) Ltd. and Gemini Data K.K.

Supervisor, Concord System Management Corp., Taifon Computer Co., Ltd., Systex Solutions Corp., SoftMobile Technology Corp., Naturint Ltd., Syslink Corp., Far Eastern Electronic Toll Collection Corp., Investment Media Ltd., Hanmore Investment Corp. and Systex Fintech Corp.

Note 5: Director, Syslink Corp., Smartsys Technology Corp., Syswiser Technology Corp., Taifon Computer Co., Ltd., Top Information Technologies Co., Ltd. and Dawning Technology Inc.

Independent Director of Hold-Key Electric Wire & Cable Co., Ltd.

Note 6: Chairman, E-service Information Corp., Systex Solutions Corp. and Systex Fintech Corp.

Director, Far Eastern Electronic Toll Collection Corp., Neweb Information Co., Ltd. and Fuco Technology Co., Ltd.

Note 7: Chairman, Top Information Technologies Co., Ltd.

Director, Concord System Management Corp., Syspower Corp., Systemweb Technologies Co., Ltd., and Sanfran Technologies Inc.

Note 8: Chairman, uniXecure Technology Corp., Taiwan Information Service Technology Corp., Docutek Solution, Inc. and Caresys Information, Inc.

Director, Syswiser Technology Corp. and Genesis Technology, Inc.

Note 9: Chairman, Palsys Digital Technology Corp. and Dawning Technology Inc.

Director, Smartsys Technology Corp., Systex Vietnam Company Limited and SystexAsia Pte. Ltd.

Note 10: Chairman, Syspower Corp. and Naturint Ltd.

Director, Palsys Digital Technology Corp. and GenSys Technology (International) Limited

Note 11: Director, Frog-jump Information Co., Ltd.

Note 12: Director, Investment Media Ltd.

Note 13: Director, Systex Fintech Corp. and Da Ho Marketing Co., Ltd.

Note 14: Chairman, SoftMobile Technology Corp.

Director, Naturint Ltd., FinRobo Advisor Securities Investment Consulting Co., Ltd. and Investment Media Ltd.

Note 15: Director, Golden Bridge Information Corp., uniXecure Technology Corp., Systex Software & Service Corp., Concord System Management Corp., Taifon Computer Co., Ltd. and Systex Solutions Corp.

Note 16: Director, SoftMobile Technology Corp., Top Information Technologies Co., Ltd., uniXecure Technology Corp., Dawning Technology Inc., Palsys Digital Technology Corp., Caresys Information, Inc. and Docutek Solution, Inc.

Note 17: Director, Hanmore Investment Corp.

Supervisor, Ching Pu Investment Corp., Golden Bridge Information Corp., Systex Software & Service Corp., Syscore Corp., Syslong Corp., Smartsys Technology Corp., Syswiser Technology Corp., uniXecure Technology

## II. Corporate Governance

---

Corp., Syspower Corp., Top Information Technologies Co., Ltd., E-service Information Corp., Dawning Technology Inc., Taiwan Information Service Technology Corp., Palsys Digital Technology Corp. and Caresys Information, Inc.

## II. Corporate Governance

### 2.2 Remuneration of Directors and Management Team

#### 2.2.1 Remuneration of Directors

Unit: NT\$ thousands As of December 31, 2024

Title	Name	Remuneration								Total Compensation Amount and Ratio of (A+B+C+D) to Net Income (%)		Relevant Remuneration Received by Directors Who are Also Employees								Total Compensation Amount and Ratio of (A+B+C+D+E+F+G) to Net Income (%)		Compensation Paid to Directors from an Invested Company Other than the Company's Subsidiary
		Base Compensation (A) (Note 2)		Severance Pay (B)		Bonus to Directors (C)		Allowances (D)				Salary, Bonuses, and Allowances (E)		Severance Pay (F)		Profit Sharing- Employee Bonus (G) (Note 2)						
		The Company	Consolidated Entities	The Company	Consolidated Entities	The Company	Consolidated Entities	The Company	Consolidated Entities	The Company	Consolidated Entities	The Company	Consolidated Entities	The Company	Consolidated Entities	The Company		Consolidated Entities		The Company	Consolidated Entities	
																Cash	Stock	Cash	Stock			
Chairman	Lin, Lung-Fen	-	-	-	-	24,321	24,321	325	325	24,646 1.26	24,646 1.26	51,274	51,352	5,213	5,213	9,620	-	9,620	-	90,753 4.64	90,831 4.64	-
Director	Cheng, Deng-Yuan																					
Director	Huang, Ting-Rong																					
Director	Huang, Chi-Rong																					
Director	Lu, Ta-Wei																					
Director	Shaw, Shung-Ho																					
Director	Hsieh, Chin-Ho																					
Director	Hanmore Investment Corp. (Note 4)	920	920	-	-	17,688	17,688	360	360	18,968 0.97	18,968 0.97	-	-	-	-	-	-	-	18,968 0.97	18,968 0.97	-	
Director Representative	Lin, Chih-Min (Note 4)																					
Director Representative	Wu, Cheng-Huan (Note 4)																					
Independent Director	Cheng, Wen-Feng	920	920	-	-	17,688	17,688	360	360	18,968 0.97	18,968 0.97	-	-	-	-	-	-	-	-	18,968 0.97	18,968 0.97	-
Independent Director	Lai, Chien-Hua																					
Independent Director	Huang, Ta-Lun																					
Independent Director	Lu, Hsi-Peng (Note 4)																					

1. Please describe the policy, system, standard, and structure of remuneration to independent directors, and the correlation between duties, risk, and time input with the amount of remuneration:

The remuneration to independent directors included bonus, base compensation and allowances. The payment of bonus to directors is in accordance with "Articles of Incorporation." And according to "Procedure for distribution for directors' remuneration", independent directors have different cardinality to distribution bonus.

According to the resolution of the board of directors, independent directors receive fixed base compensation quarterly.

The allowances is charged each time the board of directors or functional committee is attended in person.

Independent directors of the company assume the office of member of Audited committee and remuneration committee to deliberation various matters.

Independent directors are charged with duties, risk, and time input more than general directors.

The four Independent directors are with independence and professionalism. They has given independent options for material matters and played the role of supervision and balance. And they keep the well communication with CPAs and Audit Division to understand the financial status and internal control system of the company.

2. Other than disclosure in the above table, Directors remunerations earned by providing services (i.e. non-employee consulting services) to companies which are listed in financial reports in 2024: None.

Note 1: The amount of remuneration received by Directors shall be determined by the Board of Directors according to the contribution of the individual and extent of involvement in the Company's operations; general

## II. Corporate Governance

remuneration standards within the domestic and international industries are also duly referenced. The personal expenditure of vehicles allocated to Directors was NT\$1,248 thousands, and the annual salary of drivers amounted to NT\$802 thousands.

Note 2: The consolidated net profit after tax in 2024(excluding non-controlling interests) was NT\$1,957,431 thousands

Note 3: The 2024 directors' and employees' remuneration distribution plan is NT\$42,009 thousands and NT\$63,013 thousands had been approved by Borad of Director on 26 February, 2025.

Note 4: Director Hanmao Investment Development Co., Ltd. resigned from two seats on the board of directors on 12 September, 2024 and Independent Director Lu, Hsi-Peng retired on 13 September, 2024.

Range of Remuneration	Name of Directors			
	Total of (A+B+C+D)		Total of (A+B+C+D+E+F+G)	
	The Company	Consolidated Entities	The Company	Consolidated Entities
Under NT\$ 1,000,000	Lin, Chih-Min, Wu, Cheng-Huan	Lin, Chih-Min, Wu, Cheng-Huan	Lin, Chih-Min, Wu, Cheng-Huan	Lin, Chih-Min, Wu, Cheng-Huan
NT\$1,000,000 (included) ~ NT\$2,000,000 (excluded)				
NT\$2,000,000 (included) ~ NT\$3,500,000 (excluded)	Cheng, Deng-Yuan, Huang, Ting-Rong, Huang, Chi-Rong, Hsieh, Chin-Ho, Shaw, Shung-Ho, Lu, Ta-Wei	Cheng, Deng-Yuan, Huang, Ting-Rong, Huang, Chi-Rong Hsieh, Chin-Ho, Shaw, Shung-Ho, Lu, Ta-Wei	Huang, Ting-Rong, Huang, Chi-Rong Hsieh, Chin-Ho, Shaw, Shung-Ho, Lu, Ta-Wei	Huang, Ting-Rong, Huang, Chi-Rong Hsieh, Chin-Ho, Shaw, Shung-Ho, Lu, Ta-Wei.
NT\$3,500,000 (included) ~ NT\$5,000,000 (excluded)	Cheng, Wen-Feng, Lai, Chien-Hua, Huang, Ta-Lun, Lu, Hsi-Peng Hanmore Investment Corp.	Cheng, Wen-Feng, Lai, Chien-Hua, Huang, Ta-Lun, Lu, Hsi-Peng Hanmore Investment Corp.	Cheng, Wen-Feng, Lai, Chien-Hua, Huang, Ta-Lun, Lu, Hsi-Peng Hanmore Investment Corp.	Cheng, Wen-Feng, Lai, Chien-Hua, Huang, Ta-Lun, Lu, Hsi-Peng Hanmore Investment Corp.
NT\$5,000,000 (included) ~ NT\$10,000,000 (excluded)	Lin, Lung-Fen	Lin, Lung-Fen		
NT\$10,000,000 (included)~ NT\$15,000,000 (excluded)			Cheng, Deng-Yuan	Cheng, Deng-Yuan
NT\$15,000,000 (included)~ NT\$30,000,000 (excluded)				
NT\$30,000,000 (included)~ NT\$50,000,000 (excluded)				
NT\$50,000,000 (included)~ NT\$100,000,000 (excluded)			Lin, Lung-Fen	Lin, Lung-Fen
Over NT\$100,000,000				
Total	14	14	14	14

Note 1: Director Hanmao Investment Development Co., Ltd. resigned from two seats on the board of directors on 12 September, 2024 and Independent Director Lu, Hsi-Peng retired on 13 September, 2024.

## II. Corporate Governance

### 2.2.2 Remuneration of Management Team

Unit: NT\$ thousands As of Decmber 31, 2024

Title	Name	Salary (A)		Severance Pay (B)		Bonuses and Allowances (C)		Profit Sharing- Employee Bonus (D)				Total Compensation Amount and Ratio of (A+B+C+D) to net income (%)		Other Compensations from non-subsidiary affiliates
		The Company	Consolidated Entities	The Company	Consolidated Entities	The Company	Consolidated Entities	The Company		Consolidated Entities		The Company	Consolidated Entities	
								Cash	Stock	Cash	Stock			
President	Lin, Lung-Fen	46,143	46,221	6,709	6,709	121,419	121,419	12,602	-	12,602	-	186,873 9.55	186,951 9.55	163
CFO, Corporate Governance Officer & Senior Vice President	Chung, Chih-Chun													
CHO, CSO & Senior Vice President	Huang, Yu-Jen													
Chief Legal Officer & Vice President	Chen, Shih-Chen													
Senior Vice President	Yang, Shih-Chung													
Senior Vice President	Su, Kou-Lin													
Senior Vice President	Tao, Yea-Kuan													
Senior Vice President	Chan, Yi-Cheng													
Senior Vice President	Lin, Cheng-Hsuan													
Senior Vice President	Chen, Kuo-Jen													
Vice President	Chang, Huang-Yu													
Vice President	Chang, Ying-Chin													
Vice President	Pan, Tieh-Yi													
Vice President	Wu, Wen-Shuen													
Vice President	Chen, Sheng-Ming (Note 5)													
Vice President	Lin, Jen-Shou													
Chief Audit Executive	Tsai, Chun-Hsiung													
Senior Vice President	Cheng, Deng-Yuan(Note 5)													
Vice President	Hsiao, Wei-Chun (Note 5)													

Note 1: The 2024 employees' remuneration distribution plan is NT\$63,013 thousands had been approved by Borad of Director 26 February, 2025.

Note 2: The consolidated net profit after tax in 2024 (excluding non-controlling interests) was NT\$1,957,431 thousands.

Note 3: The amount of remuneration received by President and Vice Presidents shall be determined according to the contribution of the individual and extent of involvement in the Company's operations; general remuneration standards within the domestic and international industries are also duly referenced. The personal expenditure of vehicles and house allocated to Managers was NT\$1,704 thousands and the annual salary of drivers amounted to NT\$802 thousands.

Note 4: Compensation includes salary expense recognized in accordance with IFRS 2 "Share-based Payments" for new shares acquired with restricted employee rights.

Note 5: Chen, Sheng-Ming was took office on October, 2024; Cheng, Deng-Yuan and Hsiao, Wei-Chun were resigned in February and June, 2024.

## II. Corporate Governance

Range of Remuneration	Name of President and Vice Presidents	
	The Company	Consolidated Entities
Under NT\$ 1,000,000		
NT\$1,000,000 (included) ~ NT\$2,000,000 (excluded)	Chang, Ying-Chin,	Chang, Ying-Chin,
NT\$2,000,000 (included) ~ NT\$3,500,000 (excluded)	Chen, Sheng-Ming(Note)	Chen, Sheng-Ming(Note)
NT\$3,500,000 (included) ~ NT\$5,000,000 (excluded)	Hsiao, Wei-Chun(Note)	Hsiao, Wei-Chun(Note)
NT\$5,000,000 (included) ~ NT\$10,000,000 (excluded)	Chung, Chih-Chun, Huang, Yu-Jen, Chen, Shih-Chen, Chen, Kuo-Jen, Tao, Yea-Kuan, Lin, Cheng-hsuan, Chang, Huang-Yu, Pan, Tieh-Yi, Wu, Wen-Shuen, Lin, Jen-Shou, Tsai, Chun-Hsiung, Cheng, Deng-Yuan(Note)	Chung, Chih-Chun, Huang, Yu-Jen, Chen, Shih-Chen, Chen, Kuo-Jen, Tao, Yea-Kuan, Lin, Cheng-hsuan, Chang, Huang-Yu, Pan, Tieh-Yi, Wu, Wen-Shuen, Lin, Jen-Shou, Tsai, Chun-Hsiung, Cheng, Deng-Yuan(Note)
NT\$10,000,000 (included) ~ NT\$15,000,000 (excluded)	Yang, Shih-Chung, Su, Kou-Lin, Chan, Yi-Cheng,	Yang, Shih-Chung, Su, Kou-Lin, Chan, Yi-Cheng,
NT\$15,000,000 (included) ~ NT\$30,000,000 (excluded)		
NT\$30,000,000 (included) ~ NT\$50,000,000 (excluded)		
NT\$50,000,000 (included) ~ NT\$100,000,000 (excluded)	Lin, Lung-Fen	Lin, Lung-Fen
Over NT\$100,000,000		
Total	19	19

Note: Chen, Sheng-Ming was took office on October, 2024; Cheng, Deng-Yuan and Hsiao, Wei-Chun were resigned in February and June, 2024.

## II. Corporate Governance

### 2.2.3 Employees' remuneration

Unit: NT\$ thousands

As of January 1, 2025

	Title	Name	Stock (Note1)	Cash (Note 1)	Total	Ratio of Total Amount to Net Income (%) (Note 2)
Management Team	President	Lin, Lung-Fen	-	12,753	12,753	0.65
	CFO, Corporate Governance Officer & Senior Vice Presiden	Chung, Chih-Chun				
	CHO, CSO & Senior Vice Presiden	Huang, Yu-Jen				
	Chief Legal Officer & Vice President	Chen, Shih-Chen				
	Senior Vice President	Yang, Shih-Chung				
	Senior Vice President	Su, Kou-Lin				
	Senior Vice President	Tao, Yea-Kuan				
	Senior Vice President	Chang, Ying-Chin				
	Senior Vice President	Lin, Cheng-Hsuan				
	Senior Vice President	Chen, Kuo-Jen				
	Vice President	Chang, Huang-Yu				
	Vice President	Chan, Yi-Cheng				
	Vice President	Pan, Tieh-Yi				
	Vice President	Wu, Wen-Shuen				
	Vice President	Chen, Sheng-Ming				
	Vice President	Lin, Jen-Shou				
	Chief Audit Executive	Tsai, Chun-Hsiung				
	Accounting Manager	Cheng, Yuan-Yih				

Note 1: The 2024 employees' remuneration distribution plan is NT\$63,013 thousands had been approved by Borad of Director.

Note 2: The consolidated net profit after tax in 2024 (excluding non-controlling interests) was NT\$1,957,431 thousands.

## II. Corporate Governance

### 2.2.4 Comparison of Remuneration for Directors, Presidents and Vice Presidents in the Most Recent Two Fiscal Years and Remuneration Policy for Directors, Presidents and Vice Presidents

- A. The ratio of total remuneration paid by the Company and by all companies included in the consolidated financial statements for the two most recent fiscal years to directors, presidents and vice presidents of the Company, to the net income.

Title	Ratio of total remuneration paid to directors, presidents and vice presidents to net income (%)			
	2023		2024	
	The Company	Consolidated Entities	The Company	Consolidated Entities
Directors(Note)	2.24	2.24	2.23	2.23
President and Vice Presidents	14.80	14.83	9.55	9.55

Note: Remuneration for Directors included Base Compensation, bonus and travel expenses, please referred page 16.

- B. Policies, standards, and combination of remuneration payment to directors, President, and Vice President, the remuneration determination procedure, and the relationship between operation performance and future risk.

(a) Director remuneration includes remuneration, salary, and travel expenses etc. Independent Directors are paid fixed amounts of remuneration every quarter in accordance with the resolutions of Board of Directors meetings. Travel expenses are paid each time Directors attend Board of Directors or functional committee meetings in person. The remuneration of the chairman and directors of the company is based on their participation in the company's operations and the value of their contributions, their personal performance and the company's long-term business performance, and comprehensively consider the company's business risks and authorize the board of directors to decide it. The Company's remuneration Directors shall be no over 2% of the earnings before tax of the year and before deducting remuneration for employees and Directors.

The Company stipulated the "Procedures for the board performance evaluation". The measurement items of directors include: mastery of the company's goals and tasks, directors' awareness of responsibilities, participation in the company's operations, internal relationship management and communication, directors' professional and continuous education and internal control, etc., and the directors' remuneration will be distributed according to the evaluation results. Director remuneration includes remuneration, salary, and travel expenses etc. Independent Directors are paid fixed amounts of remuneration every quarter in accordance with the resolutions of Board of Directors meetings. Travel expenses are paid each time Directors attend Board of Directors or functional committee meetings in person. The Company's remuneration Directors shall be no lower than 0.1% and under 2% of the earnings before tax of the year and before deducting remuneration for employees and Directors.

- (b) Remuneration for the President and Vice President are including monthly salary, bonus, employee remuneration, retirement allowance, etc. Salary payments are not only linked to their job responsibilities, professional abilities, performance goals, management areas and reference market salary levels, etc., but also highly linked to financial and non-financial KPI performance goals; Financial aspects include corporate sustainability indicators such as strategic development, leadership management, legal compliance, cyber security, talent cultivation, and corporate social image enhancement; and measure special contributions or major impact events, and include performance and remuneration considerations to motivate managers to achieve And go beyond the



## II. Corporate Governance

company's goals, create profits, improve business performance, pay attention to the company's long-term business goals, and implement the relationship between managers' compensation and the company's business performance.

- (c) The Company has established a Remuneration Committee to be in charge of the performance evaluation of Directors and managerial officers, set and reviewing the remuneration policy, system standards and structure, and conduct periodic review on the accomplishment of performance targets in order to build a comprehensive remuneration system for the Company's Directors and managerial officers.

### 2.3 Implementation of Corporate Governance

#### 2.3.1 Board of Directors

The 10th Board of Directors (commenced from May 26, 2022)

A total of 8 (A) meetings of the Board of Directors were held in the previous period. The attendance of directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate [%] [B/A]	Remarks
Chairman	Lin, Lung-Fen	8	0	100%	
Director	Cheng, Deng-Yuan	8	0	100%	
Director	Huang, Ting-Rong	8	0	100%	
Director	Huang, Chi-Rong	8	0	100%	
Director	Lu, Ta-Wei	8	0	100%	
Director	Shaw, Shung-Ho	8	0	100%	
Director	Hsieh, Chin-Ho	8	0	100%	
Director	Lin, Chih-Min (Representative of Hanmore Investment Corp.)	2	4	33%	Resigned on 12 September, 2024
Director	Wu, Cheng-Huan (Representative of Hanmore Investment Corp.)	6	0	100%	Resigned on 12 September, 2024
Independent Director	Cheng, Wen-Feng	8	0	100%	
Independent Director	Lai, Chien-Hua	8	0	100%	
Independent Director	Huang, Ta-Lun	8	0	100%	
Independent Director	Lu, Hsi-Peng	6	0	100%	Retired on 13 September, 2024

Other mentionable items:

- (1) The date of the Board meeting, the term, contents of the proposals, opinions of all Independent Directors, and the Company's handling of opinions of Independent Directors shall be recorded under the following circumstances in the operations of the Board of Directors meeting:

- A. Items listed in Article 14-3 of the Securities and Exchange Act: Since the Company has already established the Audit Committee, and Article 14-3 of the Securities Exchange Act does not apply. For the explanation of the matters listed in Article 14-5 of the Securities Exchange Act, please refer to pages 27~30, the operation of the audit committee.
- B. With the exception of the aforementioned items, resolutions adopted by the Board of Directors, to which an Independent Director has a dissenting or qualified opinion that is on record or stated in a written

## II. Corporate Governance

statement: None.

- (2) Directors abstaining in certain proposals for being a stakeholder (the name of the Director(s), the content of the proposal, reasons for abstentions and the results of voting counts shall be stated):

On February 27, 2024, the Board of Directors discussed: (i) Retirement of the company's manager; (ii) The review results of managerial officers for the second half of 2023; (iii) The distribution of year-end bonus, group performance reward and employee remuneration, excess profit bonus and annual remuneration for managerial officers for 2023; (iv) 2024 KPI settings and remuneration plan for the Company's managerial officers. As the Chairman Lin, Lung-Fen and the Director Cheng, Deng-Yuan serve concurrently as the Company's managerial officers, they recused themselves when the discussion involved their interest and the other Directors in attendance passed the proposal unanimously.

- (3) Borad of Director Performance Evaluation:

For effective corporate governance and better board performance, the Company has established the "Regulations on Borad of Director Performance Evaluation" on August 10, 2017.

It was passed in the board meeting and it stipulates an internal performance evaluation for the Board of Directors at once every year.

Implementation situation:

Scope of evaluation	Method of evaluation	Evaluation periods	Indexes of evaluation	Result of evaluation
<ul style="list-style-type: none"> <li>■ Board as a whole</li> <li>■ Individual directors</li> <li>■ Functional committees</li> </ul>	<ul style="list-style-type: none"> <li>■ Methods of inside evaluation s include the internal evaluation of the board.</li> </ul>	Year 2024 from January 1 to December 31	I. Board of Directors <ul style="list-style-type: none"> <li>1. The degree of participation in the company's operations.</li> <li>2. Improve the quality of board decision-making.</li> <li>3. Composition and structure of the board of directors.</li> <li>4. Election and continuing education of directors.</li> </ul> II. Board of Directors <ul style="list-style-type: none"> <li>1. Understand the company's goals and tasks.</li> <li>2. Awareness of directors' responsibilities.</li> <li>3. The degree of participation in the company's operations.</li> <li>4. Internal relationship management and communication.</li> <li>5. Professional and continuing education of directors.</li> </ul> III. Audit Committee <ul style="list-style-type: none"> <li>1. The degree of participation in the company's operations.</li> <li>2. Awareness of the responsibilities of the audit committee.</li> <li>3. Improve the decision-making quality of the audit committee.</li> <li>4. Composition of the Audit</li> </ul>	1. There are a total of 27 board performance evaluation items, with converted scores ranging from 91.11 to 100 points, with an average score of 99.11 points. 2. There are 19 performance evaluation items for board members, with converted scores ranging from 90.53 to 100 points, with an average score of 99.05 points. 3. There are a total 19 performance evaluation items of Audit Committee, with converted scores ranging from 93.68 to 100 points, with an average score of 97.89 points. 4. There are a total of 14 performance evaluation items of the Remuneration Committee, with

## II. Corporate Governance

			<p>Committee and selection of its members.</p> <p>5. Internal control.</p> <p>IV. Remuneration Committee</p> <p>1. The degree of participation in the company's operations.</p> <p>2. Recognition of the responsibilities of the Remuneration Committee.</p> <p>3. Improve the decision-making quality of the salary and compensation committee.</p> <p>4. Composition of the Remuneration Committee and selection of its members.</p> <p>5. Internal control.</p>	<p>converted scores ranging from 92.86 to 100 points, with an average score of 97.62 points.</p> <p>If a score of 80 points is deemed to meet standards, the results of performance evaluation for the Company's Board of Directors, Audit Committee, Remuneration Committee, and individual Directors were all above 80 points, demonstrating the satisfactory overall operations of the Board that is in line with the Company's corporate governance principles.</p>
■ Board as a whole		Year 2023 from October 1 to Year 2024 September 30	<p>I. Composition and Division of Work of the Board of Directors</p> <p>II. Guidance and Supervision by the Board of Directors</p> <p>III. Authorization and Risk Management of the Board of Directors</p> <p>IV. Communication and collaboration among the board of directors</p> <p>V. Self-discipline and improvement of the board of directors</p>	<p>I. It is recommended that the company consider the matter as a whole and merge the "Integrity Management Committee" with the "Sustainability Promotion Group" and upgrade the level to a functional committee under the board of directors. After reviewing the relevant rights and responsibilities, its organizational charter should be established. More than half of the committee members should be independent directors to implement the board's supervisory responsibilities. Expected measures to be taken: The company intends to gradually consider setting up functional committees under</p>

## II. Corporate Governance

				<p>the board of directors.</p> <p>II. It is recommended that companies comply with relevant laws and regulations, consider practical situations and establish a complete reporting system, strengthen direct links with independent directors (such as setting up exclusive communication channels on the official website to directly contact independent directors, or allowing independent directors to receive letters of complaint simultaneously), and simultaneously disclose relevant internal regulations to further strengthen the whistleblower anti-fraud mechanism. Expected measures to be taken: The company plans to gradually consider opening a reporting mailbox to all independent directors to receive reports simultaneously and directly, so as to facilitate their supervision of the handling of reported matters and strengthen the whistleblower anti-fraud mechanism.</p> <p>III. It is recommended that companies gradually incorporate ESG-related performance</p>
--	--	--	--	--

## II. Corporate Governance

				<p>indicators when considering key performance indicators (KPIs) and reward plans for senior managers, and gradually strengthen the connection between sustainability-related indicators and performance and remuneration, so that the remuneration committee can supervise the connection and rationality of managers' remuneration with company performance, future development and shareholders' interests.</p> <p>Expected measures to be taken: The company plans to gradually consider incorporating ESG-related indicators into managers' performance indicators.</p>
--	--	--	--	--

The results of the 2024 performance evaluation were submitted to the Board of Directors on February 26, 2025.

(4) Measures taken to strengthen the functionality of the board:

- A. The Company elected one more Independent Director in the general shareholders' meeting on May 25, 2023. It's more independent than the ninth board. The state of operations of The Audit Committee and the Remuneration Committee refer to page 27~30 and 40~41.
- B. In 2024, a total of 6 hours of Directors' continuing studie arranged in May and November to help directors continue to enrich their knowledge and implement corporate governance.
- C. Since 2024, the sustainability report will be submitted to the Board of Directors for review to improve the Company's sustainability report management and enhance the quality of sustainability information.

## II. Corporate Governance

### 2.3.2 Audit Committee

A total of 8 (A) meetings of Audit Committee of the 10th Board of Directors were held in the previous period. The attendance of the independent directors was as follows:

Title	Name	Attendance in Person (B)	By Proxy	Attendance Rate (%) 【B/A】	Remarks
Independent director (Convener)	Lai, Chien-Hua	8	0	100%	
Independent director	Cheng, Wen-Feng	8	0	100%	
Independent director	Huang, Ta-Lun	8	0	100%	
Independent director	Lu, Hsi-Peng	6	0	100%	Retired on 13 September, 2024

Other mentionable items:

(1) The date of the Board meeting, the term, contents of the proposals, resolutions of the Audit Committee, and the Company's handling of the resolutions of the Audit Committee shall be recorded under the following circumstances in the operations of the Audit Committee meeting:

A. Items specified in Article 14-5 of the Securities and Exchange Act:

Meeting Dates	Contents Proposed	Resolutions of the Audit Committee	Handling of the resolutions of the Audit Committee
February 27, 2024	The amended Internal Control System.	Approved	N/A
	The "Statement of Internal Control System" for 2023.	Approved	N/A
	The business report and the financial statements for 2023.	Approved	N/A
	The independence and adaptability of CPA.	Approved	N/A
April 10, 2024	The 2023 earnings distribution proposal	Approved	N/A
	The Audit Fee for 2023.	Approved	N/A
May 8, 2024	Financial Statements for the First Quarter Ended of 2024.	Approved	N/A
August 6, 2024	Financial Statements for the Second Quarter Ended of 2024.	Approved	N/A
November 6, 2024	Financial Statements for the Third Quarter Ended of 2024.	Approved	N/A
	The independence and adaptability of CPA.	Approved	N/A
December 17, 2024	The amended Internal Control System.	Approved	N/A
	The endorsement guarantee for Systex Group (China) Ltd.	Approved	N/A
	Release of endorsement guarantee for Systek Information (Shanghai) Ltd. and Systex Rainbow Tech Inc.	Approved	N/A

B. With the exception of the aforementioned items, any issues that are not agreed by the Audit Committee but passed by more than two-thirds of all Directors: No such occurrences.

(2) If there are independent directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified: None.

## II. Corporate Governance

(3) Communications between the independent directors, the Company's chief internal auditor and CPAs (e.g. the items, methods and results of audits of corporate finance or operations, etc.)

A. The Company's Audit Committee shall be solely composed of Independent Directors and meetings shall be convened at least once a quarter. Ad-hoc meetings shall be held whenever necessary.

B. Communication between the chief internal auditor and the Audit Committee:

- a. Periodic:
  - i. Report the findings in audits and the status of improvement on irregularities to the Audit Committee; respond to all questions submitted by the Independent Directors, and enhance the contents of auditing tasks in accordance with their instructions to ensure the effectiveness of the internal control system.
  - ii. Independent directors review the deficiencies in the internal control system and hold regular discussions with internal auditors.
- b. Non-periodic: Use telephone, email, or face-to-face communication to communicate discoveries in the audits and how to continuously increase the value of audits. In the event of material violation, the Independent Directors shall be notified immediately.
- c. Summaries of communication in 2024:

Date	Communication Content	Results
Audit Committee on February 27, 2024	The implementation of audit program from January to February, 2024.	Noticed.
	The amended the Internal Control System.	Approved and referred to the Board.
	The "Statement of Internal Control System" for 2023.	Approved and referred to the Board.
Audit Committee on April 10, 2024	The implementation of audit program in March, 2024.	Noticed.
Audit Committee on May 8, 2024	The implementation of audit program in April, 2024.	Noticed.
Audit Committee on August 6, 2024	The implementation of audit program from May to July, 2024.	Noticed.
Symposium on December 17, 2024	Audit operation.	Strengthen internal control systems based on overall audit findings, optimize audit management systems and IPO subsidiary supervision.
	ESG and Audit - Management of Sustainability Information.	Revise the internal control system and include it in the annual audit plan according to the schedule specified by the competent authority.
	Corporate Governance - Board Performance Evaluation.	Refer to the recommendations of Taiwan Corporate Governance Association.
	Important laws and regulations.	Refer to the regulations of the competent authorities.
Audit Committee on December 17, 2024	The implementation of audit program from October to December, 2024.	Noticed.
	The Audit program for 2025.	Approved and referred to the Board.
	The amended the Internal Control System.	Approved and referred to the Board.

## II. Corporate Governance

### C. Communication between the CPAs and the Audit Committee:

- a. Periodic: The CPAs shall communicate with the Audit Committee on the audit plan, execution status, and results in the periods before and after the semi-annual and annual audit reports.
- b. Non-periodic: Meetings may be arranged in the event that operations or internal controls require immediate communication on related cases.
- c. Summaries of communication in 2024:

Date	Item	Communication Content	Results
February 27, 2024	Financial Statement for Year 2023	Consolidated and Unconsolidated Financial Statements for Year 2022	Report the audited adjustments of Year 2023 Financial Statement. We discuss and communicate the applicability of certain accounting principles.
	Key audit items	The impairment evaluation for accounts receivable were the key audit items in 2023.	The most important items of SYSTEX Group's 2023 Consolidated Financial Statements as per the professional judgment of the CPA.
	Information on the quality management system from the accounting firm	The information on the quality management system provided by the accounting firm to external parties (including communicating to the corporate governance unit on how the system helps with the consistent execution of quality cases).	The Company fully understands that Deloitte & Touche has performed the assessment in accordance with ISQM 1 / TWSQM 1, that the accounting firm and its personnel have fulfilled their responsibilities in accordance with professional standards and applicable laws and regulations, and that they have handled this case in accordance with such standards and laws and regulations. The firm or project partners were able to issue appropriate reports in accordance with the circumstances at the time.
	Application of Audit Quality Indicators	Article 29 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies: A TWSE/TPEX listed company shall, based on Audit Quality Indicators (AQIs) as reference, evaluate the independence and suitability of the CPA engaged by the company regularly, and no less frequently than once annually. The FSC is promoting audit quality transparency by introducing audit quality indicators. Accounting firms undertaking audit engagements for the financial reports of listed	The Company fully understands that Deloitte & Touche has disclosed the five dimensions and thirteen AQIs listed in the AQI Disclosure Framework and the AQI Disclosure Template announced by the FSC, and has disclosed information on the "Firm Level" and the "Engagement Level" based on the nature of the AQIs. The accounting firm provides information on the AQIs: 1. Profession, 2. Quality Control, 3. Independence, 4. Monitoring, and 5. Innovation. This information will be reported to the Audit Committee.



## II. Corporate Governance

Date	Item	Communication Content	Results
		and OTC companies for the year 2023 will provide AQI information for the reference of the Audit Committee.	
August 6, 2024	Financial Statements for the Second Quarter Ended of 2024	Consolidated Financial Statements for the Second Quarter Ended of 2024.	Report the adjustments of financial statements for the Second Quarter Ended of 2024. We discuss and communicate the newly-announced "Statements on Auditing Standards" and the amendment of decree.
	Identification and declaration of major subsidiaries	According to the ninth question in the Frequently Asked Questions on Applying for Major Subsidy Declarations, major subsidiaries should be judged and identified based on their consolidated financial statement information.	The cumulative consolidated revenue of Systex Information (H.K.) Ltd. in the second quarter of 2024 accounted for more than 16% of the Group's consolidated revenue, and it has met the standards for a major subsidiary for two consecutive years. Therefore, in accordance with regulations, this change in status as a major subsidiary will be reported together with the annual financial report.
	Implementation schedule for IFRS Sustainability Disclosure Standards S1 and S2	To apply international sustainability standards and provide investors with trustworthy sustainability information, the FSC released the Roadmap for Taiwan Listed Companies to Align with IFRS Sustainability Disclosure Standards on August 17, 2023, and SYSTEX will be affected starting in 2028.	SYSTEX will disclose sustainability-related information in accordance with the timetable for aligning with the IFRS sustainability standards disclosures announced by the FSC, and will fully integrate this sustainability information in the 2028 annual report to be published in 2029.

#### (4) Annual work summary:

The Audit Committee has been assembled by four Independent directors and supervise item follows:

- A. Fair presentation of the financial reports of this Corporation.
- B. The hiring (and dismissal) and independence of certificated public accountants of the Company.
- C. The effective implementation of the internal control system of the Company.
- D. Compliance with relevant laws and regulations by the Company.
- E. Management of the existing or potential risks of the Company.

The Audit Committee held 8 meetings in 2024 to review related proposals, including of the business report and the financial statements for 2023 and the from First to Third Quarter Ended, 2024, the endorsement guarantee for subsidiaries, the independence and adaptability of CPA and the Audit Fee for 2024, and the amended Internal Control System.

## II. Corporate Governance

### 2.3.3 Corporate Governance – Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary Description	
1. Has the Company established and disclosed its Corporate Governance Best-Practice Principles based on the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies?	V		On March 19, 2015, the Board of Directors of the Company adopted a resolution to formulate the "Corporate Governance Best Practice Principles". Over the years, it has been revised in line with laws and practical operations. The last revision was made by the Board of Directors on February 22, 2023 and has been disclosed on the MOPS and the company website.	None
2. Shareholding Structure and Shareholders' Rights				
(1) Does the Company have Internal Operation Procedures for handling shareholders' suggestions, concerns, disputes and litigation matters? If yes, have these procedures been implemented accordingly?	V		(1) The Company has established the "Rules and Procedures for Shareholders' Meetings" in accordance with regulations and shareholders may file suggestions in the shareholders' meeting. The Company also established a spokesperson and acting spokesperson system to process shareholder suggestions or disputes.	None
(2) Does the Company know the identity of its major shareholders and the parties with ultimate control of the major shareholders?	V		(2) The company possess the list of its major shareholders as well as the ultimate owners, so as to understand the shareholding structure and make declarations in accordance with regulations.	
(3) Has the Company built and implemented a risk management system and a firewall between the Company and its affiliates?	V		(3) The Company has established the the " Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises " was formulated to improve the business relationship between the company and related parties, prevent purchase and sale transactions between related parties, obtain and dispose of assets , There are unconventional transactions and improper benefit transfers in endorsement guarantees and capital loans.	
(4) Has the Company established internal rules prohibiting insider trading of securities based on undisclosed information?	V		(4) The Company has established "Procedures for Handling Material Internal Information" and educated the internal staff on the restriction of trading securities based on information that has not been disclosed on the market.	

## II. Corporate Governance

Evaluation item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary Description	
3. Composition and responsibilities of the board of directors				
(1) Have a diversity policy and specific management objectives been adopted for the board and have they been fully implemented?	V		(1) The members of the Company's Board of Directors shall be selected for their knowledge, skills, and competencies required for executing their duties based on existing operations and actual requirements in order to enhance the capabilities of the Board of Directors. The detailed description, please refer to pages 10.	However, the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and related regulations shall apply where there are regulatory or actual requirements.
(2) Has the Company voluntarily established other functional committees in addition to the remuneration committee and the audit committee?		V	(2) The Company has established the Remuneration Committee and Audit Committee, and the board of directors approved the cross-departmental formation of the Integrity Committee and the Risk Management Committee on March 19, 2020 and December 21, 2022.	
(3) Has the Company established rules and methodology for evaluating the performance of its Board of Directors, implemented the performance evaluations on an annual basis, and submitted the results of performance evaluations to the board of directors and used them as reference in determining salary/compensation for individual directors and their nomination and additional office terms?	V		(3) For effective corporate governance and better board performance, the Company has established the "Regulations on Board of Director Performance Evaluation" on August 10, 2017. It was passed in the board meeting and it stipulates an internal performance evaluation at once every year and external performance evaluation at once three years for the Board of Directors. The results of the 2024 internal performance evaluation were submitted to the Board of Directors on February 27, 2025. In 2021 SYSTEX first appointed Taiwan Corporate Governance Association, an external professional independent organization, to conduct a performance evaluation of the Board of Directors. In June 2024, the Company continued to appoint Taiwan Corporate Governance Association to conduct the 2024 external independent evaluation (from October 1, 2023 to September 30, 2024). Taiwan Corporate Governance Association issued a performance evaluation report on the Board of Directors on November 27, 2014, and reported to the Board of Directors on February 27, 2025. Please refer to pages 23-26.	
(4) Does the Company regularly evaluate its external auditors' independence?	V		(4) The financial statements of the company have been audited by Deloitte & Touche. The independence and adaptability of the CPA has been evaluated by the Board of Directors on February 27, 2024 and February 26, 2025, refer to the Audit Quality Index (AQI) to evaluate the independence and suitability of the selected CPA. Inspections have shown that the appointment of the CPA is not involved in financial interests,	

## II. Corporate Governance

Evaluation item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary Description	
			<p>financing, guarantees, and close business relations with the Company, non-auditing businesses, or violation of independence of the CPA.</p> <p>In addition, the CPA does not hold any of the Company's shares, nor is the CPA hired by the Company or serves in the Company or a violation of the Certified Public Accountant Act or Article 37 of the Securities and Exchange Act those results in penalty by the Financial Supervisory Commission. After inspections, the Company's certifying accountant has been verified to be in compliance with requirements for independence as specified in the Certified Public Accountant Act and related regulations and the items of adaptability.</p>	
4. Does the TWSE/TPEX listed company have in place an adequate number of qualified corporate governance officers and has it appointed a chief corporate governance officer with responsibility corporate governance practices (including but not limited to providing information necessary for directors and supervisors to perform their duties, aiding directors and supervisors in complying with laws and regulations, organizing board meetings and annual general meetings of shareholders as required by law, and compiling minutes of board meetings and annual general meetings)?	V		<p>Chung, Chih-Chun, CFO of the Company has been the Corporate Governance Officer and the CFO Office setting sufficient members is in charge of related affairs regarding corporate governance in the Company. The Office has accumulated more than three years of work experience in financial management in public companies.</p> <p>Related corporate governance affairs include supplying information to Directors for the performance of their affairs, assisting Directors in regulatory compliance, organizing shareholders meetings and Board of Directors meetings in accordance with laws, producing meeting minutes, and processing company registration and change of registration.</p> <p>The status of business operations in 2024 was as follows:</p> <ol style="list-style-type: none"> <li>1. The Office planned the schedules for the meetings of the Board of Directors and the Audit Committee for the year, formulated meeting agenda, assisted the chairmen in convening meetings in accordance with laws, and delivered meeting information and agenda within the required time.</li> <li>2. The Office was responsible for examining matters related to the release of material information about the important resolutions approved by the Board of Directors to ensure the legality and accuracy of the content of the material information and maintain information symmetry for investor trading.</li> <li>3. Assist directors in performing their duties and improve the effectiveness of the board of directors, and be responsible for handling matters required by directors.</li> <li>4. The Office organized courses on May 8 and Novmber 6 of total 6 hours for Directors to meet the number of course hours recommended in the regulations.</li> </ol>	None

## II. Corporate Governance

Evaluation item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary Description	
			5. The Office assisted the implementation of internal performance evaluation for the Board of Directors. 6. Notice of closed period before financial report announcement: Directors and managers will be notified in December to estimate the closed period of each financial report in 2024 to prevent insider trading; and will be notified again before the start of each closed period. 7. The Office processed related affairs in the shareholders meeting in accordance with laws and announces the Procedures Manual, Annual Report, and related information in Chinese and English before the benchmark deadlines specified in the Corporate Governance Evaluation. 8. Update the company's website information on time to enable investors to understand the company's financial, business, and corporate governance information to protect shareholders' rights.	
5. Has the Company established channels for communicating with its stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.) and created a stakeholders section on its company website? Does the Company appropriately respond to stakeholders' questions and concerns on important corporate social responsibility issues?	V		The Company has established a stakeholder area on the company website and assigned a contact window to be directly responsible for communications with stakeholders. The Company respects and maintains their legal rights and they may contact the Company through telephone or email at any time.	None
6. Has the Company appointed a professional shareholder services agent to handle matters related to its shareholder meetings?	V		The Company has appointed the Department of Stock Affairs at Yuanta Securities Co., Ltd. to process affairs related to shareholders' meetings.	None
7. Information Disclosure (1) Has the Company established a corporate website to disclose information regarding its financials,	V		(1) The Company has established a corporate website. Disclosed information can also be found on the Market Observation Post System.	None

## II. Corporate Governance

Evaluation item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary Description	
business, and corporate governance status? (2) Does the Company use other information disclosure channels (e.g., maintaining an English-language website, designating staff to handle information collection and disclosure, appointing spokespersons, webcasting investors conference etc.)? (3) Does the company publish and report its annual financial report within two months after the end of the fiscal year, and publish and report its financial reports for the first, second, and third quarters as well as its operating statements for each month before the specified deadlines?	V		(2) The Company's website is available in Traditional Chinese and English. The Company has designated a unit responsible for the collection and disclosure of company information and implemented a spokesperson system.  (3) A. The annual financial report in 2024 has been announced on February 27, 2025. B. The monthly operating statements and the financial reports for the first, second and third quarters in 2024 has been announced before the specified deadline.	
8. Has the Company disclosed other information to facilitate a better understanding of its corporate governance practices (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' continuing education, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing liability	V		(1) Employee benefits and care: In addition to following the regulations in the Labor Standards Act and related laws, the Company also established an Employee Welfare Committee to provide various subsidies and organize events. Please refer to pages 101~105. (2) Investor relations: The Company has established a spokesperson and shareholder service department to announce information on behalf of the Company. The Company also established an investor service area on the company website for shareholders to find information on the Company's operating status at any time. (3) Supplier relations and stakeholder rights: The Company maintains good relations as well as open and effective communication channels with suppliers, financial institutions, other creditors, and clients. The Company has established a stakeholder area on the company website and assigned a contact window to be directly responsible for communications with stakeholders. The Company respects and	None

## II. Corporate Governance

Evaluation item	Implementation Status				Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEX Listed Companies and the reasons		
	Yes	No	Summary Description				
insurance for directors and supervisors)?			maintains their legal rights.				
			(4) Directors' continued studies:				
			Title	Name		Course	Hours
			Chairman	Lin, Lung-Fen		Introduction to Generative AI and Industrial Application Examples	3
						Offensive and defensive strategies and legal compliance issues in non-consensual mergers and acquisitions	3
			Director	Cheng, Deng-Yuan		Introduction to Generative AI and Industrial Application Examples	3
						Offensive and defensive strategies and legal compliance issues in non-consensual mergers and acquisitions	3
			Director	Huang, Ting-Rong		Introduction to Generative AI and Industrial Application Examples	3
Offensive and defensive strategies and legal compliance issues in non-consensual mergers and acquisitions	3						
Director	Huang, Chi-Rong	Introduction to Generative AI and Industrial Application Examples	3				
		Offensive and defensive strategies and legal compliance issues in non-consensual mergers and acquisitions	3				
Director	Lu, Ta-Wei	Introduction to Generative AI and Industrial Application Examples	3				
		Offensive and defensive strategies and legal compliance issues in non-consensual mergers and acquisitions	3				

## II. Corporate Governance

Evaluation item	Implementation Status					Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEX Listed Companies and the reasons	
	Yes	No	Summary Description				
			Director	Shaw, Shung-Ho	Introduction to Generative AI and Industrial Application Examples	3	
					Offensive and defensive strategies and legal compliance issues in non-consensual mergers and acquisitions	3	
			Director	Hsieh, Chin-Ho	Introduction to Generative AI and Industrial Application Examples	3	
					Offensive and defensive strategies and legal compliance issues in non-consensual mergers and acquisitions	3	
			Independent director	Cheng, Wen-Feng	Introduction to Generative AI and Industrial Application Examples	3	
					Offensive and defensive strategies and legal compliance issues in non-consensual mergers and acquisitions	3	
			Independent director	Lai, Chien-Hua	Introduction to Generative AI and Industrial Application Examples	3	
					Offensive and defensive strategies and legal compliance issues in non-consensual mergers and acquisitions	3	
			Independent director	Huang, Ta-Lun	Advanced Seminar on Practical Advancement of Directors and Supervisors (Including Independent) and Corporate Governance Officers	6	



## II. Corporate Governance

Evaluation item	Implementation Status				Deviations from the Corporate Governance BestPractice Principles for TWSE/TPEX Listed Companies and the reasons		
	Yes	No	Summary Description				
			(5)The Company's managerial officers' participation in related corporate governance studies:				
			Title	Name	Course		Hours
			CFO, Corporate Governance Officer / Senior Vice President	Chung, Chih-Chun	Introduction to Generative AI and Industrial Application Examples		3
					Board of Directors' Information Security Governance Oversight Strategy		3
					2024 Annual Insider Trading Prevention Promotion Conference		3
					Taiwan Capital Market Summit		3
					Offensive and defensive strategies and legal compliance issues in non-consensual mergers and acquisitions		3
			Accounting Manager	Cheng, Yuan-Yih	Introduction to Generative AI and Industrial Application Examples		3
					Offensive and defensive strategies and legal compliance issues in non-consensual mergers and acquisitions		3
					Securities Firms, and TWSE Chief Accounting Officer.		12
			Chief Audit Executive	Tsai, Chun-Hsiung	Introduction to Generative AI and Industrial Application Examples		3
					Offensive and defensive strategies and legal compliance issues in non-consensual mergers and acquisitions		3
					How to use big data to strengthen audit work		6
					Internal auditors must understand "Generative AI" and "AI Data Protection"		6
			(6) The implementation of risk management policies and risk evaluation measures: The Company has established the "Risk Assessment Board (RAB)" to review the Company's major transactions to reduce risks.				

## II. Corporate Governance

Evaluation item	Implementation Status			Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons
	Yes	No	Summary Description	
			<p>On December 21, 2022, the company passed the resolution of the board of directors to form a "Risk Management Committee" across departments and formulated the "Risk Management Best Practice Principles ", "Risk Management Policies and Procedures" and "Risk Management Committee Charter " to establish a sound The risk management system, and sound and stable operation and report the operation status to the board of directors regularly every year. In 2024, there reported to the board of directors on December 17. Please refer to pages 116~119 for other risk management policies.</p> <p>(7) Customer protection policy: The Company is an information service company and provides service lines for various service items to protect customer interests.</p> <p>(8) Liability Insurance for Directors: The Company has purchased liability insurance for Directors and managerial officers in 2025 and reported to the Borad Meeting on February 26, 2025.</p>	
<p>9. Please describe improvements that have already been made based on the Corporate Governance Evaluation results released for the most recent fiscal year by the Corporate Governance Center, Taiwan Stock Exchange, and specify the priority enhancement objectives and measures planned for any matters still awaiting improvement. (If the Company was not included among the companies evaluated for the given recent year, this item does not need to be completed.)</p> <p>(1) The items of improvement in 2024:</p> <p>A. On December 20, 2023, the "Procedures for Handling Material Inside Information" was amended and since 2024, there has been notify directors and managers, prohibiting from trading its shares during the closed period of 30 days prior to the publication of the annual financial reports and 15 days prior to the publication of the quarterly financial reports.</p> <p>B. Since 2024, the sustainability report has been approved by the Board of Directors and improved the company's sustainability report management and enhance the quality of sustainability information.</p> <p>(2) The items of improvement in 2025:</p> <p>A. It is planned to gradually consider setting up functional committees under the Board of Directors.</p> <p>B. It is planned to gradually consider incorporating ESG-related indicators into managers' performance indicators.</p>				

## II. Corporate Governance

### 2.3.4 Composition, Responsibilities and Operations of the Remuneration Committee

#### A. Professional Qualifications and Independence Analysis of Remuneration Committee Members

As of March 30, 2025

Capacity	Criteria	Professional qualifications and experience	Independence analysis	Number of other public companies at which the person concurrently serves as remuneration committee member
	Name			
Independent director (Convener)	Cheng, Wen-Feng	Please referred page 8-9, the Information Regarding the Professional Qualifications and Experience and the Independence of Independent Directors.		0
Independent director	Lai, Chien-Hua			0
Independent director	Huang, Ta-Lun			0

#### B. Attendance of Members at Remuneration Committee Meetings

A total of 4 (A) Remuneration Committee meetings of the 10th Board of Directors were held in the previous period.

The attendance record of the Remuneration Committee members was as follows:

Title	Name	Attendance in Person(B)	By Proxy	Attendance Rate (%) 【 B / A 】	Remarks
Convener	Cheng, Wen-Feng	4	0	100%	
Committee Member	Lai, Chien-Hua	4	0	100%	
Committee Member	Huang, Ta-Lun	4	0	100%	

Other mentionable items:

- (1) If the board of directors declines to adopt or modifies a recommendation of the remuneration committee, it should specify the date of the meeting, session, content of the motion, resolution by the board of directors, and the Company's response to the remuneration committee's opinion (eg., the remuneration passed by the Board of Directors exceeds the recommendation of the remuneration committee, the circumstances and cause for the difference shall be specified): None.

## II. Corporate Governance

(2) Resolutions of the remuneration committee objected to by members or subject to a qualified opinion and recorded or declared in writing, the date of the meeting, session, content of the motion, all members' opinions and the response to members' opinion should be specified:

Meeting Dates	Contents Proposed	Resolutions of the Remuneration Committee	Handling of the resolutions of the Remuneration Committee
February 27, 2024	The 2023 director remuneration distribution plan.	Approved	Approved and referred to the Board.
	The 2023 employee remuneration distribution plan.	Approved	Approved and referred to the Board.
	The review results and bonuses of managerial officers for the second half of 2023.	Approved	Approved and referred to the Board.
	The distribution of the bonuses and annual remuneration for managerial officers of 2023.	Approved	Approved and referred to the Board.
	The 2024 KPI settings and remuneration structure for managerial officers.	Approved	Approved and referred to the Board.
	The amended the "Employee Restricted Stock Awards Rules for Year 2022".	Approved	Approved and referred to the Board.
	The retirement of the manager.	Approved	Approved and referred to the Board.
August 6, 2024	The review results and bonuses of managerial officers for the first half of 2024.	Approved	Approved and referred to the Board.
November 6, 2024	The Employee Stock Ownership Trust Plan	Approved	Approved and referred to the Board.
	The units of employee stock options issued by the subsidiary to managers of SYSTEX.	Approved	Approved and referred to the Board.
	The stocks of issued Cash capital increase by the subsidiary to managers of SYSTEX.	Approved	Approved and referred to the Board.
	The director remuneration distribution plan for the 10th Director Board.	Approved	Approved and referred to the Board.
December 17, 2024	The long-term incentive plan for the employees of SYSTEX.	Approved	Approved and referred to the Board.

(3) Scope of responsibilities for the Remuneration Committee:

A. Establish and perform regular reviews of the Company Director and Manager's performance targets and compensation policy, system, standards, and structure.

B. Regularly evaluate the Company Director and Manager's performance targets and compensation.

2.3.5 Composition, Responsibilities and Operations of the Nomination committee: None.

## II. Corporate Governance

### 2.3.6 Promotion of Sustainable Development – Implementation Status and Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
1. Has the Company established a governance framework for promoting sustainable development, and established an exclusively (or concurrently) dedicated unit to be in charge of promoting sustainable development? Has the board of directors authorized senior management to handle related matters under the supervision of the board?	V		<p>1. In order to implement the sustainable development of the company, the company established an ESG executive team in 2020, the highest governance level is the chairman of the SYSTEX group, and set up "Chief Sustainability Officer (CSO)" in 2021, who is concurrently served by Huang, Yu-Jen, the CH0, to coordinate corporate governance, environmental sustainability, and happiness. Working groups such as employee and social participation, each group assigns relevant department heads as leaders to supervise the implementation of management projects, and assists in inventorying the responsible indicator data when compiling corporate sustainability reports. Promote coordination and cooperation among various departments of the company, and regularly report the implementation results to the chairman.</p> <p>2. As the responsible unit for promoting sustainable development, the Sustainability Promotion Group is based on the spirit of the "Sustainable Development Policy". The heads of relevant departments serve as leaders of the working group and are responsible for the promotion and implementation of major issues and projects related to the working group. They are managed in accordance with the PDCA cycle. Integrate sustainable development strategies into daily operations and implement the sustainable spirit of continuous improvement and advancement. When preparing the sustainability report every year, the preparation work is carried out in accordance with the "Sustainability Report Preparation and Verification Operating Procedures", and each working group of the sustainability promotion group assists in taking inventory and collecting relevant indicator information; after completing the preparation of the sustainability report, it is Three parties provide assurance or guarantee for the sustainability report; the final report will be compiled into a formal sustainability report and issued after submitted to the board of directors for approval before issuance.</p> <p>3. Implementation results in 2024: two meetings has been held on September 20 and November 26, and the CSO reported the project plan and progress to the chairman</p>	None

## II. Corporate Governance

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			from time to time. On December 17, report to the board of directors on the promotion results of sustainable development affairs and the promotion plan in 2025.	
2. Does the company conduct risk assessments of environmental, social and corporate governance (ESG) issues related to the company's operations in accordance with the materiality principle, and formulate relevant risk management policies or strategies?	V		<p>1. The information covers the sustainability performance of the SYSTEX Group's major operating locations from January to December in 2024. The risk assessment boundary includes SYSTEX and affiliated companies in Taiwan (Systex Software &amp; Service Corp., SoftMobile Technology Corp., Systex Solutions Corp., Naturint Ltd., Concord System Management Corp., Syspower Corp., Top Information Technologies Co., Ltd., Taifon Computer Co., Ltd., Taiwan Information Service Technology Corp., E-service Information Co., Palsys Digital Technology Corp., Dawning Technology Inc., uniXecure Technology Corp., Smartsys Technology Corp., Syswiser Technology Corp. MISYS Corp. and Docutek Solution, Inc. and Caresys Information, Inc.).</p> <p>2. The Sustainability Development Committee of the Company's Sustainability Promotion Group analyzes the materiality principle of the sustainability report, communicates with internal and external stakeholders, and identifies material sustainability issues through the process of "identification and collection, investigation of the degree of concern, assessment of the degree of impact, and establishment of major themes". It also establishes "Risk Management Policies and Procedures" for effective supervision and control and announces them on the official website, and formulates specific action plans to effectively control and reduce the impact of various risks.</p>	None
3. Environmental issues (1) Has the Company set an environmental management system designed to industry characteristics?	V		(1) In order to truly grasp the potential impact of extreme weather on operations, the company plans to introduce three major environmental management systems in 2020: "ISO 14001 Environmental Management System", "ISO 14064-1 Greenhouse Gas Inventory", and "ISO 50001 Energy Management System", in order to effectively track and manage various environmental data and performance actions, and reduce the negative impact on the environment during the operation process. And by the end of 2021, the third-party audit process will be completed, and three management certifications will be obtained, which has been disclosed in SYSTEX's Sustainability Report and the Company's website. ( <a href="https://tw.systex.com/esg-download/">https://tw.systex.com/esg-download/</a> )	None

## II. Corporate Governance

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
(2) Does the Company endeavor to use energy more efficiently and to use renewable materials with low environmental impact?	V		<p>(2) The company formulates environmental protection policies, responds to energy conservation and carbon reduction, implements green procurement, purchases and leases products from manufacturers with energy-saving and energy-saving features with environmental protection labels, in order to reduce the load on the environment, and replaces and improves power-consuming equipment every year and promotes energy conservation. Take other measures, regularly check the ventilation pipeline and clean the blower, adjust the temperature of the air conditioner host, and set the air conditioner temperature to not be lower than 25 to 26 degrees Celsius. In 2024, we continued to replace the water chiller on the B1 level of the headquarters building and integrated the EMS energy management system for control, saving more than 66,000 kWh of electricity a year. Furthermore, the air conditioning system in the computer room was also replaced, saving 71,744 kWh of electricity a year. In 2024, a cooling water frequency conversion system was installed in the headquarters building to reduce electricity usage via automated control. Plans have also been made to build a cooling water frequency conversion system for the information center in the headquarters building.</p> <p>In order to achieve the company's net zero emissions goal, the proportion of renewable energy will continue to increase each year. In 2024, we promoted the implementation of internal carbon pricing, charged carbon fees based on the internally announced carbon price, and used special funds to increase the use of renewable energy by 140,000 kWh, so that in 2024, the green electricity supply reached 260,000 kWh, and the proportion of renewable energy was 4.6%, achieving the 2024 goal (renewable energy accounted for 4%).</p> <p>In 2024, we will continue to replace the energy-consuming ice and water main unit in the headquarters building, which will save more than 66,000 kWh of electricity throughout the year.</p> <p>In order to achieve the company's net zero emissions goal, the proportion of renewable energy will continue to increase each year. In 2024, we promoted the implementation of internal carbon pricing, charged carbon fees based on the internally announced carbon price, and used special funds to increase the use of renewable</p>	

## II. Corporate Governance

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons										
	Yes	No	Summary Description											
<p>(3) Has the Company evaluated the potential risks and opportunities posed by climate change for its business now and in the future and adopted relevant measures to address them?</p>	V		<p>energy by 140,000 kWh, so that in 2024, the green electricity supply reached 260,000 kWh, and the proportion of renewable energy was 4.6%, achieving the 2024 goal (renewable energy accounted for 4%).</p> <p>In 2024, the electricity consumption of SYSTEX Neihu Building Office is 5,706,923 kWh (including 260,000 kWh of green power), the unit revenue consumed 53,358 kWh of electricity per 100 million yuan, a decrease of 6.4% from the previous year. Achieve the 2024 target (electricity consumption per unit revenue reduced by 5% compared with the previous year).</p> <p>For details, please refer to SYSTEX's Sustainability Report and the Company's website. (<a href="https://tw.systex.com/environmental-energy-management/">https://tw.systex.com/environmental-energy-management/</a>)</p> <p>(3) The Group's Chairman is the highest level of governance for the promotion of the Company's sustainable development, and a Sustainable Development Promotion Team has been set up, with the Chief Executive Officer serving as the primary leader responsible for overseeing the implementation of sustainable development projects. To comprehensively evaluate climate-related risks and opportunities, the Company adopts the four dimensions of the Task Force on Climate-related Financial Disclosures (TCFD), namely governance, strategy, risk management, and indicators and goals, as a basis for relevant identifications and analyses. The Company conducts a comprehensive climate-related risk opportunity identification assessment every two years. The details are disclosed in SYSTEX's Sustainability Report and the "Climate Risk" section on the official SYSTEX's website. (<a href="https://tw.systex.com/climate_risk/">https://tw.systex.com/climate_risk/</a>) The analysis of climate-related risks and opportunities has been disclosed in detail in SYSTEX's Sustainability Report. (<a href="https://tw.systex.com/climate_risk/">https://tw.systex.com/climate_risk/</a>)</p>											
<p>(4) Did the company collect data for the past two years on greenhouse gas emissions, volume of water consumption, and the total weight of waste, and establish policies for greenhouse gas reduction, reduction of water consumption, or</p>	V		<p>(4) a. The company's Neihu headquarters building will complete the ISO 14064-1 Scope 1, 2, and 3 inventory and third-party verification every year.</p> <p>Greenhouse gas emissions in the last two years:</p> <p style="text-align: right;">Unit: mt CO<sub>2</sub>e</p> <table border="1"> <thead> <tr> <th>Year</th><th>Scope 1</th><th>Scope 2</th><th>Scope 3</th><th>Total</th></tr> </thead> <tbody> <tr> <td>2023</td><td>20.5</td><td>2,810.9</td><td>643.5</td><td>3,474.9</td></tr> </tbody> </table>	Year	Scope 1	Scope 2	Scope 3	Total	2023	20.5	2,810.9	643.5	3,474.9	
Year	Scope 1	Scope 2	Scope 3	Total										
2023	20.5	2,810.9	643.5	3,474.9										



## II. Corporate Governance

Item	Implementation Status						Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons										
	Yes	No	Summary Description														
management of other wastes?			<table><tr><td>2024</td><td>52.3</td><td>2,581.8</td><td>631.3</td><td>3,265.4</td></tr></table> <p>In 2024, SYSTEX's market-based greenhouse gas emissions totaled 3,265.4 metric tons of CO<sub>2</sub>e, a decrease of 6.0% from the previous year, and has achieved the2024-year goal (a 3% decrease in greenhouse gas emissions from the previous year). The main source of emissions was Scope 2 electricity emissions of 2,581.8 tonnes of CO<sub>2</sub>e (accounting for 79.1%), followed by Scope 3 other indirect emissions of 631.3 tonnes of CO<sub>2</sub>e (accounting for 19.3%).Its third-party verification has been to the implemented in April 2024, and the results will be disclosed on the Company's website. <a href="https://tw.systex.com/greenhouse-gas-inventory/">https://tw.systex.com/greenhouse-gas-inventory/</a></p> <p>In addition, in response to climate change and to promote the company's sustainable operation, the company will continue to negotiate the purchase of renewable energy and invest in the development of energy-saving products in the future, and expects to achieve "net zero carbon emissions from the headquarters building" by the end of 2040.</p> <p>b. Water consumption in the last two years:</p> <p>The company is in the information service industry. All water used is for daily life in the office. There is no water or waste water in the production process. The main water conservation plan is aimed at saving water for daily life.</p> <p style="text-align: right;">Unit: degree</p> <table><tr><th>Year</th><th>total consumption of water</th></tr><tr><td>2023</td><td>22,375</td></tr><tr><td>2024</td><td>24,615</td></tr></table> <p>The company's Neihu headquarters building uses automatic induction water supply faucets and devices to adjust the flushing volume of toilets to save water. He also made water-saving slogans in the tea room, reminding colleagues to save water at any time and do their best for the earth. In 2024, water consumption will be 24,615 degree, and water consumption per unit revenue of 100 million will be 230.1 degree, increase of 4.8% from the previous year. The target for 2024 has been not achieved</p>				2024	52.3	2,581.8	631.3	3,265.4	Year	total consumption of water	2023	22,375	2024	24,615
2024	52.3	2,581.8	631.3	3,265.4													
Year	total consumption of water																
2023	22,375																
2024	24,615																

## II. Corporate Governance

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons												
	Yes	No	Summary Description													
			<p>(water consumption per unit revenue is reduced by 1% from the previous year). The company is committed to environmental protection. The ESG executive team conducts annual performance reviews and performs internal and external audits. Every year, the Neihu headquarters building passed the ISO 14001 environmental management system verification.</p> <p>c. Waste output in the last two years:</p> <p>The company is in the information service industry and the waste it generates is general waste and no hazardous waste from the production process. Office waste is indeed sorted to reduce pollution to the environment. The contracted cleaning company is commissioned to collect statistics on waste and resource recovery every month to check performance.</p> <div><div>Unit:mt</div><table><tr><td>Year</td><td>general waste</td><td>Recycle</td><td>Total</td></tr><tr><td>2023</td><td>31.2</td><td>12.4</td><td>43.6</td></tr><tr><td>2024</td><td>29.3</td><td>10.4</td><td>39.7</td></tr></table></div> <p>The company's waste output in 2024 will be 39.7 metric tons and the waste per unit revenue per 100 million yuan was 0.37 metric tons, a decrease of 13.2% from the previous year, and the 2024 target has been achieved (the amount of waste per unit revenue is reduced by 1% from the previous year).</p>	Year	general waste	Recycle	Total	2023	31.2	12.4	43.6	2024	29.3	10.4	39.7	
Year	general waste	Recycle	Total													
2023	31.2	12.4	43.6													
2024	29.3	10.4	39.7													
4. Social issues (1) Has the company formulated relevant management policies and procedures in accordance with relevant laws and regulations and international human rights conventions?	V		<p>(1) The company supports and follows internationally recognized human rights norms and principles, including the“Universal Declaration of Human Rights”, the“UN Global Compact”and the“Declaration of Fundamental Principles and Rights at Work”of. International Labor Organization.</p> <p>The Company has established the “Policy of Human Right of SYSTEX and Subsidiaries” and has be disclosed in the company’s website.</p> <p>The company also has a human rights due diligence process to identify potential issues of human rights risks and affected objects, conduct risk assessments, formulate and implement risk mitigation measures based on the assessment results,</p>	None												

## II. Corporate Governance

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
(2) Has the Company established and implemented reasonable employee welfare measures (include salary/compensation, leave, and other benefits), and are business performance or results appropriately reflected in employee salary/compensation?	V		<p>and track the implementation of improvement plans to control and reduce human rights risks, to achieve the management objectives of human rights risks.</p> <p>The company strictly abides by local labor laws and regulations, eliminates any violations and violations of human rights, treats and respects all colleagues with a fair and equitable attitude, and at the same time enhances the human rights awareness of internal colleagues and stakeholders. A total of 865 people participated in the introduction of human rights-related content; in addition, training related to human rights protection was carried out for colleagues, with a total time of 21,482 hours, and a total of 12,429 person-times participated in the training. We also used human rights-related news cases to promote the whole group to colleagues, with a total of 16,715 person-times as of 2024. In the future, we will continue to promote relevant education and training to reduce the possibility of related human rights risks.</p> <p>Other contents of the "Policy of Human Right of SYSTEX and Subsidiaries" has be disclosed in SYSTEX's Sustainability Report and the Company's website. (<a href="https://tw.systex.com/employee-benefits/">https://tw.systex.com/employee-benefits/</a>)</p> <p>(2) The employee benefit and the policy of employee salaries:</p> <p>A. Welfare measures for employees: please refer to pages 101.</p> <p>B. Workplace Diversity and Equality</p> <p>In order to promote diversity in the workplace, equal pay for equal work and equal promotion opportunities for men and women, and promote sustainable and inclusive economic growth.in 2024: (a) The average proportion of female staff is 41.2%, and the average proportion of female supervisors is 25.2%. (b) Use disabled colleagues to reach the 100% target.</p> <p>C. Business performance and employee remuneration</p> <p>The Company's remuneration policy is "high performance, high contribution, and high remuneration". Remuneration standards are periodically reviewed, with flexible bonus structures for each position. The goal is to create bonus programs that improve company operations, team performance, and individual performance. The company's articles of association stipulate that if the company makes profits in the year, no less than 0.1% should be appropriated as employee remuneration, and</p>	

## II. Corporate Governance

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
(3) Does the Company provide employees with a safe and healthy working environment, and implement regular safety and health education for employees?	V		the object of employee remuneration payment includes employees of subordinate companies who meet certain conditions. To strengthen employee cohesion, leverage the advantages of investing in the Company's shares, and help employees build their savings, the "Employee Stock Ownership Trust" was set up in February 2025, allowing participating employees to share in the fruits of the Company's operations, thereby accumulating wealth and ensuring stability in the future.	
(4) Has the Company established effective career development training programs for employees?	V		(3) The information of Working Environment and Protective Measures for Employees Personal Safety, please refer to pages 104~105.	
(5) Does the company comply with the relevant laws and international standards with regards to customer health and safety, customer privacy, and marketing and labeling of products and services, and implement consumer protection and grievance policies?	V		(4) The information of Training and Career Development, please refer to pages 102~104.	
			(5) The Company is a leading company in Taiwan's information service industry that places a high value on the protection of consumer rights in procedures including the provision, establishment, management, maintenance, and operations of information services. The Company provides comprehensive systems and complaint procedures for each operating method and service procedure derived from various products and services in order to protect consumer rights. For instance, a customer service center was established for financial-related products while an online service and support center was established for product and system maintenance to provide high-quality customer support. The Company also actively introduced international certification and standards such as the ISO 9001 quality management systems certification, ISO 27001 information security management system certification, ISO 22301 business continuity management system certification, and BS 10012 personal information management system certification. To enhance information security management and ensure data, systems, equipment, and network security, as well as personnel security, legal compliance, customer interests, protection of personal information, etc.	

## II. Corporate Governance

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and the Reasons
	Yes	No	Summary Description	
(6) Has the company formulated supplier management policies requiring suppliers to comply with relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights, and what is the status of their implementation?	V		<p>For details, please refer to SYSTEX's Sustainability Report and the Company's website. (<a href="https://tw.systex.com/cybersecuritym/">https://tw.systex.com/cybersecuritym/</a>)</p> <p>(6) In order to implement corporate social responsibility, promote sustainable environmental development, and safeguard basic human rights, the company hopes that the supply of cooperation can still adopt the same standards and fulfill corporate social responsibility together, and specially formulated the "Supplier Corporate Social Responsibility Code of Conduct" It is hoped that all suppliers and their downstream suppliers, contractors or service providers will recognize and adopt it. And promote supplier CSR questionnaire self-evaluation, suppliers sign integrity commitments, establish a high-quality supplier evaluation system and classification, establish a compliant procurement system, hold supplier forums, and invite representatives of high-performance suppliers to share actual promotion experience and optimize suppliers CSR evaluation process and priority procurement policy for green products. By the end of 2024, 830 copies of the supplier CSR questionnaire self-assessment have been signed, 846 copies of supplier cyber security and personal data protection self-evaluation questionnaires, 2,210 copies of supplier CSR codes of conduct, suppliers' integrity commitment letter and 3,016 copies of the manufacturer's integrity commitment and joint declaration have been signed.</p> <p>In addition, every year, key suppliers are defined according to conditions such as transaction volume, order volume, uniqueness, etc., and implement corporate sustainability and social responsibility audit plans, the evaluation covers 16 topics and 35 questions from the perspectives of economy, society and environment. Require the supplier to explain each topic and provide supporting materials to ensure that there are actual relevant actions. An audit team is formed by the company's procurement team to conduct on-site audits depending on the supplier's situation.</p>	
5. Does the company refer to international reporting standards or guidelines when preparing its sustainability report and other reports disclosing non-financial information? Does the company obtain	V		(1) According to the sustainability report preparation and verification procedures, a sustainability report is prepared regularly every year. The 2024 Sustainability Report will disclose information about SYSTEX's and affiliated companies in Taiwan. It is expected to be issued in August 2025 after being submitted to the board of directors for approval.	None

## II. Corporate Governance

Item	Implementation Status			Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
third party assurance or certification for the reports above?			(2) The report follows the GRI Standards the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB)-Software & IT Services. (3) The report has been authenticated AA1000AS V3 Licensed Assurance Statement (Type 1) by SGS.	
6. If the Company has adopted its own sustainable development best practice principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviation from the principles in the Company's operations: N/A				
7. 7. Other important information to facilitate better understanding of the company's promotion of sustainable development: (1) The main contents of the Sustainability Report for each year include sustainable governance, friendly workplace, environmental sustainability, and technology for good deeds, and related promotion of sustainable development, which has been referred in the company's website. ( <a href="https://tw.systex.com/esg-download/">https://tw.systex.com/esg-download/</a> ) (2) In 2024, the company won awards, please refer to company's website.( <a href="https://tw.systex.com/about_milestone/">https://tw.systex.com/about_milestone/</a> )				

## II. Corporate Governance

### 2.3.7 Ethical Corporate Management – Implementation Status and Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons

Evaluation item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
1. Establishment of ethical corporate management policies and programs				
(1) Does the company have an ethical corporate management policy approved by its Board of Directors, and bylaws and publicly available documents addressing its corporate conduct and ethics policy and measures, and commitment regarding implementation of such policy from the Board of Directors and the top management team?	V		(1) The Company has established the "Ethical Corporate Management Best Practice Principles" to assist the Company in fostering a corporate culture of ethical management and sound development, and offer a reference framework for establishing good commercial practices. And invite directors and senior managers to sign follows the integrity management policy statement.	None
(2) Whether the company has established an assessment mechanism for the risk of unethical conduct; regularly analyzes and evaluates, within a business context, the business activities with a higher risk of unethical conduct; has formulated a program to prevent unethical conduct with a scope no less than the activities prescribed in Article 7, paragraph 2 of the Ethical Corporate Management Best Practice Principles for	V		(2) The "Employee Code of Conduct" was established for the employees to abide by laws and regulations, comply with professional code of conduct, and maintain principles of honesty and integrity when conducting business. And there is dishonesty in the "Ethical Corporate Management Best Practice Principles" behavioral risk assessment mechanism, regularly analyze and evaluate Business activities with a higher risk of dishonesty are based on which a prevention plan is formulated And regularly review the appropriateness and effectiveness of the prevention plan.	

## II. Corporate Governance

Evaluation item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
TWSE/TPE Listed Companies? (3) Does the company clearly set out the operating procedures, behavior guidelines, and punishment and appeal system for violations in the unethical conduct prevention program, implement it, and regularly review and revise the plan?	V		(3) The Company has established the "Procedures for Ethical Corporate Management and Guidelines for Conduct" for the employees to maintain principles of honesty and integrity when conducting business and abide by laws and regulations while complying with professional code of conduct. The Company also established the "Employee Code of Conduct" to convert the Company's business ideals and values into institutionalized regulations.	
2. Ethical Management Practice (1) Does the company assess the ethics records of those it has business relationships with and include ethical conduct related clauses in the business contracts?	V		(1) Before conducting transactions, the Company shall assess the legitimacy of the transaction counterparty and consider whether it has prior records that are unethical. The Company maintains business ideals of honesty and integrity and it has established sound corporate governance and risk management mechanisms to be implemented in internal management and external business activities.	None
(2) Has the company set up a dedicated unit to promote ethical corporate management under the board of directors, and does it regularly (at least once a year) report to the board of directors on its ethical corporate management policy and program to prevent unethical conduct and monitor their implementation?	V		(2) The Company's various functional departments promote ethical corporate business ideals and supervise one another through organizational arrangements. The Audit Division is responsible for day-to-day implementation of various internal auditing tasks. Board resolution passed Set up the "Integrity Management Committee" under the Board of Directors, responsible for integrity. The committee members are composed of Chief Legal Officer, CFO, CHO, commercial supervisors, and will serve as the chief of staff for each meeting. The meeting was chaired by the Chief Legal Officer. The formulation and supervision of operating policies and preventive measures has reported to the board of directors in December 17, 2024.	
(3) Has the company established policies to prevent conflict of interests, provided appropriate communication and complaint	V		(3) The Company has established a stakeholder area on the company website and assigned a contact window to be directly responsible for communications with stakeholders. The Company respects and maintains their legal rights and they may contact the Company through telephone or email at any time. The email of the Audit	



## II. Corporate Governance

Evaluation item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
channels, and properly implemented such policies?			Committee is also established on the company website as a channel for stakeholders to provide suggestions or file complaints.	
(4) Does the company have effective accounting and internal control systems in place to enforce ethical corporate management? Does the internal audit unit follow the results of unethical conduct risk assessments and devise audit plans to audit compliance with the systems to prevent unethical conduct or hire outside accountants to perform the audits?	V		(4) The Company established its accounting system and internal control system in compliance with regulations. The Audit Division established the Enforcement Rules of Internal Auditing and uses the Rules to implement and evaluate the current control systems, the effectiveness of procedures, and the compliance system. The internal auditing unit should establish relevant audit plans following the results of risk assessments for unethical behavior. The plans should include audit target, scope, items, and frequency, and used to audit compliance with prevention programs. Accountants can be tasked with the audit, and, if necessary, professionals could be hired to provide their assistance. The results of audits should be reported to high-level management and the Ethical Corporate Management Committee and compiled into audit reports for the Board of Directors. The Audit tasks mainly include audit plans approved by the Board of Directors as well as project auditing or review in accordance with requirements. The internal audit and review of the self-inspections conducted by various units and results of comprehensive self-inspections are reported to the Board of Directors as evaluation of the effectiveness of the overall internal control system and the basis of the submission of the Statement of Internal Control System.	
(5) Does the company provide internal and external ethical corporate management training programs on a regular basis?	V		(5) The Company conducts education and training for employees and announces the "Employee Code of Conduct" on the Company's internal website. The Company also notifies each employee through mail each month to remind them to abide by laws and regulations, comply with professional code of conduct, and maintain principles of honesty and integrity when conducting business. At the same time, Systex conducts an online test for all employees every 4 months on the case description model of honest operation, with digital courses for those that fail to pass to strengthen employees' attention and requirement of honest and legal operation. The contents of the implementation in 2024 are as follows: a. SYSTEX educates new employees on ethical corporate management as part of compulsory training. The company has so far trained 773 people in 2024.	

## II. Corporate Governance

Evaluation item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
			<p>b. Each year, SYSTEX educates the directors, managerial officers and employees on its "Internal Material Information Disclosure Operating Guidelines". To remind everyone of what they should pay attention to before and after receiving major information to avoid violating laws and regulations, the Company has compiled notes and case studies of insider training for employees to read and be tested on, so that employees stay well informed about relevant regulations. In December 2024, the company's directors and colleagues were given education and publicity related to insider trading. A total of 3,951 person-times have completed the online publicity courses, and the total number of class hours has reached 1,463 hours, and the training completion rate is 99.5% as of 2024.</p> <p>c. The Company conducts monthly "Employee Code of Conduct" training using case studies from the news. This program includes both domestic and overseas subsidiary companies. A total of 50,103 person-times have taken part in the training as of 2024.</p> <p>d. SYSTEX conducts at least twice "Ethical Corporate Management Best Practice Principle" training and exam each year to fully educate employees on ethical corporate management ideals. As of 2024, 7,850 person-times have taken part in the training.</p> <p>e. An online "Ethical Corporate Management &amp; Code of Professional Ethics" course was added in November 2019 to give additional training to employees that did not pass training exams.</p> <p>f. The directors are regularly announced the principles of integrity management of the company.</p> <p>g. In 2024, 2 seminars on integrity management were held, which were attended by supervisors above the division level, with a total of 302 and 486 person-times and the total number of class hours has reached 1,186 hours.</p>	
<p>3. Implementation of Complaint Procedures</p> <p>(1) Has the company established specific whistle-blowing and</p>	V		(1) The company's integrity management committee has a dedicated independent reporting mailbox to provide inspection	None

## II. Corporate Governance

Evaluation item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
<p>reward procedures, set up conveniently accessible whistle-blowing channels, and appointed appropriate personnel specifically responsible for handling complaints received from whistleblowers?</p> <p>(2) Has the company established standard operation procedures for investigating the complaints received, follow-up measures taken after investigation, and mechanisms ensuring such complaints are handled in a confidential manner?</p> <p>(3) Has the company adopted proper measures to protect whistleblowers from retaliation for filing complaints?</p>	V		<p>It is handled by a dedicated person, all complaints are completely confidential, and It is verified by an independent pipeline to protect the whistleblower. In accordance with the "Integrity Management Operating Procedures and Conduct Guidelines", internal and external personnel are encouraged to report dishonesty or improper behavior, and a bonus of up to NT\$500,000 will be awarded depending on the severity of the report.</p> <p>(2) The Company has established the "Employee Code of Conduct" and "Measures for Integrity Management Reporting System" and provides complete confidentiality for whistleblowers and reported items. The Company has established follow-up measures to be taken after a reported case is investigated depending on the severity of the situation. If necessary, the case should be reported to governing authorities or given to judicial investigation.</p> <p>(3) The company protects the identity of whistleblowers from inappropriate treatment and threats that may arise from the report. For details, please refer to the sustainability report and the company website. (<a href="https://tw.system.com/integrity/">https://tw.system.com/integrity/</a>)</p>	
<p>4. Strengthening Information Disclosure</p> <p>Does the company disclose its ethical corporate management policies and the results of their implementation on its website and the Market Observation Post System (MOPS)?</p>	V		<p>The Company discloses its ethical business policies in the internal regulations, company's website, and annual reports. (<a href="https://tw.system.com/integrity/">https://tw.system.com/integrity/</a>)</p>	None
<p>5. If the company has adopted its own ethical corporate management best practice principles based on the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies, please describe any deviations between the principles and their implementation: There have been no differences.</p>				

## II. Corporate Governance

Evaluation item	Implementation Status			Deviations from the Ethical Corporate Management Best Practice Principles for TWSE/TPEX Listed Companies and the Reasons
	Yes	No	Summary Description	
6. Other important information to facilitate a better understanding of the status of operation of the company’s ethical corporate management policies (e.g., the company’s reviewing and amending of its ethical corporate management best practice principles): The company regards compliance with the Company Law, the Securities Exchange Law, the relevant regulations on TWSE/TPEX Listed Companies, and other business conduct-related laws and regulations as the basis for implementing honest business operations. In addition, pay attention to the development of relevant norms of integrity management at any time, and review the company’s “Corporate Governance Best Practice Principles ”, “Ethical Management Best Practice Principle ”, “Code of Conduct for Directors and Managers” and “Code of Conduct for Employees of SYSTEX and Subsidiaries ” and other self-regulatory norms.				

## II. Corporate Governance

---

### 2.3.8 Other Important Information Regarding Corporate Governance

- A. The Company has placed the relevant corporate governance regulations under the "Corporate Governance" section of the Public Information Observatory and set up a "Corporate Sustainability - Corporate Governance" section on the corporate website (<https://tw.systex.com/corporate-governance/>) to facilitate full disclosure and inquiry of information.
- B. The Company has established the "Internal Material Information Disclosure Operating Guidelines" to prevent inappropriate disclosure when the Company's Directors, managerial officers or employees process or disclose material information and maintain consistency and accuracy in disclosure of information. The main contents are:
- (a) Applicable targets, scope of internal material information, and entities responsible for implementation.
  - (b) Operating procedures for keeping internal material information confidential.
  - (c) Operating procedures for disclosing internal material information.
  - (d) Processing irregularities and violations.
- The "Internal Material Information Disclosure Operating Guidelines" have been passed by the Company's Board of Directors in a resolution and announced on the Company's internal website.
- To implement the Company's spokesperson system and confidentiality of internal material information, the Company has established the "Internal Material Information Disclosure Operating Guidelines" and the "Internal Material Information Confidentiality Firewall Operating Guidelines" which are also announced on the Company's internal website.
- C. Other Important Information Regarding Corporate Governance: please refer to pages 35~39 of "Corporate Governance Implementation Status and Deviations from "Corporate Governance – Implementation Status and Deviations from the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies and the Reasons" No.8.

### 2.3.9 Internal Control System Execution Status

#### A. Statement of Internal Control System

Please refer to page 46 of the Chinese annual report.

B. If CPA was Engaged to Conduct a Special Audit of Internal Control System, Provide Its Audit Report: None.

2.3.10 Lawful punishment inflicted on the Company, and/or disciplinary action taken by the Company against its employees for violating internal regulations in the latest year and up to the printing date of this Annual Report); important errors committed; and correction and improvement procedures: None.

### 2.3.11 Major Resolutions of Shareholders Meeting and Board Meetings

#### A. Important resolutions from the annual shareholders' meeting on May 29, 2024 and current status:

(a) Ratified the business report and the financial statements for 2023.

(b) Ratified the earnings distribution proposal for 2023.

(c) Approved the amendment to the "Articles of Incorporation".

(d) Approved the amendment to the "The Employee Restricted Stock Awards Rules for Year 2022".

Review of the current status of the implementation of resolutions:

(a) The 2023 Earnings and Capital Surplus distribution proposal by cash have been carried out and all dividends have been distributed to shareholders on July 9, 2024 after the resolution in the Board of Directors meeting on April 10, 2024 and have been reported in the 2024 annual shareholders' meeting.

(b) The amendment to the "Articles of Incorporation" and "The Employee Restricted Stock Awards Rules for Year 2022 " has been implemented after the approval of the shareholders meeting.

#### B. Important resolutions of Board meetings in 2024 and during the current fiscal year up to the date of publication of the annual report:

##### (a) February 27, 2024:

i. Approved the amended Internal Control System.

ii. Approved the "Statement of Internal Control System" for 2023.

iii. Approved the business report and the financial statements for 2023.

iv. Approved the 2023 employee remuneration distribution plan.

v. Approved the 2023 director remuneration distribution plan.

vi. Approved the performance of SYSTEX's operating goals of the Employee Restricted Stock Awards for Year 2023.

vii. Approved the amended "The Employee Restricted Stock Awards Rules for Year 2022".

viii. Approved the amendment to the "Articles of Incorporation".

ix. Approved the amendment to the "Audit Committee Charter".

x. Approved the amendment to the "Rules of Procedure for Board of Directors Meetings".

xi. Approved the confirmed of the independence and adaptability of new CPA of 2024.

xii. Approved the proposed calling of 2024 general shareholders meeting.

xiii. Approved the retirement of the manager.

xiv. Approved the review results and bonuses of managerial officers for the second half of 2023.

xv. Approved the distribution of the bonuses and annual remuneration for managerial officers of 2023.

xvi. Approved the 2024 KPI settings and remuneration structure for managerial officers.

##### (b) April 10, 2024:

i. Approved the 2023 earnings distribution proposal.

ii. Approved the Company's Audit Fee of 2024.

##### (c) May 8, 2024:

i. Approved the Financial Statements for the First Quarter Ended of 2024.

##### (d) July 12, 2024:

i. Approved the public tender offers for Neweb Information Co., Ltd.

## II. Corporate Governance

---

(e) August 6, 2024:

- i. Approved the Financial Statements for the Second Quarter Ended of 2024.
- ii. Approved the Capital reduction base date of call in the stocks of the Employee Restricted Stock Awards for 2022.
- iii. Approved the amended "Rules Governing Financial and Business Matters Between this Corporation and its Affiliated Enterprises".
- iv. Approved the Sustainability Report for 2023.
- v. Approved the review results of management team and the distribution of bonuses for the first half of 2024.

(f) September 6, 2024:

- i. Approved the disposal of the securities through the subsidiaries.

(g) November 6, 2024:

- i. Approved the Financial Statements for the Third Quarter Ended of 2024.
- ii. Approved the review results of the independence and adaptability of CPA.
- iii. Approved the director remuneration distribution plan for the 10th Director Board.
- iv. Approved the Employee Stock Ownership Trust Plan.
- v. Approved the units of employee stock options issued by subsidiary Dawning Technology Inc. to managers of SYSTEX.
- vi. Approved the stocks of issued Cash capital increase by subsidiary uniXecure Corp. to managers of SYSTEX.

(h) December 17, 2024:

- i. Approved the amended Internal Control System.
- ii. Approved the Audit program for 2025.
- iii. Approved the consolidated operating budget for 2025.
- iv. Approved the Company's financing loan credit line contract with financial institutions.
- v. Approved the endorsement guarantee for Systex Group (China) Ltd.
- vi. Approved the released of the endorsement guarantee for Systek Information (Shanghai) Ltd. and Systex Rainbow Tech Inc.
- vii. Approved the long-term incentive plan for the employees of SYSTEX.

(i) February 26, 2025:

- i. Approved the "Statement of Internal Control System" for 2024.
- ii. Approved the business report and the financial statements for 2024.
- iii. Approved the performance of SYSTEX's operating goals of the Employee Restricted Stock Awards for Year 2024.
- iv. Approved the 2024 employee remuneration distribution plan.
- v. Approved the 2024 director remuneration distribution plan.
- vi. Approved the merged with MISYS Corp.
- vii. Define the scope of the company's grassroots employees and the principles for allocating employee remuneration.
- viii. Approved the amendment to the "Articles of Incorporation".
- ix. Approved elected the 11th Board of Directors at the 2025 general shareholders' meeting.
- x. Approved the nomination of candidates for the 11th Board of Directors and Independent Directors.
- xi. Approved the non-competition restriction on directors.
- xii. Approved the proposed calling of 2025 general shareholders meeting.
- xiii. Approved the confirmed of the independence and adaptability of new CPA of 2025.
- xiv. Approved the Company's Audit Fee of 2025.
- xv. Approved the Capital reduction base date of call in the stocks of the Employee Restricted Stock Awards for 2022.
- xvi. Approved the amendment to the units of employee stock options issued by subsidiary Dawning Technology Inc. to managers of SYSTEX.

## II. Corporate Governance

- xvii. Approved the amendment to the Performance Evaluation for the SYSTEX's managers.
- xviii. Approved the review results and bonuses of managerial officers for the second half of 2024.
- xix. Approved the distribution of the bonuses and annual remuneration for managerial officers of 2024.
- xx. Approved the 2025 KPI settings and remuneration structure for managerial officers.

(j) April 9, 2025:

- i. Approved the 2024 earnings distribution proposal.
- ii. Approved the candidates of Independent Directors with the qualification requirements.
- iii. Approved the adjustment of the units of employee stock options issued by subsidiary Dawning Technology Inc. to managers of SYSTEX.

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

2.3.13 Resignation or Dismissal of the Company's Key Individuals, Including the Chairman, CEO, and Heads of Accounting, Finance, Internal Audit, Corporate Governance Officer and R&D: None.

### 2.4 Information Regarding the Company's Audit Fee

Unit: NT\$ thousands

Accounting Firm	Name of CPA	Period Covered by CPA's Audit	Audit Fee	Non- Audit Fee (Note)	Total	Remarks
Deloitte & Touche Accounting Firm	Shue, Shiow-Ming	2024.01.01~	5,980	2,130	8,110	-
	Huang, Hui-Min	2024.12.31				

Note: The fee of ISO27001:2022 transition coaching and consulting NT\$880 thousands, the fee of review of Employee Salary Information Checklist for 2023 is NT\$50 thousands and due diligence of pre-investment is NT\$1,200thousands.



## II. Corporate Governance

### 2.5 Information Regarding the Replacement of CPA

#### 2.5.1 Regarding the former CPA

Replacement Date	November 6, 2024		
Replacement reasons and explanations	The internal adjustment of accounting firms.		
Describe whether the Company terminated or the CPA did not accept the appointment	Parties	CPA	The Company
	Status		
	Termination of appointment	N/A	N/A
	No longer accepted (continued) appointment	N/A	N/A
Other issues (except for unqualified issues) in the audit reports within the last two years	Unqualified opinion		
Differences with the company	Yes		Accounting principles or practices
			Disclosure of Financial Statements
			Audit scope or steps
			Others
	None	V	
	Remarks/specify details:		
Other Revealed Matters	None		

#### 2.5.2 Regarding the successor CPA

Name of accounting firm	Deloitte & Touche Accounting Firm
Name of CPA	Shue, Shiow-Ming; Huang, Hui-Min
Date of appointment	November 6, 2024
Consultation results and opinions on accounting treatments or principles with respect to specified transactions and the company's financial reports that the CPA might issue prior to the engagement.	None
Succeeding CPA's written opinion of disagreement toward the former CPA	None

### 2.6 Audit Independence

If the chairman, president, and financial or accounting manager of the Company who had worked for the independent auditor or the related party in the most recent year, the name, title, and the term with the independent auditor or the related party must be disclosed: None.

## II. Corporate Governance

### 2.7 Changes in Shareholding of Directors, Managers and Major Shareholders

Title	Name	2024		As of March 30, 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Chairman / Manager	Lin, Lung-Fen	134,107	-	-	-
Director	Cheng, Deng-Yuan	(17,298)	-	-	-
Director	Huang, Ting-Rong	-	-	-	-
Director	Huang, Chi-Rong	-	-	-	-
Director	Lu, Ta-Wei	-	-	-	-
Director	Shaw, Shung-Ho	-	-	-	-
Director	Hsieh, Chin-Ho	-	-	-	-
Director	Hanmore Investment Corp.(Note1)	-	(5,000,000)	N/A	N/A
Director Representative	Lin, Chih-Min(Note1)	-	-	N/A	N/A
Director Representative	Wu, Cheng-Huan(Note1)	-	-	N/A	N/A
Independent Director	Cheng, Wen-Feng	-	-	-	-
Independent Director	Lai, Chien-Hua	-	-	-	-
Independent Director	Huang, Ta-Lun	-	-	-	-
Independent Director	Lu, Hsi-Peng(Note 1)	-	-	-	-
Manager	Chung, Chih-Chun	44,702	-	-	-
Manager	Huang, Yu-Jen	44,702	-	(19,000)	-
Manager	Chen, Shih-Chen	-	-	-	-
Manager	Yang, Shih-Chung	44,702	-	-	-
Manager	Su, Kou-Lin	(33,000)	-	-	-
Manager	Tao, Yea-Kuan	29,801	-	-	-
Manager	Chan, Yi-Cheng	35,762	-	-	-
Manager	Lin, Cheng-Hsuan	32,781	-	-	-
Manager	Chen, Kuo-Jen	29,801	-	-	-
Manager	Chang, Huang-Yu	(6,179)	-	(27,000)	-
Manager	Chang, Ying-Chin	2,000	-	-	-
Manager	Pan, Tieh-Yi	26,821	-	-	-
Manager	Wu, Wen-Shuen	29,801	-	-	-
Manager	Chen, Sheng-Ming(Note2)	-	-	-	-
Manager	Lin, Jen-Shou	22,351	-	-	-
Manager	Shen, Ming-Ching(Note2)	N/A	N/A	-	-
Manager	Tsai, Chun-Hsiung	17,881	-	-	-

## II. Corporate Governance

Title	Name	2024		As of March 30, 2025	
		Holding Increase (Decrease)	Pledged Holding Increase (Decrease)	Holding Increase (Decrease)	Pledged Holding Increase (Decrease)
Manager	Cheng, Yuan-Yih	[119]	-	-	-
Manager	Hsiao, Wei-Chun(Note1)	-	-	N/A	N/A
Major Shareholders	Taiwan Mobile Co., Ltd. (Note2)	-	-	-	-

Note 1: Hanmore Investment Corp.(Lin, Chih-Min and Wu, Cheng-Huan) was resigned and Lu,Hsi-Peng was dismissed in September, 2024; Hsiao, Wei-Chun was retried in June, 2024.

Note 2: Chen, Sheng-Ming was took office in October, 2024; Shen, Ming-Ching was took office in January, 2025; Taiwan Mobile Co., Ltd. was took office in September, 2024.

2.7.1 Shares Trading with Related Parties: None.

2.7.2 Shares Pledge with Related Parties: None.

## II. Corporate Governance

### 2.8 Relationship among the Top Ten Shareholders

As of March 30, 2025

Name	Current Shareholding		Spouse's/minor's Shareholding		Shareholding by Nominee Arrangement		Name and Relationship Between the Company's Top Ten Shareholders, or Spouses or Relatives Within Two Degrees		Remarks
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Taiwan Mobile Co., Ltd. Chairman: Tsai, Ming-Chung	32,298,154	11.86	-	-	-	-	-	-	
Joray Co., Ltd. Chairman: Huang, Tsong-Jen	11,072,559	4.07	-	-	-	-	Huang, Tsong-Jen	Chairman	
Chunghwa Post Co., Ltd. Chairman: Wang, Kuo-Tsai	10,993,000	4.04	-	-	-	-	-	-	
Asiavest Capital Co., Ltd. Chairman: Huang, Tsong-Jen	10,310,000	3.79	-	-	-	-	Huang, Tsong-Jen	Chairman	
Joway Investment Co., Ltd. Chairman: Ho, Mei-Yii	7,132,309	2.62	-	-	-	-	Huang, Tsong-Jen	Related party in substance	
Yu Yeh Investment Corp. Chairman: Wan, Yu-Ye	7,108,000	2.61	-	-	-	-	-	-	
Huang, Tsong-Jen	5,295,750	1.95	-	-	-	-	Asiavest Capital Co., Ltd.	Chairman	
							Joray Co., Ltd.		
							Joway Investment Co., Ltd.	Related party in substance	
Huanxi Investment Corp. Chairman: Sun, Tzu-Ying	4,228,454	1.55	-	-	-	-	Jinyuanfa Investment Corp.	Same Chairman	
Jinyuanfa Investment Corp. Chairman: Sun, Tzu-Ying	3,646,321	1.34	-	-	-	-	Huanxi Investment Corp.	Same Chairman	
Xin Hong International Co., Ltd. Chairman: Cho, Yi-Tsui	2,277,661	0.84	-	-	-	-	-	-	

## II. Corporate Governance

### 2.9 Ownership of Shares in Affiliated Enterprises

Unit: shares/ % As of December 31, 2024

Affiliated Enterprises	Ownership by the Company		Direct or Indirect Ownership by Directors, Supervisors, Managers		Total Ownership	
	Shares	%	Shares	%	Shares	%
Kimo.com (BVI) Corp.	500,000	100.0	0	0	500,000	100.0
System Capital Group, Inc.	550	100.0	0	0	550	100.0
Ching Pu Investment Corp.	23,437,500	100.0	0	0	23,437,500	100.0
Golden Bridge Information Corp.	23,000,000	100.0	0	0	23,000,000	100.0
System Software & Service Corp.	40,000,000	100.0	0	0	40,000,000	100.0
System Solutions Corp.	26,000,000	100.0	0	0	26,000,000	100.0
Concord System Management Corp.	30,413,372	100.0	0	0	30,413,372	100.0
Taifon Computer Co., Ltd.	20,000,000	100.0	0	0	20,000,000	100.0
Naturint Ltd.	2,000,000	100.0	0	0	2,000,000	100.0
E-service Information Corp.	8,000,000	100.0	0	0	8,000,000	100.0
MISYS Corp.(Note2)	10,000,000	100.0	0	0	10,000,000	100.0
uniXecure Corp.	19,250,000	96.3	80,000	0.4	19,330,000	96.7
Taiwan Information Service Technology Corp.	16,630	67.4	0	0	16,630	67.4
System Fintech Corp.	13,996,500	63.7	593,000	2.7	14,589,500	66.4
Docutek Solution, Inc.	7,568,413	54.9	0	0	7,568,413	54.9
Hanmore Investment Corp.	964,068	48.9	0	0	964,068	48.9
Syscooperate Corp.	6,160,000	44.6	0	0	6,160,000	44.6
Mohist web technology Co., Ltd.	400,000	40.0	0	0	400,000	40.0
GenSys Technology (International) Limited	8,000,000	33.6	0	0	8,000,000	33.6
FinRobo Advisor Securities Investment Consulting Co., Ltd.	1,500,000	30.0	0	0	1,500,000	30.0
Systemweb Technologies Co., Ltd.	3,245,000	28.2	0	0	3,245,000	28.2
Baoruh Electronic Co., Ltd.	4,339,500	29.7	0	0	4,339,500	29.7
Genesis Technology, Inc.	34,596,846	27.7	4,880,956	4.0	39,477,802	31.7
System Infopro Co., Ltd.	20,000	20.0	0	0	20,000	20.0
Neweb Information Co., Ltd.	1,949,647	15.9	3,970,918	32.4	5,920,565	48.3
Sanfran Technology Inc.	3,770,880	12.3	0	0	3,770,880	12.3
Forg-jump Information Co., Ltd.	913,202	10.0	0	0	913,202	10.0
Syspower Corp.	1,096,200	4.7	19,383,911	82.7	20,480,111	87.4

Note1: Affiliated enterprises have been invested by equity method.

Note2: Had been merger and dissolved in March 2025.

### III. Capital Overview

#### 3.1 Capital and Shares

##### 3.1.1 Source of Capital

##### A. Issued Shares

As of March 30, 2025

Month/ Year	Par Value (NT\$)	Authorized Capital		Paid-in Capital		Remark		
		Shares	Amount (NT\$)	Shares	Amount (NT\$)	Sources of Capital	Capital Increased by Assets Other than Cash	Other
2022/09	10	400,000,000	4,000,000,000	272,393,304	2,723,933,040	New Restricted Employee Shares issued: NT\$30,000,000	-	
2023/01	10	400,000,000	4,000,000,000	272,333,304	2,723,333,040	New Restricted Employee Shares bought back: NT\$600,000	-	
2023/04	10	400,000,000	4,000,000,000	272,303,304	2,723,033,040	New Restricted Employee Shares bought back: NT\$300,000	-	
2024/09	10	400,000,000	4,000,000,000	272,265,385	2,722,653,850	New Restricted Employee Shares bought back: NT\$379,190	-	
2025/02	10	400,000,000	4,000,000,000	272,243,066	2,722,430,660	New Restricted Employee Shares bought back: NT\$223,190	-	

##### B. Type of Stock

As of March 30, 2025

Type of Stock	Authorized Capital			Remarks
	Issued Shares	Un-issued Shares	Total Shares	
Common Shares	272,243,066	127,756,934	400,000,000	None

##### C. Information for Shelf Registration : None.

### III. Capital Overview

#### 3.1.2 Major Shareholders

As of March 30, 2025

Shareholder's Name	Shareholding	Shares	Percentage (%)
Taiwan Mobile Co., Ltd.		32,298,154	11.86
Joray Co., Ltd.		11,072,559	4.07
Chunghwa Post Co., Ltd.		10,993,000	4.04
Asiavest Capital Co., Ltd.		10,310,000	3.79
Joway Investment Co., Ltd.		7,132,309	2.62
Yu Yeh Investment Corp.		7,108,000	2.61
Huang, Tsong-Jen		5,295,750	1.95
Huanxi Investment Co., Ltd.		4,228,454	1.55
Jinyuanfa Investment Co., Ltd.		3,646,321	1.34
Hongxin International Co., Ltd.		2,277,661	0.84

## III. Capital Overview

---

### 3.1.3 Dividend Policy and Implementation Status

#### A. Dividend policy

In accordance with the overall environment and the industry's characteristics of growth as well as the Company's long-term financial plans for sustainable and stable development, the Company has adopted a residual dividend policy, which requires that annual funding requirements based on the Company's future capital budget plans are duly assessed and that required funding in earnings is retained before residual earnings are distributed as dividend.

The Company distributes dividends through cash or stocks and cash dividends are prioritized. If dividends are distributed in stocks, the stock dividends shall not exceed 50% of the total dividends issued in the current year. The distribution of dividends may be dependent on the Company's current and future investment environment, funding requirements, domestic and foreign competition, and capital budgets while taking into consideration shareholder interests, balanced dividends, and the Company's long-term financial plans. The Board of Directors shall formulate dividend distribution methods or related options in accordance with the law and submit them to the shareholders' meeting for discussion and resolution.

Basically, dividends are pay out as the financial year surplus profits having paid all taxes and dues, and making good the deficit of the company, set as legal reserve and special reserve, and will reserve fund for the company's operation plan after the surplus profits, more than 50% the remain to pay dividends.

#### B. Implementation status

(1) The Board of Directors meeting on April 10, 2024 resolved to distribute NT\$1,415,977,180 in 2023 earnings. Based on the 272,303,304 shares in external circulation, each share shall receive a cash dividend of NT\$5.2, the smallest unit of which is one dollar of the common currency (NT\$), decimals excluded and reported in the annual shareholders' meeting on May 29, 2024.

(2) The 2023 cash dividend have been distributed to shareholders on July 9, 2024.



### III. Capital Overview

#### C. The proposal for the distribution of 2024 profits for 2025 Annual Shareholders' Meeting

SYSTEX Corporation  
Earnings Distribution Proposal  
2024

Unit: NT\$

Items	Amount	
	Subtotal	Total
Beginning unappropriated earnings		2,320,812,822
Restricted Stock Cancellation-Dividend Reversal	207,016	
Adjustment for investments accounted for using equity method	13,107,825	
Remeasurement on net defined benefit plan	(377,560)	
Add: Net income of 2024	1,957,430,858	
Reversal Special reserve	202,984,189	
Earnings available for distribution		<u>4,494,165,150</u>
Distribution items		
Legal reserve	(197,036,813)	
Cash dividends (NT\$5.2/per share)	(1,415,663,943)	
Total distribution		<u>(1,612,700,756)</u>
Ending unappropriated		<u><u>2,881,464,394</u></u>

Note: The Company has issued a total of 272,243,066 shares on March 31, 2025.

Chairman & President	Lin, Lung-Fen
Accounting Manager	Cheng, Yuan-Yih

#### 3.1.4 Employee and Directors' Remuneration

##### A. Information Relating to Employee Bonus and Directors' Remuneration in the Articles of Incorporation:

In the event the Company makes a profit during the fiscal year it shall set aside no less than 0.1% of the profits for employee remuneration. The remuneration for Directors shall be no higher than 2%. However, priority shall be given to reservation of funds for compensation of cumulative losses, if any.

The preceding employee remuneration may be paid in cash or shares, and shall be payable to employees of subsidiary companies who meet the requirements stipulated by the Board of Directors. Remuneration of directors as specified above may be distributed in cash only.

### III. Capital Overview

B. The basis for estimating employee and director remuneration amounts, basis for calculating the number of shares to be distributed as employee remuneration, and the accounting treatment of the discrepancy, if any, between the actual distributed amount and the estimated amount, for the current period:

In the event of a material change to the distributed amount in the Board's decision after the end of the year, adjustment that reflect the change shall be made to the originally allocated annual expenses.

C. Remuneration proposals approved by the Board of Directors:

a. The Company's Board of Director's meeting on February 26, 2025 has approved the remuneration of employees and Directors shall be paid in cash. The discrepancy between the amounts and the amortized estimates for the year, the differences, reasons, and responses shall be disclosed:

Unit: NT\$

Item	Approved by the Board of Directors	Estimates	Difference	Reasons and Responses
Employees Remuneration	63,013,499	63,013,499	-	-
Directors Remuneration	42,009,001	42,009,001	-	-

b. Amount of employee remuneration distributed in the form of stocks, as a percentage of the net income after taxes provided in the standalone or consolidated financial statements of the current period, and as a percentage of total employee remuneration:

Not applicable as no employee remuneration has been distributed in the form of stocks in the year 2024.

D. Discrepancies, if any, between actual distribution of employee and Directors remuneration (including the number of shares distributed, amount and stock price) and the recognized remuneration of employees and Directors and disclosure of the differences, reasons and responses:

a. Actual distribution status of employee and Directors remuneration: The Company's Board of Director's meeting on February 27, 2024 has approved the remuneration of employees and Directors shall be paid in cash. The discrepancy between the amounts and the amortized estimates for the year, the differences, reasons, and responses shall be disclosed:

Unit: NT\$

Item	Approved by the Board of Directors	Estimates	Difference	Reasons and Responses
Employees Remuneration	48,121,992	48,121,992	-	-
Directors Remuneration	32,081,328	32,081,328	-	-

b. In case of any discrepancy between the proposed and recognized amounts of employee and director remuneration, the differences, reasons, and responses shall be disclosed: Not applicable.

3.1.4 Buyback of Treasury Stock: None.

### III. Capital Overview

#### 3.2 Corporate Bonds:

Corporate Bond Type		Domestic Unsecured Bond(110-1)
Issuing (handling) date		09/27/2021
Denomination		NT\$1,000,000
Issuing and transaction location		GreTai Securities Market (OTC)
Issue price		Issue by denomination
Total amount		NT\$3,000,000,000
Interest rate		0.82%
Tenure and Maturity Date		Tenure:5 years    Maturity: 09/27/2026
Guarantor		N/A
Trustee		Mega International Commercial Bank Corporation
Underwriter		Yuanta Securities Corporation
Legal Counsel		N/A
Auditor		Deloitte & Touche Accounting Firm Lin, Shu-Wan; Kuo, Cheng-Hung
Repayment method		Repayment in lump sum upon maturity
Outstanding		NT\$3,000,000,000
Redemption or Early Repayment Clause		None
Covenants		None
Name of credit rating agency / Rating date / Rating of corporate bonds		twA-( Taiwan Ratings Corporation, 07/09/2021)
Other Rights of Bondholders	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	N/A
	Conversion Right	None
Dilution Effect and Other Adverse Effects on Existing Shareholders		None
Custodian		None

3.3 Preferred share: None.

3.4 Global Depository Receipts: None.

3.5 Employee Stock Options: None.

### III. Capital Overview

#### 3.6 Issuance of New Restricted Employee Shares:

##### 3.6.1 Status of Employee Restricted Stock

As of March 30, 2025

Type of New Restricted Employee Shares	Employee Restricted Stock Awards for Year 2022																																			
Date of Effective Registration and total shares	2022/07/19 : 3,000,000 shares																																			
Issue Date	2022/09/01																																			
Number of New Restricted Employee Shares Issued	3,000,000 shares																																			
Issued Price	The current issue is gratuitous																																			
New Restricted Employee Shares as a Percentage of Shares Issued	1.10%																																			
Vesting Conditions of New Restricted Employee Shares	<div>1. Executive managers must still serve in the Company on each of the vesting day after they are allotted with new restricted employee shares. In addition, they must also meet the Company’s operating goals and personal performance standards, without violating the Company’s (or an affiliated company’s) labor contract or receiving major demerit or severer disciplinary actions in accordance with the Company’s (or an affiliated company’s) regulations of employee rewards and penalties during the period of performance assessment. The maximum vesting percentages of shares for each year are: 33% for one year after issuance; 33% for two years after issuance; 34% for three years after issuance. In other words, the maximum total vesting percentage for the three-year period from 2022 to 2024 is 100%. However, the actual vested percentage and number of shares must be calculated based on the accomplishment of the Company’s operating goals and personal performance. The calculation result shall be rounded down to zero decimals.</div> <div>2. Criteria for recognizing SYSTEX’s operating goals and personal performance: The Company’s operating goal is to reach NT\$2.0 billion in net profit before tax for its core business within three years. In the three-year period starting from 2022, the operating performance in each year shall be calculated separately, and the target for each year is as follows: The net profit before tax of SYSTEX’s core business in 2022 aims at NT\$1.5 billion. The net profit before tax of SYSTEX’s core business in 2023 aims at NT\$1.7 billion. The net profit before tax of SYSTEX’s core business in 2024 aims at NT\$1.8 billion. If the operating performance in each year reaches its target, the vesting percentage will be 100%; if it reaches 90%-100% of the target, the vesting percentage will be calculated on progressive increase starting from 20% (see the table below); if it does not reach 90%, the vesting percentage will be 0%.</div> <table><tr><td>Percentage achieved</td><td>90%</td><td>91%</td><td>92%</td><td>93%</td><td>94%</td><td>95%</td><td>96%</td><td>97%</td><td>98%</td><td>99%</td><td>100%</td></tr><tr><td>Vesting percentage</td><td>20%</td><td>28%</td><td>36%</td><td>44%</td><td>52%</td><td>60%</td><td>68%</td><td>76%</td><td>84%</td><td>92%</td><td>100%</td></tr></table>												Percentage achieved	90%	91%	92%	93%	94%	95%	96%	97%	98%	99%	100%	Vesting percentage	20%	28%	36%	44%	52%	60%	68%	76%	84%	92%	100%
Percentage achieved	90%	91%	92%	93%	94%	95%	96%	97%	98%	99%	100%																									
Vesting percentage	20%	28%	36%	44%	52%	60%	68%	76%	84%	92%	100%																									

### III. Capital Overview

	<p>In addition, if SYSTEX's operating performance in 2022 and 2023 does not each reach 100% of its target, the percentage of shares that are yet to be vested (which must meet individual performance standards) will not be redeemed and canceled for the time being. If SYSTEX's operating goals reaches its target in 2024, then the percentage of shares to be vested in 2024 and the aforementioned percentage yet to be vested will be issued in lump sum in 2024.</p> <p>If individual performance is rated tier-3 or higher in the most recent annual performance assessment after the vesting period ends, the vesting percentage will be 100%; if it is rated tier-2 or lower, the vesting percentage will be 0%.</p>
Restricted Rights of New Restricted Employee Shares	<ol style="list-style-type: none"> <li>1. According to the trust agreement, employees who are allotted with new shares but have not met the vesting conditions may not sell, mortgage, transfer, gift, or pledge the new restricted employee shares, or request the right to buy back the shares without objection, or dispose them in any other ways.</li> <li>2. Attendance, proposal, speech, and voting rights in shareholders' meeting are to be conducted in accordance with the trust agreement.</li> <li>3. Issued new restricted employee shares shall be immediately placed in trust, and employees may not request return of new restricted employee shares for any reasons or by any means before the vesting conditions are met.</li> <li>4. If, before meeting the vesting conditions, an employee violates Article 9, Paragraph 2 by terminating or rescinding the authorization of the Company or the Company's designated individual to implement trust matters on his/her behalf, the Company shall redeem the shares without consideration and cancel them in accordance with the law.</li> <li>5. In the vesting period, if the Company conducts cash capital reduction or other non-statutory capital reductions, the new restricted employee shares shall be canceled in proportion to the reduced capital. If the capital is reduced through cash capital reduction, the cash thus returned must be placed in trust, and be delivered to employees after the vesting conditions are met. However, if the vesting conditions are not met, the Company shall redeem the cash.</li> </ol>
Custody Status of New Restricted Employee Shares	Placed under custodial trust
Measures to be Taken When Vesting Conditions are not Meet	<ol style="list-style-type: none"> <li>1. After being allotted the Company's new restricted employee shares, and if the employee fails to meet the vesting conditions as specified in Article 5 Paragraph III of "Regulations for 2022 Issuance of New Restricted Employee Shares", the Company shall redeem the shares without consideration and cancel them.</li> <li>2. In the vesting period, employees who resign, retire, are laid-off, terminate their employment, or no longer serve in the executive management due to transfer for certain reasons, if there are new restricted employee shares where vesting conditions are yet to be met, the date of their departure or transfer shall be deemed to be the date where the qualifications for vesting conditions are not met, and the Company shall redeem the shares without consideration and cancel them.</li> </ol>
Number of New Restricted Employee Shares that have been Redeemed or Bought Back	150,238 shares

### III. Capital Overview

---

Number of Released New Restricted Employee Shares	1,826,797 shares
Number of Unreleased New Restricted Shares	1,022,965 shares
Ratio of Unreleased New Restricted Shares to Total Issued Shares (%)	0.38%
Impact on Possible Dilution of Shareholdings	The dilution of the Company's EPS is limited, so there is no significant impact on the interest of shareholders.

### III. Capital Overview

#### 4.6.2 List of Executives Receiving New Restricted Employee Shares and the Top Ten Employees with New Restricted Employee Shares

As of March 30, 2025

	Title/ Name	No. of New Restricted Shares	New Restricted Shares as a Percentage of Shares Issued	Released				Restrictions Unreleased			
				No. of Shares	Issued Price	Issued Amount	Released Restricted Shares as a Percentage of Shares Issued	No. of Shares	Issued Price	Issued Amount	Unreleased Restricted Shares as a Percentage of Shares Issued
Executive officers	President/Lin, Lung-Fen	2,305,000	0.85%	1,409,000	0	0	0.52%	798,000	0	0	0.29%
	CFO, Corporate Governance Officer & Senior Vice President / Chung, Chih-Chun										
	CHO, CSO & Senior Vice President / Huang, Yu-Jen										
	Senior Vice President/ Yang, Shih-Chung										
	Senior Vice President/ Su, Kou-Lin										
	Senior Vice President / Tao, Yea-Kuan										
	Senior Vice President / Lin, Cheng-hsuan										
	Senior Vice President / Chan, Yi-Cheng										
	Senior Vice President / Chen, Kuo-Jen										
	Vice President/ Chang, Huang-Yu										
	Vice President/ Pan, Tieh-Yi										
	Vice President/ Wu, Wen-Shuen										

### III. Capital Overview

	Vice President/ Lin, Jen-Shou										
	Vice President/Hsieh, Ming-Shu										
	Senior Vice President / Cheng, Deng-Yuan(Note)										
	Vice President/ Liu, Kuan-Lin (Note)										
	Vice President/ Hsiao, Wei-Chun(Note)										
	Chief Audit Executive/ Tsai, Chun-Hsiung										
	Accounting Manager/ Cheng, Yuan-Yih										
Employees	Senior Assistant Vice President/ Hsieh, Fu-Tung	230,000	0.08%	126,000	0	0	0.05%	52,000	0	0	0.02%
	Senior Assistant Vice President/ Liu,Sheng-Teng										
	Senior Assistant Vice President/ Lin, Tsung-Ying										
	Deputy Vice President/ Cuei, Yin-Hao(Note)										
	Senior Assistant Vice President/ Hsueh,Sheng-Chieh(Note)										

Note: Cheng, Deng-Yuan was retired in February 2024; Liu, Kuan-Lin resigned in November, 2022; Hsiao, Wei-Chun resigned in June 2024; Hsueh,Sheng-Chieh resigned in March 2024; Cuei, Yin-Hao. resigned in January 2025.

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

4.8 Financing Plans and Implementation: None.



## IV. Operation Highlights

### 4.1 Business Activities

#### 4.1.1 Business Scope

##### A. Main business activities

(1)F113050	Wholesale of Computing and Business Machinery Equipment	(26)IE01010	Telecommunications Number Agencies
(2)F118010	Wholesale of Computer Software	(27)I103060	Management Consulting Services
(3)F113070	Wholesale of Telecom Instruments	(28)JE01010	Rental and Leasing Business
(4)F113020	Wholesale of Household Appliance	(29)I401010	General Advertising Services
(5)F113110	Wholesale of Batteries	(30)IZ99990	Other Industry and Commerce Services
(6)F119010	Wholesale of Electronic Materials	(31)J304010	Book Publishers
(7)E605010	Computing Equipments Installation Construction	(32)F401021	Restrained Telecom Radio Frequency Equipments and Materials Import
(8)JA02010	Electric Appliance and Audiovisual Electric Products Repair Shops	(33)J303010	Magazine and Periodical Publication
(9)J399010	Software Publication	(34)J305010	Audio Tape and Record Publishers
(10)IG02010	Research Development Service	(35)J201031	Technique and Performing Arts Training
(11)I599990	Other Designing	(36)I501010	Product Designing
(12)JZ99050	Agency Services	(37)I199990	Other Consultancy
(13)F113030	Wholesale of Precision Instruments	(38)CC01101	Restrained Telecom Radio Frequency Equipments and Materials Manufacturing
(14)E603050	Cybernation Equipments Construction	(39)F108031	Wholesale of Drugs, Medical Goods
(15)F401010	International Trade	(40)F208031	Retail Sale of Medical Equipments
(16)I301010	Software Design Services	(41)CC01110	Computers and Computing Peripheral Equipments Manufacturing
(17)I301020	Data Processing Services	(42)CC01120	Data Storage Media Manufacturing and Duplicating
(18)I301030	Digital Information Supply Services	(43)CC01060	Wired Communication Equipment and Apparatus Manufacturing
(19)F213030	Retail Sale of Computing and Business Machinery Equipment	(44)CC01030	Electric Appliance and Audiovisual Electric Products Manufacturing
(20)F218010	Retail Sale of Computer Software	(45)CC01080	Electronic Parts and Components Manufacturing
(21)F209060	Retail sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles	(46)CB01010	Machinery and Equipment Manufacturing
(22)E701010	Telecommunications Engineering	(47)C701010	Printing
(23)F213060	Retail Sale of Telecom Instruments		
(24)F399040	Retail Business Without Shop		
(25)F601010	Intellectual Property		

## IV. Operation Highlights

---

(48)C703010	Printings Bindery and Processing	(70)F107070	Wholesale of Animal Medicines
(49)F113010	Wholesale of Machinery	(71)F108040	Wholesale of Cosmetics
(50)IZ13010	Internet Identify Services	(72)F110010	Wholesale of Clocks and Watches
(51)EZ05010	Apparatus Installation Construction	(73)F110020	Wholesale of Spectacles
(52)E701030	Controlled Telecommunications Radio-Frequency Devices Installation Engineering	(74)F114030	Wholesale of Motor Vehicle Parts and Supplies
(53)E601010	Electric Appliance Construction	(75)F116010	Wholesale of Photographic Equipment
(54)F102170	Wholesale of Food and Grocery	(76)F117010	Wholesale of Fire Fighting Equipments
(55)F104110	Wholesale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products	(77)F203030	Retail Sale of Ethanol
(56)F105050	Wholesale of Furniture, Bedclothes Kitchen Equipment and Fixtures	(78)F206010	Retail Sale of Ironware
(57)F109070	Wholesale of Stationery Articles, Musical Instruments and Educational Entertainment Articles	(79)F206020	Retail Sale of Articles for Daily Use
(58)F203010	Retail Sale of Food and Grocery	(80)F206050	Retail of pet food and appliances
(59)F204110	Retail Sale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products	(81)F207030	Retail Sale of Cleaning Preparations
(60)F205040	Retail Sale of Furniture, Bedclothes, Kitchen Equipment and Fixtures	(82)F207070	Retail Sale of Animal Medicine
(61)F208050	Retail Sale of the Second Type Patent Medicine	(83)F208040	Retail Sale of Cosmetics
(62)F102020	Wholesale of Edible Oil	(84)F210010	Retail Sale of Watches and Clocks
(63)F102040	Wholesale of Nonalcoholic Beverages	(85)F210020	Retail Sale of Spectacles
(64)F102050	Wholesale of Tea	(86)F213010	Retail Sale of Household Appliance
(65)F102180	Wholesale of Ethanol	(87)F213110	Retail Sale of Batteries
(66)F103010	Wholesale of Animal Feeds	(88)F216010	Retail Sale of Photographic Equipment
(67)F106010	Wholesale of Ironware	(89)F219010	Retail Sale of Electronic Materials
(68)F106020	Wholesale of Articles for Daily Use	(90)F301010	Department Stores
(69)F107030	Wholesale of Cleaning Preparations	(91)IZ04010	Translation
		(92)IZ09010	Management System Certification
		(93)IZ12010	Manpower Dispatched
		(94)J202010	Industry Innovation and Incubation Services
		(95)J399990	Other Publishing
		(96)ZZ99999	All Business Items that Are not Prohibited or Restricted by Law, Except those that Are Subject to Special Approval.

## IV. Operation Highlights

---

### B. Revenue Mix

- (a) Revenue from the sale of goods: 79%.
- (b) Revenue from the rendering of services: 21%.

### C. Main products and Services

SYSTEX leads the integration of the data industry ecosystem to boost an exponential growth.

- (a) Promoting nine strategic business growth plans with the aim of becoming the largest cloud service company in Taiwan

SYSTEX developed our own cloud application ecosystem platform service, planning SaaS subscription services model that can satisfy corporate needs, integrating 80 plus self-developed solutions, interfacing the 3 major public clouds, including AWS, Azure, and GCP, as well as the corporate clouds of Oracle and IBM, thereby providing one-stop shopping services. In response to developments in cloud service technology applications, in 2022, SYSTEX set up "Misys Corporation," a micro-service affiliate, assembling nearly 200 professional technicians to form Taiwan's leading micro-service technical team.

SYSTEX also established the subsidiary uniXecure, which specializes in cybersecurity and provides nationwide cybersecurity maintenance and monitoring services; moreover, SYSTEX committed to the development of corporate e-commerce services combining Martech solutions, in the hopes of becoming a service company that supports the development of online business models through our technology and data, helping corporate clients develop innovative business models in the post COVID-19 era.

- (b) Promoting green technology solutions to seize business opportunities in the low-carbon transformation

SYSTEX helps businesses align with international trends of ESG sustainability and promote multiple green technology applications, including carbon inventory/footprint and energy management systems. We also assist multiple traditional manufacturing and high-tech manufacturing industries in utilizing software to reduce energy consumption and carbon emissions, and have established a presence in the international supply chain, thus seizing business opportunities in the low-carbon transformation.

Furthermore, in response to the age of the Internet of Things, we promote industrial control cybersecurity, cybersecurity collaborative protection, endpoint protection, and other solutions, thus fulfilling the requirements of corporate internal control and legal compliance. In addition, for corporate clients in the financial and retail industries, we launched a smart bill management system, digital insurance enrollment, electronic billing, e-commerce platform, electronic membership and reward points system, digital signatures, remote offices, among other solutions, which not only reduce paper waste but also improve operational efficiency.

- (c) Orchestrating cross-field integration to expand the impact of cooperation

As a data software company, SYSTEX continues to utilize its "5A" (AP, APP, API, Appliance, and Algorithm) core capability and multi-cloud structure and services to magnify its differentiated values in "product portfolios," "system integration," "data integration," "virtual-physical fusion," "multi-cloud mix," and "ecosystem integration." We will also use our "software, data, and computing capabilities" to help Taiwanese enterprises increase their presence in the global market, in the hopes of making SYSTEX a world-class software company.

SYSTEX also continues to seek suitable partners in the ecosystem for investments, mergers, alliances, or strategic cooperations, and to pursue high added values and good business growth structures, which include connecting with interactive communication platform Team+, and tapping

## IV. Operation Highlights

---

into the EIM corporate real-time communication and collaboration market. Our subsidiary Nexsys Corporation is also working with ECPay to expand payment services for micro-, small- and medium-sized businesses.

The detailed products and services items, please refer to pages 77~80 of the Chinese annual report.

### D. New Products Planned for Development

To provide customers with IT services and vertical solutions of the highest quality in the industry, SYSTEX continues to expand R&D resources and conduct new business strategic investment to achieve vertical integration and horizontal expansion in the industry and continue the momentum for innovation. SYSTEX's new products (services) under development and distribution, please refer to pages 80~81 of the Chinese annual report.

### 4.1.2 Industry Outlook

#### A. Industry Trends

Rapid advancements in artificial intelligence, cloud computing, and information security technologies have led to enterprises' information service requirements shifting from basic IT architectures to higher-level smart, data-driven and security technologies. This transformative trend is not only being driven by technology, but also enterprises' accelerated deployment of AI applications, the rise of digital finance, and the urgent need to implement net zero transformations. According to the 2025 survey report published by CIO Taiwan, corporate IT budgets are showing strong growth momentum, especially in the service and finance industries, which have seen 31% and 11% growth respectively. It is worth noting that the finance industry has achieved a huge 354% increase in ESG-related IT investment. This shows that sustainable development has become a top priority for corporations' IT investment. Furthermore, the survey showed that over 76% of companies believe that generative AI is crucial to maintaining their competitiveness, and 80% of them have planned to expand the scope of their AI applications in 2025. The IDC's latest forecast has also provided a more macroscopic perspective these changes in industries. Total spending on AI worldwide will reach US\$227 billion in 2025, and is predicted to exceed US\$19.9 trillion in 2030. The AI platform market in Taiwan is also showing significant growth potential, with its scale expected to rise from US\$88.3 million in 2024 to US\$235 million in 2028. In terms of terminal devices, in 2025 the percentage of phones in the Taiwan market with generative AI capabilities will reach 50.7%, and the market share of AI laptops will rise to 41.2%. This shows that AI technology has started to penetrate into daily applications.

Industrial development is moving toward a new paradigm, in which smart, safe, and sustainable are three intertwining main axes. As enterprises move from the AI experimentation phase to the full-scale application phase, IT service providers will also need to shift from traditional system suppliers to strategic partners in enterprises' digital transformations.

#### (1) The smart technology wave is driving industrial innovation

AI technology is reshaping industry ecosystems at unprecedented speeds. The emergence of open source AI models indicates that AI is transitioning from a closed monopoly to an open ecosystem, providing companies with more diversity and flexibility in their technology options.

The previous monopoly of traditional large language models is in the process of being broken. Furthermore, the emergence of open source models such as Deepseek has enabled companies to flexibly choose AI solutions based on their specific requirements. The advancement of small language models (SLM) and specialized AI models has made technology applications more precise and efficient. And the maturity of multimodal AI technology represents a key breakthrough in the latest round of technological innovation. Thus, enterprises are now able to process multiple data forms such as text, images, and voice at the same time, significantly expanding the scope of AI applications.

## IV. Operation Highlights

---

AI agents are being upgraded from processing single tasks to managing complex business processes. For example, in the field of customer service, smart customer service agents can handle most daily inquiries. In the supply chain management sector, AI forecasting systems are reshaping inventory management logic. In the manufacturing industry, predictive maintenance systems can significantly reduce the risk of equipment failure. AI solutions in vertical industry applications are shifting from general technology to specialized technology. Consequently, all industries are looking for ways to precisely embed AI into their specific business scenarios in order to create more business value.

### (2) The evolution of information security threats and the corresponding upgrade of protection

AI technology is a double-edged sword in the field of information security. On one hand, AI can provide attackers with more powerful tools for more sophisticated social engineering attacks; on the other hand, AI can also provide defenders with more advanced technology for security and protection. Enterprises do not only face traditional network intrusions now, instead the security risks they face have expanded to include the security of AI models itself, with new types of threats such as model theft, the contamination of data used for training, and adversarial AI attacks. The establishment of an AI bill of materials (AI BOM) has become a key mechanism for ensuring transparency and traceability in AI systems. This approach has similarities with software supply chain management, with the goal being to provide full verifiability of the entire process for AI systems, from development to deployment.

Cryptographic agility has become a requisite defense strategy in the post-quantum era. With the development of quantum computing technology, traditional encryption methods now face unprecedented challenges. Security solution providers are actively developing threat detection systems based on AI, which can analyze and identify new types of cyber attacks in real time and take quick defensive measures. In the AI era, information security can no longer be seen as an issue of technology. Instead, it is an ongoing strategic competition.

### (3) Strategic transformation of fintech

In this digital age, financial services are undergoing unprecedented and profound transformations. Technologies such as AI, big data, and open banking are redrawing the borders of financial services as well as fundamentally changing the interactions between financial institutions and their customers.

Furthermore, risk management is shifting from reactive defense to proactive predictions. The traditional approach, which relied on static credit models, has been replaced by multi-dimensional data analysis. Financial institutions can instantly compile complex information such as customers' transaction behaviors, social networks, and career development to build more comprehensive risk profiles. This type of smart risk assessment improves the accuracy of decision-making and enhances the inclusiveness of financial services.

Personalization has become a key part of the core competitiveness of institutions offering financial services. AI technology helps financial institutions transcend the previous one-size-fits-all model for service; instead, they can now provide tailored financial solutions to every customer. From investment advice to financial planning, services have shifted from passively responding to situations to actively providing guidance.

The concept of open banking is reshaping the finance ecosystem. The API economy has expanded the scope of financial services, enabling banks seamlessly integrate with technology companies, e-commerce platforms, etc. Emerging technologies such as the blockchain are accelerating this trend, creating a more open and smarter infrastructure for financial services.

This technology-driven reformation of the finance industry represents a fundamental reshaping of

## IV. Operation Highlights

---

business models. Now, financial institutions do not simply serve as intermediaries for capital, instead they have become indispensable partners, powered by smart technology, in customers' business cycles. Thus, technological innovation in this field is based on the ultimate goal of transforming financial services from impersonal transactions to warm and friendly user experiences.

### (4) Sustainability transformations: A new driving force for the strategic growth of enterprises

Sustainable development gone from being a compliance requirement to a key driver of corporate competitiveness. Starting in 2025, publicly listed companies will be required to implement third-party verification for sustainability reporting, which means companies will need to establish more systematic and transparent ESG management mechanisms. Furthermore, expansions to the requirements for carbon emissions information have led to sustainability management quickly going from a marginal issue to a core corporate strategy.

Advancements in technology have created a strong foundation for sustainability transformations. Smart carbon emission management platforms have gone from passive monitoring tools to strategic tools for active optimization. These platforms can track and analyze corporations' carbon emissions data in real time and provide specific suggestions for carbon reduction. This enables sustainable development goals to transform from abstract ideals into tangible plans.

The emergence of "green cloud" technology is further evidence that technology and sustainability can be deeply integrated. Enterprises no longer need to make the difficult choice between computing performance and energy consumption. Instead, there are a variety of technology solutions that can help companies have the best of both worlds.

AI can be applied in fields such as energy management and supply chain sustainability assessments, and it is reshaping enterprises' sustainable governance models. AI is not only used to provide data insights, instead it can also be used for predictions as well as optimizing the implementation of sustainability strategies.

### (5) Talent cultivation: Strategic challenges in the digital economy

Talent shortages have become a major obstacle to digital transformations. The development of talent is falling behind technological advances in cutting-edge fields such as AI, information security, and cloud architecture. In addition to difficulties recruiting manpower, corporations also need to address the systemic challenge of matching the right people to the right roles. Traditional talent development models are insufficient for the rapidly changing technological environment. Consequently, companies are now reshaping their talent development strategies. Hybrid learning model have come into being, and by combining remote online learning platforms and in-person courses, more flexible avenues of talent cultivation can be achieved. AI technology has also started to play a role in talent development, and smart learning systems can be used to develop precisely customized training programs based on each individual's personal abilities.

Industry-academic cooperation is now a key mechanism to bridge the gap between classroom learning and practical application. Instead of passively waiting for the job market to provide them with the personnel they need, companies can instead actively participate in the entire talent cultivation process. Technical internships, project-based learning, industry mentorship programs, and other development models are reshaping the talent ecosystem. The most successful companies will no longer just be employers, instead they will be the creators of an ecosystem for talent growth.

### B. Industrial Market Analysis

With AI technology entering the large-scale commercial application stage, and cloud infrastructure continuing to develop and advance, the global information service industry is undergoing a structural transformation. The five core issues of industrial transformation include technology integration, market

## IV. Operation Highlights

---

restructuring, geo-economics, and other aspects.

### (1) Industrial penetration of AI technology:

[The development of edge computing and AI in terminal devices]

The latest research by the Market Intelligence & Consulting Institute (MIC) of the Institute for Information Industry shows that AI terminal devices will reach a critical turning point in 2025, with a significant increase in hardware specifications and strong growth in market demand forming a virtuous cycle. Specifically, the market penetration rate of AI PCs equipped with neural processing units (NPUs) with computing power of 40 tera operations per second (TOPS) is expected to reach 16.8%, representing huge growth of over ten-fold compared to 2024. The development trend of AI mobile phones is even clearer to see, with global shipments having reached 303 million units and market penetration as high as 25%. The technical basis of this growth trend lies in the demand for the localized deployment of large multimodal learning models.

At the industry chain level, TSMC's 3nm advanced packaging production capacity continues to see full utilization, which shows the market's strong demand for heterogeneous integration technology and demonstrates that the semiconductor industry is transforming in response to AI. Moreover, smart terminal devices have also led to the emergence of new service models. The market penetration rate of Mobile Device as a Service (MDaaS) is expected to exceed 12% in 2025. The structural shift in corporations' procurement mentality, going from capital expenditures to operating expenditures, has caused equipment vendors such as Dell and HP to reconsider their pricing strategies and channel deployments.

[Deepened commercial applications of generative AI]

Companies are re-evaluating the strategic value of generative AI, gradually going from the initial technical verification stage to a systematic assessment of the benefits of investing in this technology. Furthermore, cloud service platforms have lowered the entry threshold for using AI technology. For example, the AWS Bedrock platform has integrated more than 100 basic AI models, allowing more companies to easily integrate AI technology into their daily operations. Through the innovative Model as a Service (MaaS) mode of operation, enterprises can flexibly acquire and deploy AI technology without large-scale investment in infrastructure.

In terms of practical applications, generative AI is reshaping how many different industries operate. For example, industries such as retail and manufacturing are exploring how AI technology can improve the customer experience and production efficiency. The manufacturing industry, in particular, is using multimodal AI technology to conduct quality inspections on production lines. By integrating multiple sensing technologies such as vision, acoustics, and vibration, companies can monitor the production process in real time and improve the accuracy of product quality control.

### (2) Strategic reformation of cloud ecosystems:

[Global development trends of sovereign clouds and hybrid clouds]

Driven by the concepts of digital sovereignty and data governance, the global cloud ecosystem is undergoing significant transformations. The EU GAIA-X project plays a key role in driving this movement, and has attracted more than 300 companies and institutions from European countries to participate. It is endeavoring to build an open, secure, and interoperable cross-border cloud infrastructure. Countries are fulfilling their data protection requirements through a variety of different strategies, from the EU's emphasis on GDPR compliance, to China's promotion of independent and controllable local cloud services, to the United States' balance between technological innovation and national security. These options represent diverse avenues to achieve digital sovereignty governance around the world.

## IV. Operation Highlights

---

[Technical evolution of cloud native services]

Containerization technology is reshaping enterprises' IT infrastructure, and FinOps (cloud financial governance) has become an important strategy for enterprises to precisely manage their cloud costs. Real-time resource visualization, AI workload and cost tracking, and dynamic resource optimization and distribution allow enterprises to control and manage cloud resources more accurately.

Furthermore, green cloud computing has become a strategic focus for service providers. Carbon emission tracking tools developed by service providers can help companies achieve their ESG goals while also enhancing their technological efficiency, thereby balancing technological innovation with sustainable development.

(3) Strategic transformation of information security:

[Full deployment of zero trust architecture]

The digital economy is developing rapidly, and traditional information security defense models are undergoing fundamental changes in response. Major technology companies are actively deploying next-generation information security protection technologies in order to establish more advanced defense technologies and frameworks. The Secure Access Service Edge (SASE) architecture is gradually becoming accepted as a new approach to enterprise security protection, as it is suitable for meeting the challenges of cloud computing and remote work. Machine learning algorithms can be used to analyze large amounts of network traffic data in real time, identify potential abnormal behavior patterns, and improve the sensitivity and accuracy of defense systems. These technological innovations show that corporations' security protection is shifting from passive defense to active detection and immediate response.

Identity authentication technology is also undergoing unprecedented changes. The traditional mode, which used passwords for verifying identities, is gradually being replaced by safer and more convenient alternatives. Biometric technology has become a key driving force for this transformation, and password-free identity authentication is also quickly reaching ubiquity in financial services and enterprise security systems. As traditional encryption algorithms can be cracked by quantum computing, financial and technological institutions are now actively deploying post-quantum cryptography technologies to ensure data security. This technological evolution demonstrates a fundamental shift in security governance: going from reactive defense to proactive identity management based on smart technology.

[Dynamic control of supply chain risks]

The security of software supply chains is becoming a key area of focus in information security. The industry association Semiconductor Equipment and Materials International (SEMI) plays a key role in promoting information security standards in the semiconductor industry, working with regulators and the industry to encourage stricter compliance requirements and requiring suppliers to be fully transparent about the components in their software as well as any potential risks. Advanced risk assessment technology can also enable enterprises to more accurately identify and manage potential threats in the software supply chain.

(4) Strategic opportunities in regional markets:

[Growth opportunities in Southeast Asian markets]

Southeast Asia is becoming the most dynamic growth region in the global digital economy. It is attracting the attention of global technology giants as well as creating unprecedented opportunities for regional companies. With the ongoing trend of localizing enterprise resource planning (ERP) systems, localization and customization have become key competitive advantages for companies. Multinational technology companies and local software service providers are working to develop



## IV. Operation Highlights

---

solutions that meet the local requirements for the Southeast Asian market. These solutions need to consider more than just the technical aspects, they must also include an in-depth understanding of local regulations, business culture, and the special characteristics of specific industries.

The Southeast Asian market is uniquely able to quickly adapt to new technologies. Its young population structure, rapid pace of urbanization, and accepting attitude toward digital services make it one of the world's most high-potential testing grounds for the digital economy.

[International strategy of Taiwan's IT services industry]

The Southeast Asian market has become a key strategic choice for Taiwanese companies aiming to expand their international presence. Not only is the region geographically close, it is also a suitable market for strategically releasing new technologies. Taiwan's manufacturing sector has accumulated considerable technological resilience over many years, and this has become a unique competitive advantage in digital transformation. Compared to other technology-exporting countries, Taiwanese companies have a unique advantage, namely their in-depth understanding of industry practices. This means Taiwanese companies can perform a "reverse" type of thinking, developing technologies based on existing practical applications. Consequently, Taiwan can provide solutions that truly meet user requirements.

Taiwan's information services industry is redefining what it means to export technology in the Southeast Asian market. Such exports no longer simply comprise one-way technology transfers, instead they also involve the establishment of an ecosystem of co-innovation. Cutting-edge technologies such as AI, IoT, and edge computing are being precisely integrated into the business models of local companies. For example, in the manufacturing industry, Taiwanese companies are helping Southeast Asian manufacturers comprehensively transition from traditional production to smart manufacturing. This transition does not only involve replacing their technology, but also a fundamental overhaul of their business models. By providing customized digital solutions, Taiwanese companies have become important strategic partners for local enterprises pursuing digital transformation.

Thus, cross-border technological cooperation has become a key strategy for Taiwan's IT services industry to establish itself on the international stage. The previous ground rules of competition between enterprises have been replaced by new rules, which require collaboration. The establishment of strategic partnerships means that companies' successes now come from solving real business challenges, and not just from their technologies. That is to say, thanks to the IT services industry, Taiwan is moving from a "manufacturing island" to a "strategic hub for smart innovation."

(5) Sustainable path to sustainable development:

[Innovative green IT infrastructure]

Energy-saving technology for data centers is currently seeing significant breakthroughs. Traditional air cooling systems are gradually being replaced by innovative cooling technologies, such as liquid immersion cooling. Not only do they significantly reduce energy consumption, they also improve the computing efficiency and service life of servers. Optimizing the energy efficiency of chip technology has become a key area of developmental focus for the semiconductor industry. Manufacturers are rethinking their chip designs and have elevated energy conservation to a strategic level.

Carbon management platforms are transitioning from their traditional role as statistical tools and becoming smart engines for corporate sustainable development. The integration of generative AI technology can result in more dynamic and precise management for carbon emissions. Such a technological innovation will provide companies with more in-depth insights into their carbon reduction strategies.

## IV. Operation Highlights

[Circular economy: Practical applications of digital technology]

The integration of the blockchain, IoT, and AI technologies has completely overhauled the life cycle management of products. Asset tracking systems have gone from simply providing passive monitoring to becoming active tools for ecosystem managements. Traditional linear economic models are being replaced by "as a service" (aaS) models. Moreover, companies have started to rethink the design, use, and recycling of products. Predictive maintenance technology can help equipment remain at peak performance for longer periods of time, significantly reducing waste. Companies have shifted from simply selling products to providing full life cycle services and solutions. These technological innovations represent industries worldwide entering a new era of sustainable development driven by digital technology. In other words, companies no longer view sustainability as a cost, but rather as a strategic resource for innovation and competitiveness.

### C. Relationships with suppliers in the industry's supply chain

SYSTEX plans software licensing options and provides services based on customer requirements and budget. The Company seeks to become a leading brand with the most industrial value in the knowledge economy in the progress of advancing digitalization for the finance, telecommunication, retail and logistics, manufacturing industry, and other customer groups with requirements. SYSTEX shall provide customers with services including system planning, software deployment, education, training, and technical support service. Upstream firms include: information software/hardware providers or distributors such as Microsoft, HP, Serena, BMC, SAP, and Oracle. Downstream firms consist mainly of the finance industry, telecommunication industry, e-commerce, retail and logistics industry, manufacturing, government authorities and schools etc.

### D. Product trends and competition

Due to the changes in the structure of the industry, the overall political and economic environment, regulatory systems, the overall IT service market in Taiwan has been affected. As companies continue to relocate overseas and IT firms fail to provide differentiated products and services, the price competition in the industry has become increasingly severe. As certain IT firms retain limited technical capabilities and do not hold pricing advantages under the intense competition on the market, large-scale service providers with quality IT services gradually expanded the gap between them and the small and medium ones.

### 4.1.3 Research and Development

R & D Expenses for current year

Unit: NT\$ thousands

Item \ Year	2024	2025.03.31
R & D Expenses	716,812	Note

Note: As of the publication date of the annual report, there is no financial information reviewed by CPA for 2025.

The Company's technologies and R&D consist mainly of integration of business applications and important results include: For more detail, please refer to page73~75 of the Chinese annual report.

## IV. Operation Highlights

---

### 4.1.4 Long-term and Short-term Development

#### A. Software data and cloud applications:

##### (a) Short-Term Development Plan

- (1) Improve the R&D and innovation capabilities of SYSTEX's branded products: Vector RAG and Graph RAG will be integrated to optimize the uniqueness and competitiveness of Hybrid RAG. In addition, AI Agent functions will be integrated to meet enterprises' requirements for advanced automation applications.
- (2) We will leverage low-code software development tools, and will take advantage of our capabilities in data integration, system integration, and application development to increase the proportion of AI project establishment services.

##### (b) Long-Term Development Plan

- (1) We will collaborate with internal and external partners in the original manufacturers ecosystem to develop the GAI platform, and by leveraging the industry data and unique characteristics of partners, we will develop applications for a wide range of industries as well as add diversified sales channels and business opportunities.
- (2) We will develop our AI technology capabilities, acquire the necessary infrastructure for AI architecture platforms (computing power, storage, network requirements, etc.), and actively seek partners to identify AI application scenarios. This will allow us to promote the sales of AI-related software, hardware, and services.
- (3) Developing and nurturing information professionals, along with enhancing research and talent capabilities, are essential elements in unleashing the potential of our services. Therefore, we focus on elevating overall technical proficiency, continuously cultivating certified professional technical personnel. We will also use various indispensable professional added-value services to provide customers with complete technical support and comprehensive after sales services, which form the foundation of SYSTEX's future competitiveness in sustainable corporate development. In the future, SYSTEX will continue to implement elite training programs to enhance the stability and quality of our team members.

#### B. Smart Finance and FinTech applications:

##### (a) Short-Term Development Plan

- (1) We will provide the service capability for the digital transformation of the financial industry and continuously develop online services such as "online account opening." Through the development of iWOW and various apps, we will provide mobile securities investment services, develop mobile e-commerce subscription economies, and mobile billing. We will also target opportunities in smart banking, smart finance, mobile insurance, and mobile payment-related technology services.
- (2) Provide the service capability for the digital transformation of the financial industry and continuously develop online services such as "online account opening". Through the development of iWOW and various apps, provide mobile securities investment services, develop mobile e-commerce subscription economies, and mobile billing. Also target opportunities in smart banking, smart finance, mobile insurance, and mobile payment-related technology services.
- (3) Create value with integration: With the highly developed range of financial transaction tools and the diversification and internationalization of financial products, SYSTEX will effectively assist clients in developing and integrating competitive products. By continually observing the latest international economic developments and taking into account market demand, we will

## IV. Operation Highlights

---

consolidate diverse financial product information and provide comprehensive one-stop services that span across international boundaries, information channels, and mediums. This way, we can satisfy customers' requirements for simultaneous investments in major financial markets across Taiwan, Mainland China, and Hong Kong, as well as at home and abroad. This will allow us to maximize the value of integrated financial services.

- (4) Expand outsourcing services: In response to the digital transformation needs of customers in various industries, SYSTEX continues to provide one-stop information outsourcing services, quickly integrate software services required for operations, flexibly provide consulting and maintenance manpower, and provide maintenance services, information security services, and cloud services. This can help customers timely fill in IT maintenance gaps that may arise during organizational adjustments, and help customers in various industries create more service innovations in digital transformation.
- (5) Expand online banking and financial product markets: Develop new online banking customers and expand business opportunities for peripheral products to further increase market share. Through the acceptance and promotion of the eACH project of the National Interbank Bond Market, enhance the application of eACH Gateway on the bank side and bring more business opportunities for inter-bank transactions.
- (6) The bank payment application system continues to pay attention to the new construction guide revision of the eACH/eDDA/eFCS of the National Interbank Bond Market and the application of new payment methods, which will trigger new application business opportunities.
- (7) Mobile banking system: We continue to focus on digital transformation issues and integrate new value-added applications such as video and audio, digital signature, eKYC, FIDO and AI financial information to enhance product value.
- (8) Wealth Management System: In response to the increasing awareness of industry information security and the increasing demand for information security regulations, we plan to develop new application software technologies and create a new fifth-generation wealth management system. In addition, as technologies such as AI and machine learning become increasingly mature, smart financial recommendations and smart customer service robots have become common applications in consumers' lives. The demand for digitization of all business processes will only increase.
- (9) Financial system: We will continue to move towards the integration of Taiwan's foreign currency systems to achieve a front-to-back (STP) and back-end consistency in Taiwan's foreign currency financial management system. We continue to develop an international-level OM foreign currency financial product management system to provide local professional services. In addition, by leveraging the cooperation model with FINASTRA, an international foreign currency system manufacturer, we can capture the advantages of FINASTRA's foreign currency system through the cooperation process, combine it with sincere local services to understand customer pain points, and create a new OM system that meets all aspects of local customers' needs.
- (10) Investor Clearing and Settlement Application: Plan to introduce the Sping development framework into the existing Investor Clearing and Settlement System (ICB) and the Bill Custody, Settlement and Settlement System GW (ICF) to meet more stringent information security requirements and mainstream trends in system development.
- (11) Insurance applications and systems:
  - ① Mobile insurance: Continue to develop new versions of mobile insurance application apps that integrate those of various insurance companies, and develop solutions to interface with Taiwan

## IV. Operation Highlights

---

Cooperative Bank (TCB), which is already using comprehensive solutions, while establishing new setups for EnTie Bank. Regarding the solutions to interfacing with insurance companies for remote insurance applications, our target customers include KGI and Shin Kong Life.

- ② Internet-based insurance: Continue to offer guidances to banks on planning Internet-based insurance.
- ③ Insurance brokerage/agency system: Continue to provide existing customers with expansions and amendments, as well as suggestions and plans that meet regulatory requirements, and continue to introduce new customers.

### (b) Long-Term Development Plan

- (1) Seizing the opportunities of open banking to develop TSP services: We will leverage our core capabilities to assist bank customers in planning the research and development and construction of Open API, while developing relevant TSP services to help customers fully take advantage of new opportunities in open banking.
- (2) Government policies and financial digital transformations: The government has set the promotion of digital finance as a long-term goal, with the aim of enhancing the finance industry's ability to respond to developments in financial technology, thereby ensuring that financial institutions can provide financial services that are safer and more efficient.
- (3) Technological innovation in insurance and remote identity verification applications: Growth in the micro-insurance and fragment insurance markets are being driven by AI and blockchain technologies, and remote identification technologies are increasingly being applied in the finance, insurance, and medical fields thanks to the promotion of national digital identity cards.
- (4) Development trends in smart finance and smart wealth management: The maturation of AI and machine learning technologies has made smart financial management recommendations and smart customer service increasingly ubiquitous, thereby enhancing the convenience and precision of financial services. In 2024, generative AIs such as ChatGPT played a greater role in the field of smart wealth management, providing precise investment advice and financial analysis through natural language interfaces.
- (5) AI technology application: Develop automated marketing and various intelligent systems to assist the retail industry in enhancing consumer experience, strengthening sales conversion efficiency, and reducing costs.
- (6) Electronic ticketing apps: In addition to deepening the ToB ticketing market, we will expand opportunities in the ToC consumer market, and develop personalized ticketing apps by integrating data application, analysis/prediction, and generative AI marketing modules to develop new consumer business models.
- (7) Develop innovative cross-border sub-brokerage cloud services. Build a new generation of sub-brokerage transaction platforms using microservice architecture to provide customers with diverse choices.
- (8) Cloud adoption in the financial industry:
  - ① Cloud backup and redundancy: Back up on-premises data or virtual machines to the cloud using existing backup tools. Activate cloud computing resources to provide services externally during annual drills or incidents.
  - ② System migration to the cloud: Perform a comprehensive inventory of systems, select suitable systems, and prioritize the sequence of cloud migration. Establish a complete management procedure for cloud environment maintenance and information security to ensure operational and data security.

## IV. Operation Highlights

---

- ③ Data migration to the cloud: Utilize the capabilities of cloud-based big data analysis to migrate structured and unstructured data from on-premises to the cloud. Establish analytical tools such as data lakes, data warehouses, visualization reports, and model training in the cloud environment.

### C. Microservice applications:

#### (a) Short-Term Development Plan

- (1) We will develop micro-services and containerization technologies, thereby promoting broader cross-industry adaption of micro-services and native container platforms, as well as network security. By leveraging the advantages of SYSTEX maintenance locations throughout Taiwan, we can win larger maintenance contracts and enhance the competitiveness of SYSTEX in the information security and maintenance services sectors.
- (2) In response to the micro-services and cloud application trends, we will introduce foreign AIOps solutions to help customers implement the monitoring and management of container security.

#### (b) Long-Term Development Plan

- (1) Provide hybrid cloud management platforms and a comprehensive DevSecOps environment.
- (2) We will work with ecosystem partners to provide comprehensive micro-services, containerized platforms, and DevOps implementation solutions to help financial institutions accelerate their digital transformations. This will include strong resilience in transactions and unified logs for control, thus ensuring high system availability and stability.

### D. Green technology applications:

#### (a) Short-Term Development Plan

We will strengthen the functional optimization and system integration of our five major ESG@IT proprietary products, including the carbon management cloud system Carbon EnVision, the carbon footprint platform FP Carbon, the energy management platform EnVision360, the ESG data middle platform DMP, and the Supply Chain ESG Assessment System. We will also hold an annual ESG@IT User Conference for the launch of new products and new features, and ultimately strengthen the stickiness of existing customers and users as well as attracting new customers and users to participate.

#### (b) Long-Term Development Plan

- (1) We will expand the green partnership between our internal ESG@IT ecosystem and the external ecosystem, as well as create more cross-border exchanges and dual-axis transformation opportunities and collaborations with institutions, industry alliances, and science park associations.
- (2) We will expand industry-academia collaborations and talent development programs, promote our goal of doing good through technology, and integrate and develop more sustainable net-zero technology innovation solutions to meet the various ESG needs of customers in different industries.

### E. Smart cyber security applications:

#### (a) Short-Term Development Plan

- (1) We have introduced the concept of full-domain cybersecurity in Taiwan, integrating six major development goals, including monitoring and maintenance, cybersecurity product agency, cybersecurity services, regulatory compliance consulting, software research and development, and the enhancement of technical capabilities, thereby making early moves in the current information security ecosystem.

## IV. Operation Highlights

- (2) Comprehensive implementation of zero trust architecture: Remote work is increasingly ubiquitous, and accordingly we will comprehensively deploy zero trust architecture, reduce reliance on traditional security equipment, and enhance the social value of cybersecurity governance.
- (3) AI-driven security automation: We will use generative AI and machine learning technologies to strengthen threat detection, automated responses, and behavioral analysis, which will help our enterprise's defense capabilities and alleviate the issue of insufficient manpower causing inefficiencies.

### (b) Long-Term Development Plan

- (1) Information security regulatory requirements and technological response strategies: Financial institutions must comply with a variety of cybersecurity regulations, including system EOS, code review to remove vulnerabilities, and open source software vulnerability management. These can lead to increased cybersecurity maintenance costs. Consequently, SYSTEX will introduce the Spring development framework, which is capable of fulfilling new cybersecurity requirements and lowering cybersecurity processing costs, as well as enhancing institutions' technological expertise. Furthermore, SYSTEX will strengthen the DevSecOps solutions provided, as well as expand cybersecurity education and training, and threat modeling, in order to provide more comprehensive cybersecurity protection.
- (2) Security-as-a-Service: Services are designed based on ESG in order to ensure that small and medium enterprises can obtain affordable cybersecurity support, while also reducing the environmental harm caused by duplicated equipment.

## 4.2 Market, Production and Sales Outlook

### 4.2.1 Market Analysis

#### A. Region Revenues

Area	Domestic	Overseas	Total
Sales percentage	80%	20%	100%

#### B. Future Market Supply and Demand and Future Growth

The following trends will have material impact in 2025:

- (a) The emergence of AI agents and automated services will profoundly change how enterprises conduct IT operations.

Instead of relying only on traditional IT service outsourcing, enterprises are starting to use AI agents to achieve a higher level of automation, which means IT operations can become smarter and more efficient. Additionally, enterprises' internal IT support services will be affected by AI customer service innovations (e.g. AI helpdesks), which will reduce their reliance on human resources and further lower operating costs.

- (b) Enterprises are facing increasingly complex cybersecurity threats, which has led to rising demand for cybersecurity solutions.

AI technology has also become a powerful tool in the hands of attackers. Furthermore, AI models themselves are also being subjected to increasing attacks, including model theft, adversarial attacks, and contamination of training data. Such an environment forces companies to tackle a variety of challenges. Firstly, how can the security of AI systems be protected? Secondly, how should new types of AI-driven attacks be handled? Furthermore, companies must also ensure that their AI applications are fulfill privacy and regulatory compliance requirements, especially when they are

## IV. Operation Highlights

---

used to process sensitive data.

- (c) Financial industry is showing steady growth in IT and digital transformation investments.

According to the 2025 survey report published by CIO Taiwan, corporate IT budgets grew 11% in the finance industry, outpacing the overall industrial average. Among financial institutions, 87% have started to use APIs to integrate applications, and 53% have adopted hybrid cloud architectures. This indicates that the financial industry's digital infrastructure is highly modernized. Their budgets also focus on improving their data governance and analytical capabilities in order to support AI applications and ESG management requirements.

### C. Market Share

- (a) SYSTEX ranks first in Taiwan in quotation information services:

- (1) The system is adopted by over 1,000 service outlets of securities firms and it has a market usage rate of over 90%.
- (2) It is adopted by most professional futures firms in Taiwan and has a market share of over 95%.
- (3) SYSTEX provides banks and firms with complete international financial information for securities, futures, warrants, bonds, bills, and exchange rates with a top market share.
- (4) The Company also provides foreign futures firms with fully integrated information service systems for quotation, transactions, and accounts and it retains a market usage rate of over 90%.
- (5) The market share of mobile financial information services has continued to increase, including vertical industry applications such as the financial industry, telecommunications, medical institutions, circulation, government agencies, and transportation. Many services have reached the first place in the app market.

- (b) The electronic securities/futures/options business transaction system developed by SYSTEX has been adopted by more than 30 financial institutions and remains the product with the highest market share in Taiwan.

- (c) SYSTEX has 12 service centers across Taiwan and employs over 400 professional engineers and it is the largest IT service provider in Taiwan. SYSTEX also obtained tenders for land administration maintenance projects in 18 municipalities with a market share of 75%.

- (d) SYSTEX is the largest data processing and outsourced print service provider. Its market share is over 80% in telecommunication and over 60% in financial institutions and banks.

- (e) SYSTEX is the Microsoft Licensing Solution Provider (LSP) with the largest market share in Taiwan. Its market share in Microsoft is around 40%.

- (f) Information Security Products: Trend Micro, Splunk; Desktop Virtualization: VDI, Citrix and Hyper-converged Device: Nutanix and others, its market share is between 10% and 30%.

- (g) The technical education and training center that offers the most authorized courses from international brands with over 400 comprehensive professional information education and training courses. SYSTEX is one of the few education and training centers with high-level and exclusive courses.

- (h) Our information security maintenance system M.O.C is currently providing information security services to the land administration bureaus of 18 cities and counties (out of 22 cities and counties in Taiwan), reaching an 82% market share.

- (i) Regarding personal data protection and protection of business confidentiality, Docutek Solutions, an affiliated company of the SYSTEX Group, has accumulated nearly 20 years of practical experience in data security system construction and integrated operations. The financial services industry, in particular, is currently the primary customer group, with the highest level of customer adoption intensity. Docutek Solutions is also the leading company in terms of market share within the



## IV. Operation Highlights

---

industry.

### D. Favorable Developments, Unfavorables Factors and Countermeasures

SYSTEX adopts project execution performance and customer satisfaction report mechanisms to ensure customer satisfaction. The Company also proposes improvement plans based on customer opinions to continue to provide better services with higher value for customers. In addition, the Company has actively adopted strategic investment, acquisition, mergers, and other external growth strategies to facilitate group operations.

SYSTEX provides competitive niches in the following products and services:

#### (a) Intelligent Finance and FinTech:

##### (1) Favorable Developments

- ① Due to the rapid development of FinTech, demand for open bank, smart wealth management, big data applications, digital marketing platforms, and related technologies have increased by several folds.
- ② The financial industry is increasingly reliant on big data analysis and AI technology for its risk management, fraud detection, and customer behavior prediction. This has led to rising demand for related IT solutions.
- ③ The competent authorities have started to relax regulatory restrictions, which is expected to lead to business opportunities in the financial industry brought by the transition to the cloud.
- ④ Hybrid cloud and multi-cloud architectures are gradually seeing acceptance in the financial industry, and they can drive the growth of IT companies in the cloud service field through improvements to flexibility and the reduction of costs.
- ⑤ Financial institutions will need to introduce more regulatory technology (RegTech), cybersecurity protection, and data governance tools, which will increase the demand for related IT solutions.
- ⑥ SYSTEX has actual experience of CRM with Taiwan securities and futures firms that can satisfy multiple customer requirements in China.
- ⑦ SYSTEX also collaborates with professional international finance and securities brokers to enhance the expansion of the transaction and information platform.
- ⑧ We have provided services to the largest banks and have experience in the long-term maintenance, development, and integration of financial transaction platforms, making us an important reference for customers when choosing vendors.
- ⑨ Currently we enjoy deep and trusted client relationships, and there are many opportunities to collaborate with startups and work together to find more solutions for the financial industry.
- ⑩ We have strong system integration capabilities and can provide comprehensive financial solutions, including banks, insurance companies, and regulatory agencies. Furthermore, our technology for integrating heterogeneous platforms has received widespread approval in the market.
- ⑪ We have comprehensive industry knowledge and an experienced development team, so we can quickly create application systems based on customer requirements.
- ⑫ We have extensive experience as an agent in the field of cybersecurity as well as serving as a consultant for enterprises introducing processes. Therefore, we can help enterprises establish internal and external cybersecurity measures to cope with increasingly severe cyberattack threats.

## IV. Operation Highlights

---

### (2) Unfavorable Factors

- ① Regulatory volatility: FinTech regulations are frequently changing, which necessitates close tracking and quick adaptation.
- ② Taiwan's domestic demand market is becoming increasingly saturated, market competition has intensified, and product differences have narrowed.
- ③ New services are emerging and startups are on the rise: New FinTech services are emerging, which is leading to more competition, especially with new startups entering the market quickly.
- ④ Other companies are competing by cutting prices: SYSTEX's competitors in the market are attempting to win market share through low-pricing strategies (such as offering open source software suites).
- ⑤ There are numerous competitors in the international financial information market and most have finance-related backgrounds.
- ⑥ Insufficient technical personnel: It is difficult to train technical manpower to handle all the new emerging technologies, especially in the field of basic AP development for banking.
- ⑦ Difficulty training technical personnel: Professional personnel are needed to use new technologies, but it is difficult to train such technical professionals, resulting in a shortage of skilled manpower.
- ⑧ Insufficient brand awareness: Local companies are less well-known than international brands, which means they must work harder to further enhance their brand visibility.

### (3) Countermeasures

- ① Deepening trust and strengthening our professional image
  - i. Deepen trust between sales staff and customers: Build a strong foundation of trust and enhance the relationship between sales staff and customers.
  - ii. Improve personnel's professional skills: We provide differentiated service value in the market and strengthen the trust between sales staff and customers by providing professional consulting services and continuously updating our professional knowledge.
- ② Market and R&D
  - i. Keep a finger on the pulse of market trends and innovative developments: We keep track of FinTech market trends at all times, in order to provide financial institutions with the latest product or service information.
  - ii. Strengthen R&D and make strategic adjustments: We will take into account industry requirements and regulatory requirements to create innovative financial products and information services in order to satisfy customer requirements. The focus will be on the development and application of international commodity trading platforms, which will be suitable for market requirements worldwide. We have established the "Big Data R&D Division" to integrate big data analysis and interactive technologies and continue to advance various new tools and solutions.
- ③ Marketing and exposure strategies
  - i. Create marketing campaigns and increase exposure: We will improve our brand exposure through diverse marketing activities in order to attract more target customers.
  - ii. Quickly update our product expertise and related services: We will keep pace with market trends to ensure the professional standards and insights of our products and services.

## IV. Operation Highlights

---

### (b) Intelligent Service:

#### (1) Favorable Developments

- ① Demands for outsourcing corporate information services will continue to climb and related software/hardware equipment installation and maintenance services will continue to grow.
- ② SYSTEX has completed the development of our new product, the omnichannel smart billing management system Interact. SYSTEX will gradually strengthen the integrity of the product's front and back-end functions, allowing for quickly and flexibly designed and generated customized communication documents to improve customer service experience.
- ③ SYSTEX has had numerous successful cases in the development of customized software EC operation agency have established Best Practice principles that bring in more business opportunities.
- ④ SYSTEX was the first to introduce applications of smart robot development in different industries and we work with international AI developers to retain the lead in technology integration capabilities.

#### (2) Unfavorable Factors

- ① Principals' direct involvement in outsourced marketing services compress room for growth.
- ② Competitors continue to lower prices for equipment maintenance in order to obtain market share, which has led to the reduction of gross margins.
- ③ Difficulties in growth volume of statement notification letters are mainly due to changes in regulations on shareholder services, increase in postage fees, environmental protection trends, and digital finance services.

#### (3) Countermeasures

- ① SYSTEX employs AI technologies to develop different applications for different industries and provides new services and solutions.
- ② SYSTEX expands the customer base for maintenance contracts to increase chances for contracting. The Company shall also expand the sales of equipment to increase market share and increase the technical capabilities of maintenance staff to construct comprehensive solutions.
- ③ SYSTEX develops its own product, INTERACT, to provides differentiated added-value services. We integrated existing interactive electronic statements and mSense electronic statements to lower the impact of electronic statements on revenue. In addition, it has got into the market of examination and increased diversified operating income.

### (c) Data Technology Products and Services:

#### (1) Favorable Developments

- ① We are transforming into a cyber security service provider to help customers introduce cyber security-related systems. In line with the Cyber Security Management Act, ISO 27001, and know-hows of relevant competent authorities and industrial categories, we assist with the introduction of cyber security systems, thereby deepening our service-based relationship with customers, raising the basic requirements in the industry, and widening the gap between us and competition
- ② Our distributors have a complete range of products and high market shares. Consequently, we can provide services and suggestions for software and hardware integration solutions for customers' core systems, as well as a diverse range of consulting, education, and training services.
- ③ We have a highly stable sales team, with a wide range of professional knowledge and

## IV. Operation Highlights

---

professional experience in licensing planning. On average, our sales staff have more than 11 years of experience in the industry. Our technical team has multiple global certifications for many different manufacturers, and services can be offered throughout Taiwan as well as internationally. The team can provide customized project consulting services based on the attributes and requirements of the industry.

④ SYSTEX is Taiwan's largest IT service provider. We have a good grasp of all our key customers, and are able to respond to customer needs in the shortest possible time and provide them with quality training services.

⑤ We serve many well-known corporate customers around the world, and our customers are the largest companies in their respective fields.

### (2) Unfavorable Factors

① The main software products that we distribute as agent have been changed into rental-based services, which has greatly changed our gross profit structure. SYSTEX must transform its software services into consultation-based services, including importation or construction services, advisory, and training, becoming a software sales service provider with diversified sales models

② There are numerous cloud and digital transformation service providers in a fiercely competitive market, which means we need a high level of technical expertise and the ability to provide overall planning consultation.

### (3) Countermeasures

① We provide professional consulting services to help customers incorporate the most suitable cybersecurity products: We provide consultations on software licensing planning to help customers achieve the most appropriate licensing solutions in a manner that is compliant with regulations and specifications.

② We have a professional consulting team, and we can provide basic construction services as well as integrated cybersecurity planning/system updates/software upgrades/hardware replacements, thereby creating maximum revenue value.

③ We keep track of market issues and consider the needs of customers from a macroscopic perspective. We also develop multiple product value-added solutions and provide them to customers, with the goal of helping them enhance their digital connection capabilities, create white space markets, and deepen our customer service.

④ We can increase customers' willingness to purchase or upgrade through training and a variety of customer activities, thereby creating value for the team and raising the barrier of entry for competitors.

⑤ We have well-developed locations at science parks throughout Taiwan, including Taipei, Hsinchu, Taichung, and Kaohsiung, and we can provide expert services across different regions.

### (d) Digital sustainability:

#### (1) Favorable Developments

① The government will continue to promote the goal of net-zero by 2050, and will devote a large amount of the budget to accelerating climate action and enhancing the international competitiveness of industries. Consequently, there are many potential business opportunities from this low-carbon transformation. Companies will expand their capital investments in ESG to respond to regulatory requirements and international supply chain trends, including hard requirements such as carbon reduction standards (carbon fees) as well as more flexible

## IV. Operation Highlights

---

requirements such as self carbon inventories (the third wave of regulations). This trend is expected to last at least 10 years, until the next phase of Taiwan's carbon reduction goals in 2035.

- ② SYSTEX has comprehensive smart manufacturing solutions, including networked equipment, decision-making, smart dynamic scheduling, AI defect detection, and big data process optimization, and provides a full range of services for the entire process, from basic infrastructure to application software, such as information system planning and construction as well as operation management.

### (2) Unfavorable Factors

- ① In response to the new Trump administration in the US and its withdrawal from the Paris Agreement, an anti-ESG trend has appeared throughout the world, which will worsen the risk of global warming, reduce US funding for international climate projects, and force international investors to choose between the EU and the US's diametrically opposing green energy policies. In the short term, these issues will not affect the policy direction in Taiwan, but they will likely impact the attitude of large international corporations and the relationships throughout supply chains. Companies may adopt a more conservative attitude as they wait to see how these policies will develop, which may reduce their willingness to invest in ESG as well as the amount of investment.
- ② The IT budget accounts for a low proportion of total national budget, and is mostly used on hardware.
- ③ Numerous system integration service providers, schools, corporate bodies, and consultancies are investing in the carbon inventory consulting market.

### (3) Countermeasures

- ① We maintain continuous communication with internal and external expert advisory groups, pay close attention to international ESG development trends and domestic policy directions, and adjust the ESG@IT system R&D direction and ecosystem partners on an ongoing basis. This allows us to have a full understanding of customer dynamics and gain insight into the most up-to-date industry requirements, in order to respond to and adjust our product development and promotion strategies.
- ② Keep track of any adjustments to relevant domestic and international regulations, express concern for customers immediately when they are hit by such adjustments, and satisfy their needs through comprehensive green technological solutions.

### (f) Intelligent cyber security:

#### (1) Favorable Developments

- ① The security race has no finish line. A digital world brings many benefits, but also requires us to have corresponding cybersecurity protection strategies in order to prevent security incidents.
- ② Governments around the world are supporting cybersecurity efforts, and are increasing their investment annually. Some even consider it a matter of national security. The degree of attention paid to cybersecurity will also be reflected in increases in budgets and resources from government agencies and businesses.

#### (2) Unfavorable Factors

- ① In customer service processes, customers only procure a single or multiple cybersecurity products to deal with short-term pain points (e.g., audits and regulatory requirements).
- ② Shortage of cybersecurity talent and the continuous need for skill enhancement.

## IV. Operation Highlights

---

- ③ More rigorous government security standards will raise costs: The Taiwan government officially promulgated the Cyber Security Management Act in 2019, and since then all information systems outsourced by government agencies must implement corresponding security protection measures based on a grading system (high, medium, and general). For example, advanced information security standards must comply with seven key aspects and 75 control measures, which leads to a significant increase in system development and maintenance costs and potentially harming a company's operations and profitability.

### (3) Countermeasures

- ① Solve customer pain points as top priority. Educate customers on cyber security awareness, and identify cyber security recourses by order of priority and relevant solutions through the life cycle of cyber security governance.
- ② Develop comprehensive information security according to market demand, adopt the strategies of SYSTEX's 6 integration and 9 growth programs, and aim at the "6 core strategic industries, backed by information security".
- ③ In response to the increased development and maintenance costs resulting from more rigorous cybersecurity standards, we will seek reasonable adjustments to outsourcing fees from government agencies through market analysis and supporting data.

### 4.2.2 Key Product Applications and Manufacturing Processes:

Please refer to pages 63~66 of the Chinese annual report.

### 4.2.3 Supply of Essential Raw Materials: N/A

## IV. Operation Highlights

### 4.2.4 Key Suppliers and Customers in 2024 & 2023:

#### A. Key Suppliers:

Unit: NT\$ thousands

Item	2023				2024			
	Name	Amount	Percentage of Total Purchase (%)	Relationship with Issuer	Name	Amount	Percentage of Total Purchase (%)	Relationship with Issuer
1	Company A	7,835,080	33	None	Company A	8,497,851	31	None
	Others	15,955,082	67		Others	18,695,298	69	
	Total	23,790,162	100			27,193,149	100	

Note: As of the publication date of the annual report, there is no financial information reviewed by CPA for 2025.

B. Key Customers: There are not any customers for more than 10% of the total sales in 2024 & 2023.

### 4.3 Human Resources

Year		2023	2024	2025.03.31
Number of Employees	Sales & Marketing	656	652	683
	Technician	2,117	2,152	2,298
	Programmer	1,124	1,205	1,213
	Administration	611	617	616
	Total	4,508	4,626	4,810
Average Age		39	39	39
Average Years of Service		7.33	7.50	7.50
Education	Ph.D.	0.09%	0.13%	0.10%
	Master	13.31%	13.96%	13.78%
	University & College	81.14%	80.75%	80.91%
	High School	5.19%	5.17%	5.03%
	Below High School	0.27%	0.17%	0.17%

### 4.4 Information on Environmental Protection Costs

The Company's main businesses include information services, sales and other services of computer software, hardware, and related equipments. SYSTEX does not own a factory and therefore does not pollute the environment. Although SYSTEX is not part of energy-intensive industries with higher greenhouse gas emissions, it still makes the effort to reduce greenhouse gas emissions and conserve energy. The Company has established occupational safety and health, as well as environmental and energy policies. We adhere to the framework of Task Force on Climate-related Financial Disclosures (TCFD), which includes the four dimensions of governance, strategy, risk management, and metrics and targets, as the basis for identifying and analyzing climate-related risks and opportunities comprehensively. This enables us to develop strategies to address climate risks and prepare TCFD disclosure reports. The Company established eco-friendly policies, with measures like energy efficiency and carbon reduction, green purchasing, buying and renting energy-efficient or power-efficient products from makers with Green Mark certification to reduce stress on the environment. The Company also changes or improves energy inefficient equipment and promotes energy conservation every year. To keep track of

## IV. Operation Highlights

---

potential impact of extreme weathers on our operations, SYSTEX successfully obtained three environmental certifications every year – ISO 14001 environmental management systems, ISO 14064-1 greenhouse gas emissions, and ISO 50001 energy management systems, thereby effectively tracking and managing various environmental data and measures to reduce the negative impact on the environment in our operating processes. SYSTEX responds to energy conservation and carbon reduction, and the relevant implementation measures are as follows:

- A. Implement green procurement, purchase and lease products with energy-saving functions from manufacturers with environmental protection labels to reduce the burden on the environment, and replace and improve power-consuming equipment every year and promote energy conservation and other measures.
- B. Install a cooling water frequency conversion system in the headquarters building to reduce electricity usage through automated control.
- C. Build a cooling water frequency conversion system in the headquarters information center.
- D. Analyze the air-conditioning operation mode through the energy management system, reduce the load of the air-conditioning system and shorten the air-conditioning operation time through the outside air introduction function to save air-conditioning electricity.
- E. Continue to increase the proportion of renewable energy used in the Neihu headquarters every year. In 2024, 260,000 kWh of renewable energy has been used, accounting for 4.6% of the total electricity consumption of the Neihu headquarters building, and continue to move towards the net zero emission path.
- F. Replace the energy-consuming chiller with a Class 1 energy-saving magnetic levitation chiller to improve energy efficiency.
- G. Toilets/pantries: install water-saving devices throughout.
- H. Water-saving slogans: Strengthen water-saving education and publicity at water-using places.
- I. Sort office waste and recycle resources.

### 4.5 Labor Relations

Harmonious employee and management relations are the foundations of corporate development. The Company's employee and management relations throughout the years have always been harmonious and stable as well as conducive to mutual prosperity. The Company dedicates itself to improving employee benefits, salary standard, and work environment and to maintain open communication channels between staff and management. The hard work of all employees and their demonstration of personal talents allow employees and the Company to grow together and create a better future together.

The Company processes various recommendations from employees in an appropriate manner to create constructive consensus and facilitate cooperation between staff and management. The Company therefore has no employee and management disputes.

The Company's employee benefits for studying, training, the pension system and its implementation status as well as labor agreements and employee rights maintenance measures are as follows:

#### 4.5.1 Welfare measures for employees

- A. The Company has established an Employee Welfare Committee in accordance with regulations to organize dinner parties, tours, clubs, and other activities to improve the work environment and quality of life. In order to build employee cohesion and combine the advantages of investing in company stocks with employee savings and financial management, the "Employee Stock Ownership Trust" system will be implemented from February 2025, allowing participating employees to share the company's operating results to help accumulate wealth and ensure a stable life in the future.

In addition, the Company also provides various benefits for employees' work, health, and family life:

- (a) The Company provides a more favorable leave program than the Labor Standards Act.



## IV. Operation Highlights

---

- (b) The Company has established badminton courts, a gym, shower rooms, and nursing room and appointed professional massage therapists to provide employees with free massage services.
- (c) The staff rest area serves as a place for colleagues to hold various activities and discussions. There is also a coffee bar and free snacks, so that colleagues can have a space to relax after work, so as to enhance communication and friendship among colleagues.
- (d) The Company provides regular health exams for employees.
- (e) The Company has constructed parking lots for use by all employees after filing applications.
- (f) The Company encourages employees to establish clubs and subsidizes club funding.
- (g) Employees enjoy promotional prices for products of the Group.
- (h) Offers sports and fitness courses to encourage employees to form a habit of exercise. We also organize employee activities and ball games, plan trips, and hold various lectures from time to time to enrich employees' recreational activities and develop their friendships.
- (i) Introduced employee assistance programs (E.A.P.), thereby providing employees with comprehensive care for their physical and mental health.
- (j) In addition to the legally required labor and health insurance, the Company also provides employees with group insurance. The group insurance is paid for by the Company and employees' family members can also pay for additional coverage.
- (k) Offers maternity leave and pregnancy checkup leave that exceed statutory requirements; established the Systex Baby Happy Growth Fund, which offers a parental subsidy of up to NT\$120,000 for each full-time employee's child aged below 2.
- (l) Cooperated with a qualified child care service agency for child care services.
- (m) In addition to the wedding and funeral subsidies for colleagues, the company also provides congratulatory gifts on employees' birthdays, marriages, births and other important holidays.
- (n) Hired full-time health managers and set up health centers to care for the physical and mental health of our colleagues at all times.

### 4.5.2 Training and Career Development

A total of 8,472 employees participated in the physical training courses (excluding digital learning courses) hosted by SYSTEX in 2024 and the total training time exceeded 57,188 hours and a total of 39,553 employees participated in the digital learning courses hosted by SYSTEX in 2024 and the total training time exceeded 69,164 hours. In addition, there were 805 instances of employee participation external professional training courses which accounted for a total of 16,811 training hours.

SYSTEX values talent cultivation and the advancement of employee expertise. We firmly believe that employees are the Company's most important assets, and we have made systematic plans and provided employees with education development plans to advance both their professional technical skills and career development. Employees can participate in external training and obtain professional licenses. The Company has also developed comprehensive internal training courses based on the Company's organizational strategies and employees' personal development needs, providing diverse courses such as newcomer training, leadership and management, technical development, marketing and sales, personal performance, key talent cultivation, as well as expert lectures, and the Intern School.

In addition, the Company has also established comprehensive "Employee Training Development Management Regulations" to encourage employees to participate in a variety of studies and courses for which the Company provides subsidies. At the same time, the training and development are incorporated into the performance management system to motivate employees to maximize their performance to accomplish the Company's goals.

## IV. Operation Highlights

---

Internal training courses provided by SYSYEX include:

- A. Newcomer Training Program: To help each new employee familiarize themselves with the environment and understand the Company's principles and culture, SYSTEX designed a mix of physical and digital courses centered the needs of new employees, effectively helping new employees establish a positive work attitude and strive for excellence. The program allows new employees to interact with high-level executives to better their understanding of SYSTEX's corporate culture, and includes a special introduction to the Solution Center to help new employees better understand the Company's products and services. Dedicated person to introduce CSR activities and encourage employees to participate in volunteer services. The program also educates new employees on occupational health and safety to instill proper occupational health and safety concepts.
- B. Leadership Management Program: To enhance the management skills of supervisors, the Company has designed management development training courses for different levels of managers in order to increase the leadership and management skills of supervisors and ensure the effective performance of the organization. The Company opened a mentoring technique course to improve the abilities of senior employees and managers to mentor new employees and develop the right attitude towards mentoring new employees. It is hoped that such a program can help senior employees pass down techniques and allow new employees to settle into their new position and environment quicker.
- C. Technical Development Course: SYSTEX has best practices for software development and integration developed through a long time, and has established 15 Task Forces with specialties in computing, software, data, information security, maintenance and operation, FinTech, 5G, and marketing; We continuously introduce new technologies and organize technical workshops to effectively develop technical talents, thereby ensuring the professional technical quality of our software development and integration of industrial applications.
- D. Marketing and Sales Program: The key to sales personnel's success has shifted from product- to customer-orientation. These courses cover everything from making the first contact, understanding customer needs, providing comprehensive solutions, to the final sale, including utilizing effective questioning techniques to determine what the customer truly needs. The program trains employees in consultative selling techniques, helping them play the role of product expert consultant to persuade customers to place an order.
- E. Personal Performance Program: To assist SYSTEX employees in cross-domain learning, we provide our digital learning platform to help employees achieve learning goals in their spare times. Every year, we provide courses on personal effectiveness for employees.
- F. Key Talent Cultivation: Conduct annual inventory and cultivation planning of key positions and talents according to organizational strategy and needs for reserved talents, as well as human recourse strategies for high performance and contribution.
- G. Expert lectures: Invite industry experts to share best practices. The content focuses on trend issues, technology applications, etc., allowing supervisors and colleagues to gain more practical experience through expert lectures, so as to practice the win-win concept of achieving customer value and improving business performance.
- H. Intern School: We provide summer and long-term internship programs, during which students will be arranged to participate in courses on industrial applications offered by executive managers, while practical training will be supervised by mentors. Students can better understand SYSTEX through this internship opportunity, and those achieving excellent performance will be prioritized for full-time job vacancies.

In addition to physical courses, SYSTEX also established a comprehensive Learning Management System to

## IV. Operation Highlights

---

assist employees in developing core expertise quickly through an automated information system. The Company also uses digital technologies such as Facebook Live Stream, Webex, and Zoom video conference to allow employees to enhance their capabilities outside the constraints of space and time.

### 4.5.3 Retirement System

The Company's retirement regulations are implemented in accordance with regulations of the Labor Standards Act and Labor Pension Act.

#### A. Labor Standards Act (old system):

- (a) The Company has established the Supervisory Committee of the Labor Retirement Reserve in accordance with regulations. The labor retirement reserve fund is appropriated each month in accordance with the "Regulations for the Allocation and Management of the Workers' Retirement Reserve Funds" to the Committee's dedicated account at the Bank of Taiwan.
- (b) Employee retirement application: Where the employee attains the age of fifty-five and has worked for fifteen years, where the employee has worked for more than twenty-five years, or where the employee attains the age of sixty and has worked for ten years, the employee may apply for voluntary retirement.
- (c) Employee pension payment: The monthly average salary of the employee authorized for retirement shall be adopted as the standards for calculating employee pension base unit. Two base units are given for every full year of service. Those having served over 15 years are given one base unit for each full year of service and the total number of base units shall be no more than 45. Length of service is calculated as half year when it is less than six months; Length of service is calculated as one year when it is more than six months. However, employees who face mandatory retirement due to the performance of duties specified in Article 54 of the Labor Standards Act shall receive an additional 20% for their pension in accordance with the requirement.

B. Labor Pension Act (new system): The Company appropriates 6% of the employee's salary to the dedicated personal pension account established by the Bureau of Labor Insurance in accordance with the "Monthly Contribution Wages Classification of Labor Pension".

### 4.5.4 Working Environment and Protective Measures for Employees' Personal Safety

The Company has established a employee safety and health management agency and the Employee Safety and Health Committee in accordance with the "Regulations on the Management of Labor Safety and Health Organization." Meetings are convened each quarter to implement affairs related labor safety and health. The Company implements access management for the security of the building. It established a central surveillance system staffed by 7X24-X 365 security personnel. The Company conducts fire safety exercises every six months and annual "fire safety equipment inspection and reports" in accordance with fire safety regulations to improve employees' familiarity with fire safety. The Company established a "Fire Safety Protection Plan" and designated fire-safety managers to implement fire safety education. The Company files building safety inspection reports to ensure the safety of the building and obtains the "Taipei City Building Public Safety Autonomous Management Inspection Qualification Label" each year to ensure the safety of the building. The Company also regularly cleans the drinking water storage facility, conducts environmental disinfection operations, and inspects drinking fountains each month.

In order to create a better working environment, the company introduced the "ISO 45001 Occupational Health and Safety Management System", conducted a comprehensive occupational safety environment inspection in 2021, and implemented ISO 45001 inspections and verifications every year to strengthen the identification of hazards in employees' working environment and actively make improvements. For example: environmental testing and evaluation of the workplace, special work physical examinations for employees doing special work once every six months, and the provision of personal protective equipment, thereby

## IV. Operation Highlights

---

achieving the goal of zero occupational accidents. The company also employs special doctors in accordance with the "Labor Health Protection Regulations" to provide on-site physician services 34 times a year, including work environment safety assessments and employee health consultation services; AED devices are installed in the building to respond to sudden heart disease situations, and first aid knowledge such as cardiopulmonary resuscitation is regularly promoted.

The Company has also built a friendly work environment and constructed breastfeeding rooms in accordance with regulations of the Health Promotion Administration. We also obtained the "Taipei City Government High Quality Breastfeeding Room Certification" (duration: September 1, 2023 to August 31, 2026). The Company has set up gym facilities and badminton courts for employees to provide them with venues for leisure and sports. The Company has also established wheelchair accessible facilities at the entrance of the building and lavatories. SYSTEX passed the "Accredited Healthy Workplace" inspection by the Health Promotion Administration for a smoke-free workplace and provides employees with a healthy work environment. In December 2022, we obtained the "Healthy Workplace Promotion Label Certification" organized by the Ministry of Health and Welfare (period: January 1, 2023 to December 31, 2025) to provide employees with a healthy working environment.

### 4.5.5 Employee Code of Conduct

The Company has established the "Employee Code of Conduct" as the standard to be followed by the Company's employees when conducting business activities. The main contents include:

- A. Legal requirements and the Company's internal regulations shall be strictly implemented when conducting business activities in order to protect employees and the Company from legal penalties or prosecution by stakeholders.
- B. Protect the Company's reputation and assets.
- C. The Company's assets and information shall only be used to achieve the Company's goals and they shall be properly used, protected, and stored.
- D. Employees may not conduct activities that conflict with the interests of the Company.
- E. Applicable procedures and punishment measures in the event of violations.

Each new employee shall be required to attend an online learning course on "Employee Code of Conduct" after entering the Company. The course shall be announced on the Company's internal website. In addition, SYSTEX shall issue regular email notifications and education each month to request compliance by supervisors and remind colleagues to read and sign so that all employees shall adhere and implement related regulations. Furthermore, in 2024 SYSTEX conducted two online training courses and tests on honest operation, with those that failed to pass given additional remedial courses. This strengthened employees' awareness of honest and legal operations and their requirements. The aim is for all employees to collectively follow and implement related regulations.

### 4.6 Cyber security management

#### 4.6.1 Describe the cyber security risk management framework, cyber security policies, concrete management programs, and investments in resources for cyber security management:

In the face of information security risks, the information security and personal information crisis management team is responsible for information security risks within the company, and an information security Taskforce committee is formed. There are 15 members include the cyber security unit, IT department, legal department and business units and other relevant supervisors and colleagues. Provide consulting, technical services and information security education and training for the group's information security management, and hold a total of 12 special meetings in 2023. In addition to managing the information security management of the Group, the Information Security and Personal Information Crisis

## IV. Operation Highlights

---

Management Team also supports the handling of information security and personal information incidents that have been introduced into ISO 27001 business units. All business units that have introduced ISO 27001 have formed an information security management committee, established an information security risk management framework, and formulated information security policies and specific management plans.

As for confidential data services, SYSTEX conducts risk assessments and relevant reviews every six months. Regular meetings are held to check whether information security incidents have occurred, assess the impact and risks of the incident on the company, put forward specific improvement plans and continue to track the improvement situation. In order to continuously strengthen information security management and master the effectiveness of risk management, SYSTEX and the Group's subsidiaries Systex Software & Service Corp., Top Information Technologies Co., Ltd., Systex Solutions Corp., Syspower Corp., Concord System Management Corp., Taifon Computer Co., Ltd., Taiwan Information Service Technology Corp., uniXecure Corp., E-service Information Co. and SoftMobile Technology Corp. have obtained ISO 27001 information security management system certification and continuous renewal of certificate validity period. In terms of customer rights, the Company's IT services are provided, constructed, managed, and maintained based on the operating method and service process for each product and service, for which the Company also provides comprehensive mechanisms and complaint procedures. For example: we have a customer service center for financial products, and an online service support center for product and system maintenance, thus providing customers with high-quality support services. The services provided by the Company are subject to its IT Confidentiality Agreement, and are controlled by its E-commerce Personal Information Processing Procedures. In 2024, there were no verified incidents of customer privacy violation.

In 2024, risk assessments conducted in the previous years were adopted, and no high-risk items were found. Medium- and low-risk items were handled by relevant units in accordance with the determined control measures and adjustments and included in the follow-up tracking and reports.

The company has established the "SYSTEX Group Information Security Management Measures", and also has e-mail management, computer facilities anti-virus management, firewall restrictions, user account permissions for each service system, wireless network, domain name application and public network services, desktop Detailed management operation rules for upper and notebook computers, computer facilities, portable devices and media, etc., and keep an eye on information security news and announcements, and update management measures in timely. In addition to continuously strengthening basic information security protection, such as antivirus, firewall, intrusion prevention, web firewall, and email protection. In order to strengthen the terminal information security, the zero trust framework and multi-factor verification are introduced to improve the overall information security protection of the group and its subsidiaries.

In 2024, the implementation results of the cyber security measures are as follows:

- A. A total of 7,876 employees in SYSTEX group participated in the twice propaganda and tests of cyber security.
- B. A total of 7,867 employees in SYSTEX group participated in the twice propaganda and tests of personal data protection.
- C. A total of 4,682 employees participated in the digital learning courses of professional courses by cyber security and the total training time exceeded 14,046 hours.
- D. A total of 350 project employees participated in the digital learning courses of professional courses by cyber security and the total training time exceeded 3,150 hours.
- E. Professional Training of Cyber Security Seed staff: There are physical courses in cyber security with a total of 640 participants and 8,281 training hours.

## IV. Operation Highlights

F. A total of 221 employees participated in the digital learning courses of general courses by cyber security and the total training time exceeded 309 hours.

H. The colleagues in SYSTEX group have obtained 148 information security certificates (such as ISO 27001, ISO27701, CISSP, CSSLP, CISM, EDRP, CEH, CFHI, etc.) and have obtained the total of 586 information security certificates.

4.6.2 List any losses suffered by the company in the most recent fiscal year and up to the annual report publication date due to significant cyber security incidents, the possible impacts therefrom, and measures being or to be taken:

SYSTEX received an anonymous online ransom letter in March 2025 and issued a major information statement on March 31. So far, there has been no significant impact on the Company's operations.

### 4.7 Important contracts

Agreement	Counterparty	Period	Major Contents	Restrictions
Reseller Agreement	Microsoft Regional Sales Corporation	2024.10.01-2025.09.30	Software proxy	None
Reseller Agreement	IBM Taiwan Corporation	2024.12.10~2025.12.09	Software proxy	None
Reseller Agreement	Dell B.V., Taiwan Branch (Netherlands)	2024.11.14-2025.11.13	Product distribution	None
Reseller Agreement	Oracle Taiwan LLC, Taiwan Branch	2024.10.20-2025.10.19	Digital Course Sales	None
Reseller Agreement	Oracle Taiwan LLC, Taiwan Branch	2024.10.10-2025.10.09	Software proxy	None

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

### 5.1 Analysis of Financial Status

Unit: NT\$ thousands

Item \ Year	2024	2023	Difference	
			Amount	%
Current assets	25,387,562	22,226,525	3,161,037	14.22
Long-term investments	2,187,582	1,931,122	256,460	13.28
Fixed assets	2,302,975	2,219,130	83,845	3.78
Intangible assets	382,042	261,258	120,784	46.23
Other assets	4,471,959	3,958,677	513,282	12.97
Total assets	34,732,120	30,596,712	4,135,408	13.52
Current liabilities	12,902,245	12,273,027	629,218	5.13
Other liabilities	3,500,172	3,551,175	(51,003)	(1.44)
Total liabilities	16,402,417	15,824,202	578,215	3.65
Share capital	2,722,654	2,723,033	(379)	(0.01)
Capital surplus	8,692,447	6,967,728	1,724,719	24.75
Retained earnings	6,530,330	5,975,939	554,391	9.28
Other equity and Treasury shares	(215,049)	(1,394,193)	1,179,144	84.58
Total equity attributable to owners of the Corporation	17,730,382	14,272,507	3,457,875	24.23
Non-controlling interests	599,321	500,003	99,318	19.86
Total equity	18,329,703	14,772,510	3,557,193	24.08
Analysis of changes in financial ratios:				
1. Increase in Intangible assets by NT\$120,784 thousands mainly due to which increase in Computer software by NT\$19,118 thousands, increase in Other Intangible assets by NT\$24,554 thousands and increase in Goodwells by NT\$77,112 thousands.				
2. Increase in Other equity and Treasury shares by NT\$1,179,144 thousands mainly due to which increase in Exchange differences on translation of foreign operations by NT\$216,216 thousands, increase in Other equity-Other by NT\$47,717 thousands, increase in Treasury shares by NT\$298,443 thousands and decrease in Unrealized (loss) gain on financial assets at FVTOCI by NT\$13,232 thousands.				

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

### 5.2 Analysis of Operating Results

Unit: NT\$ thousands

Item \ Year	2024		2023		Difference	
	Subtotal	Total	Subtotal	Total	Amount	%
Gross sales	38,993,292		35,237,624		3,755,668	10.66
Less: sales returns & allowances	42,650		53,246		(10,596)	(19.90)
Net sales		38,950,642		35,184,378	3,766,264	10.70
Cost of sales		30,701,936		27,276,397	3,425,539	12.56
Gross profit		8,248,706		7,907,981	340,725	4.31
Operating expenses		6,855,603		6,438,181	417,422	6.48
Operating income		1,393,103		1,469,800	(76,697)	(5.22)
Total non-operating income and expenses		1,003,357		455,470	547,887	120.29
Income before tax		2,396,460		1,925,270	471,190	24.47
Tax expense		364,073		346,382	17,691	5.11
Other comprehensive income (loss) for the year, net of income tax		216,455		(120,811)	337,266	279.17
Total comprehensive income for the year		2,248,842		1,458,077	790,765	54.23

#### 1. Analysis of changes in financial ratios:

- (1) Increase in Total non-operating income and expenses by NT\$547,887 thousands mainly due to increase in Share of profit of associates by NT\$102,761 thousands and increase in gain on financial assets at fair value through profit by NT\$485,320 thousands.
- (2) Decrease in Other comprehensive income (loss) for the year, net of income tax for the year by NT\$337,266 thousands mainly due to increase in the exchange differences on translating foreign operations by NT\$238,984 thousands, increase in Remeasurement of defined benefit plans by NT\$45,577 thousands, increase in Share of the other comprehensive income of associates accounted for using the equity method by NT\$41,699 thousands.

#### 2. Mainly reason of expected sales growing up in 2025:

SYSTEX has set five major investment directions and business priorities for 2025: AI, go global, new type of services, JAMAL, and IPOs of subsidiaries. With the advantage of many years of experience in system integration services and cross-platform heterogeneous platform data integration, SYSTEX has independently developed many world-class and innovative products and services, and is aiming to create unique value and establish the ability to price its services accordingly.



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

### 5.3 Analysis of Cash Flow

#### 5.3.1 Remedy for Cash Deficit and Liquidity Analysis

Item \ Year	2024	2023	Variance (%)
Cash Flow Ratio (%)	0.00	41.59	(100.00)
Cash Flow Adequacy Ratio (%)	75.03	93.26	(19.55)
Cash Reinvestment Ratio (%)	(19.06)	21.25	(189.69)
Analysis of changes in financial ratios: Decrease in Cash Flow Ratio by 100.00%, Decrease in Cash Flow Adequacy Ratio by 189.69% mainly due to which increase in net cash generated from operating activities flowed out.			

#### 5.3.2 Cash Flow Analysis for the Coming Year

Unit: NT\$ thousands

Estimated Cash Beginning Balance ①	Estimated Net Cash Flow from Operating Activities ②	Estimated Cash Outflow ③	Estimated Cash Ending Balance (Shortage) ① + ② - ③	Leverage of Cash Deficit	
				Investment Plans	Financing Plans
6,196,885	785,667	1,232,207	5,750,345	-	-
1. Analysis of change in cash flow in the current year:					
Item	Cash Inflow (Outflow)		Variance		Remarks
	2024	2023	Amount	%	
Operating activities	(\$ 2,823,208)	\$ 5,103,936	(\$7,927,144)	(155.31)	(1)
Investing activities	556,391	(913,971)	1,470,362	160.88	(2)
Financing activities	1,212,793	(1,401,795)	2,614,588	186.52	(3)
(1) The Decrease of NT\$7,927,144 thousands in 2024 was mainly due to the increase from Financial assets mandatorily classified as at fair value through profit or loss.					
(2) The Increase of NT\$1,470,362 thousands in 2024 was mainly due to the decrease of Financial assets at amortized cost.					
(3) The Increase of NT\$2,614,588 thousands in 2024 was mainly due to disposal of treasury shares.					
2. Remedial action for cash deficit: N/A.					
3. Cash liquidity analysis for the next year: The Company expects business activities in the next year to generate positive cash flow. The cash outflow in the next year shall be primarily for the distribution of cash dividends that can be supported by the Company's cash balance and cash flow.					

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

5.4 Major Capital Expenditure Items: There are no any Major Capital Expenditure in 2024.

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

5.5.1 Investment policy in the most recent year

The company's reinvestment policy will increase investment in overseas business, go out of Taiwan, initially take Asia as the development hinterland, enter the Southeast Asian and Northeast Asian markets, and cooperate with start-ups and local partners to win world-class markets and customers.

5.5.2 The main reason for profit or loss and improvement plan for reinvestment enterprises

Unit: NT\$ thousands

Item	Remarks	Book Value (Note 1)	Net Income (Loss) 2024	Policies	Reasons for Gain or Loss	Action Plan
Ching Pu Investment Corp.		403,182	101,499	Shareholding in other companies and reinvestment business	Net profit from investment income from dividends of financial assets and recognized by the equity method	
Golden Bridge Information Corp.		324,636	57,776	Shareholding in other companies and reinvestment business	Net profit from investment income recognized by the equity method	
Syscore Corp. (Note 2)		3,736,083	246,280	Shareholding in other companies and reinvestment business	Net profit from investment income from dividends of financial assets and recognized by the equity method	
Syslink Corp.		1,393,834	41,152	Shareholding in other companies and reinvestment business	Recognized profits from investments	
Syslong Corp.		244,831	5,152	Shareholding in other companies and reinvestment business	Early stage of operation	
Kimo.com (BVI) Corp.		4,472,315	94,032	Shareholding in other companies and reinvestment business	Recognized profits from investments	
Systex Capital Group, Inc.		2,814,813	151,290	Shareholding in other companies and reinvestment business	Net profit from investment income from dividends of financial assets and recognized by the equity method	
Systex Solutions (HK) Ltd.		396,996	17,906	Shareholding in other companies and reinvestment business	Recognized profits from investments	

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

Item \ Remarks	Book Value (Note 1)	Net Income (Loss) 2024	Policies	Reasons for Gain or Loss	Action Plan
Taifon Computer Co., Ltd.	336,331	62,640	Horizontal integration and vertical expansion in the industry	Revenue has reached economies of scale and generated profits for main business	
Systex Solutions Corp.	367,570	76,431	Horizontal integration and vertical expansion in the industry	Revenue has reached economies of scale and generated profits for main business	
Concord System Management Corp.	660,630	114,322	Horizontal integration and vertical expansion in the industry	Revenue has reached economies of scale and generated profits for main business	
Top Information Technologies Co., Ltd.	202,881	2,875	Horizontal integration and vertical expansion in the industry	Revenue has reached economies of scale and generated profits for main business	
Systex Software & Service Corp.	1,260,104	546,365	Horizontal integration and vertical expansion in the industry	Revenue has reached economies of scale and generated profits for main business	
Systex Fintech Corp.	274,931	48,952	Horizontal integration and vertical expansion in the industry	Revenue has reached economies of scale and generated profits for main business	
Palsys Digital Technology Corp.	294,598	(6,330)	Horizontal integration and vertical expansion in the industry	Net loss from operating	Continuing the business integration and adjustment
Dawning Technology Inc.	682,997	42,347	Horizontal integration and vertical expansion in the industry	Revenue has reached economies of scale and generated profits for main business	
Syspower Corp. (Note 2)	414,442	59,959	Horizontal integration and vertical expansion in the industry	Revenue has reached economies of scale and generated profits for main business	
Docutek Solutions, Inc.	285,022	86,489	Horizontal integration and vertical expansion in the industry	Revenue has reached economies of scale and generated profits for main business	
uniXecure Technology Corp.	142,282	(11,698)	Horizontal integration and vertical expansion in the industry	Net loss from operating	Continuing the business integration and adjustment
Caresys Information, Inc.	168,127	29,296	Horizontal integration and vertical expansion in the industry	Revenue has reached economies of scale and generated profits for main business	
Systex Information (Shanghai) Ltd.	188,237	(2,352)	Developed overseas markets and distribution channels in Greater China	Net loss from operating	Continuing the business integration and adjustment

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

Item \ Remarks	Book Value (Note 1)	Net Income (Loss) 2024	Policies	Reasons for Gain or Loss	Action Plan
Systex Rainbow Tech Inc.	312,507	[4,788]	Developed overseas markets and distribution channels in Greater China	Net loss from operating	Continuing the business integration and adjustment
Systex Group (China) Ltd.	309,324	[83,004]	Developed overseas markets and distribution channels in Greater China	Net loss from operating	Continuing the business integration and adjustment
Systex Information (H.K.) Ltd.	978,511	[92,490]	Developed overseas markets and distribution channels in Greater China	Recognize investment loss	Strengthening the management of reinvestment
Rainbow Tech Information (HK) Ltd.	177,747	38,093	Developed overseas markets and distribution channels in Greater China	After business integration and adjustment, operating conditions improved	

Note 1: Refers to subsidiary companies with a carrying amount exceeding 5% of paid-in capital as of December 31, 2024.

Note 2: Held directly and indirectly by the Company.

5.5.3 Investment Plans for the Coming Year: None.

### 5.6 Analysis of Risk Management

The Company has established functional committees that report to the Board of Directors in accordance with the "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" promulgated by the competent authority to enhance the supervision and management functions of the Board of Directors. Proposals are submitted to the Board for resolution to reduce risks in operating and financial decisions.

#### 5.6.1 Risk management policies and organization

##### A. Risk management policies

On December 21, 2022, the company passed the resolution of the board of directors to form a "Risk Management Committee" across departments and formulated the "Risk Management Best Practice Principles", "Risk Management Policies and Procedures" and "Risk Management Committee Charter" to establish a sound risk management system, and sound and stable operation.

Through a comprehensive risk management framework, consider and manage various risks that may affect the achievement of corporate goals, and integrate risk management into operational activities and daily management processes to achieve the following goals: (1) Realize corporate goals; (2) Improve management efficiency; (3) provide reliable information; (4) effectively allocate resources.

##### B. Risk management organization

With the board of directors as the highest governance unit for risk management, the company can set up a risk management committee subordinate to the board of directors and assign appropriate risk management promotion and execution units by considering the company's size, business characteristics, risk nature and operating activities.

The organizational structure and responsibilities of risk management are as follows:

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

---

### (1) Board of Directors

The Board of Directors as the highest governance unit for risk management, its responsibilities are as follows:

- A. Approved risk management policies, procedures and framework;
- B. Ensure that the operational strategy direction is consistent with the risk management policy;
- C. Ensure that an appropriate risk management mechanism and risk management culture have been established;
- D. Supervise and ensure the effective operation of the overall risk management mechanism;
- E. Allocate and assign sufficient and appropriate resources to enable risk management to operate effectively.

### (2) Risk management committee

In order to improve and strengthen the risk management function, considering the company's scale, business characteristics, risk nature and operating activities, a risk management committee under the board of directors is established to supervise the operation mechanism related to risk management. Its duties and roles are as follows:

- A. Review risk management policies, procedures and structures, and regularly review their applicability and execution effectiveness;
- B. Approve risk appetite (risk tolerance) and guide resource allocation;
- C. Ensure that the risk management mechanism can fully deal with the risks faced by the company and integrate it into the daily operation process;
- D. Verify the priority and risk level of risk control;
- E. Review the implementation of risk management, put forward necessary improvement suggestions, and report to the board of directors on a regular basis (at least once a year);
- F. Execute the risk management decisions of the board of directors.

### (3) Risk management promotion and execution unit

In addition, according to the overall business strategy and risk management needs, the company has set up an appropriate risk management promotion and execution unit to be responsible for planning, execution and supervision of risk management related affairs. The unit shall consider the company's size, business characteristics, risk nature and operating activities, assign a dedicated unit or form a task group, and its duties and roles are as follows:

- A. Formulate risk management policies, procedures and framework;
- B. Formulate risk appetite (risk tolerance), and establish qualitative and quantitative measurement standards;
- C. Analyze and identify sources and categories of corporate risks, and regularly review their applicability;
- D. Regularly (at least once a year) compile and submit the report on the implementation of the company's risk management;
- E. Assist and supervise the implementation of risk management activities of various departments;
- F. Coordinate cross-departmental interaction and communication of risk management operations;
- G. Execute the risk management decisions of the Risk Management Committee;
- H. Plan risk management-related training to enhance overall risk awareness and culture.

### (4) Business Unit

The responsibilities and roles of each Business Unit are as follows:

- A. Responsible for the risk identification, analysis, evaluation and response of the affiliated units, and establish relevant crisis management mechanisms when necessary;
- B. Regularly submit risk management information to risk management promotion and execution units;

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

---

- C. Ensure that the risk management and related control procedures of the affiliated units are effectively implemented to comply with the risk management policy.

### 5.6.2 Risks, Assessment, and Response Strategies

- A. Market Risks: The Company's forecast risks, pricing risks, production capacity risks, and inventory risks caused by changes in the industry.

Risk Assessment: The characteristics of the IT service industry includes rapid changes in technologies, continuous flow of new products, continuous functional improvements, decline in cost, short product lifecycle, changes in customer requirements, and manufacturer standard specifications. Due to high uncertainties, market risks will influence company operations.

Response Strategy: Implement an annual budget system and rolling forecast system to fully account for the impact of market changes on revenue; organize monthly business review meetings to account for market conditions; actively increase the added-value of products and OEM product lines to maintain reasonable costs and comprehensive services; adopt full digitalization in the company, enhance education and training, and increase the efficiency of information delivery between departments to increase personnel productivity; adopt the principle of making purchases after receiving purchase orders to prevent excess inventory and control the value of inventories.

- B. Financial Risks: Additional risks imposed on the Company due to the use of financial leverages.

Risk Assessment: Changes in the Company's industry occur fast and pose high risks in operations. High financial leverage operations will put the Company in greater risk.

Response Strategy: The Company's source of funding consists mainly of equity funds; high financial leverage strategies are avoided. If financing is required, long-term funding obtained from the capital market shall be the primary means for financing to lower financial risks.

- C. Fluidity Risks: Risks in which the Company cannot cash in on assets or obtain sufficient funding in time, leading to the inability to perform due responsibilities.

Risk Assessment: Due to high risks in the industry, the speed and capacity of cash flow will affect the Company's competitiveness and daily operations.

Response Strategy: The Company shall strengthen its cash flow forecast, strictly control inventory backlog, and payment/collection conditions and procedures to ensure the fluidity of the Company's operating cash. Conduct short-term operations with idle funds under conditions of maintaining fluidity, security, and profitability. The Company shall also establish financing credit lines with banks to maintain fluidity of funds.

- D. Credit Risks: Risks in which customers and suppliers cannot perform payment or delivery.

Risk Assessment: Due to industry characteristics, the Company faces longer payment cycles from clients. The unique transaction model of large projects also requires multiple suppliers of varying scales for which credit risks differ. The Company conducts various financial transactions with financial institutions in accordance with financial and business requirements. The credit risks of transaction partners shall also be taken into consideration.

Response Strategy: The Company shall establish a department dedicated to the management of accounts receivable and payable and establish authorization management regulations to enhance credit investigation procedures and strictly control the credit line of customers to safeguard the interests of the Company. The Company selects reputable financial institutions with high ratings to lower credit risks.

- E. Legal Risks: Risks of serious impact or other negative impact on the Company's operations or finances due to illegal business activities of the Company or competitors' infringement of the Company's rights.

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

Risk Assessment: The Company conducts businesses honestly and does not take part in illegal activities.

The Company maintains ownership of multiple intellectual property rights and comprehensive legal protection from infringements that affect company interests.

Response Strategy: The Company established a dedicated Legal Affairs Department to take charge of processing potential legal risks faced by the Company. The Legal Affairs Department also reviews all important contracts before signing to safeguard company interests.

F. Strategy and Business Risks: Risks of immediate or potential impact on the Company's profits or capital due to unfavorable business decisions, inappropriate execution of related strategies, or a lack of response measures to changes in the industry.

Risk Assessment: The Company operates in the technology industry which undergoes constant changes, numerous competitors, and therefore relatively higher operating risks. The implementation of strategies will affect overall normal operations.

Response Strategy: The Company regularly organizes domestic and international senior management business meetings to fully communicate and review the Company's operating strategies and adopt appropriate response measures. The Company also established an Audit Committee to strengthen the functions of the Board of Directors and to help the Company establish major business strategies and supervise the performance of the management team.

### 5.6.3 Analysis of Risk Management

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

(a) Interest rate

Unit: NT\$ thousands;%

Item \ Year	2023			2024		
	Amount	Percentage of Net Sales	Percentage of Profit from Operation	Amount	Percentage of Net Sales	Percentage of Profit from Operation
Interest income	105,946	0.30%	7.21%	121,217	0.31%	8.70%
Interest expense	86,256	0.25%	5.87%	91,646	0.24%	6.58%

The Company's operating funds are readily available and the Company conducts short-term operations with idle funds under conditions of maintaining fluidity, security, and profitability.

The Company maintains close relations with banks in long-term collaboration and uses the banks' assistance to obtain favorable interest rates and conditions and therefore changes in interest rates have limited effects on the Company's profitability. The Company shall continue to monitor trends in interest rate changes and maintain a high degree of profitability while taking into account the requirements for security and fluidity in order to reduce the impact of changes in interest rates.

(b) Foreign exchange rates

Unit: NT\$ thousands; %

Item \ Year	2023			2024		
	Amount	Percentage of Net Sales	Percentage of Profit from Operation	Amount	Percentage of Net Sales	Percentage of Profit from Operation
Foreign exchange gain (loss), net	(5,490)	(0.02%)	(0.37%)	(21)	0.00%	0.00%

The Company's corporate financing personnel used transactions with financial institutions and the Internet to collect information on changes in exchange rates, adjusted the Company's foreign exchange positions, and estimated the cash flow in foreign currency expenditure for the purpose of controlling risks as early as possible. In principle, the Company uses income in foreign currencies to pay for foreign

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

currency expenditures to achieve natural hedging effects and therefore changes in interest rates have limited impact on the Company's profits and losses.

### (c) Inflation

The Company maintains close and good relations with suppliers and customers and pays attention to fluctuations in market prices in order to make timely adjustments in response to market fluctuations in purchase and sales prices as well as to lower the impact of changes in inflation.

The Company's main suppliers are IT firms and the Company pays attention to the changes in prices of products from original manufacturers at all times to prevent major impact of changes in cost on the Company's profits and losses.

### B. Policies, Main Causes of Gain or Loss and Future Response Measures with Respect to High-risk, High-leveraged Investments, Lending or Endorsement Guarantees, and Derivatives Transactions:

The Company does not conduct high-risk and high-leverage investments. The Company provides loans to others, endorsement or guarantee, and trade in derivatives in accordance with the Company's policies and response measured established in the Company's "Procedures for the Acquisition or Disposal of Assets," "Operating Procedures for Fund Lending," and "Procedures for Making Endorsements and Guarantees."

No breaches of contract that caused profits or losses have occurred in Company's endorsements, guarantees, and loans to subsidiary companies for their financing requirements.

### C. Future Research & Development Projects and Corresponding Budget:

Research Projects	Completion (%)	Expected Research Expenditure (NT\$ ten thousand)	Expected Completion Schedule	Major Risk Factors
Optimization of DynaQuote	Development Stage	100	April, 2025	Human Resources and Core Technology
Winner 2000	Maintenance stage	100	June, 2025	Human Resources and Core Technology

### D. Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales:

With the announcement of the "ESG Sustainable Development Action Plan for TWSE and TPEX Listed Companies" by the FSC, starting from 2024, listed companies are required to disclose climate-related information in their annual reports and prepare sustainability reports. By 2025, both upstream and downstream supply chains must also participate in promoting sustainability and disclose carbon emissions in the supply chain. The EU CBAM has been in trial operation since the end of 2023, requiring importers to obtain corresponding CBAM certificates for products to enter the EU. However, according to surveys, nearly 80% of Taiwanese companies have not conducted carbon footprint assessments, and only 60% have begun assessing supply chain risks. Despite the clear importance of achieving net-zero carbon emissions, most companies lack clear strategies or implementation methods. In response to this trend, SYSTEX will focus on cloud hybrid applications, green data centers, value-added services for data integration, and centralized inventory management of corporate resources to assist customers and the overall industry in achieving sustainable green supply chains.

Under the leadership of the Ministry of Digital Affairs (MODA), the Taiwan market continues to promote zero trust. It is expected that in 2024, the zero-trust framework will gradually be implemented in various aspects such as identity authentication, device authentication, and infrastructure reinforcement, from government agencies to private businesses. Systex Software & Service Corp. has a complete ecosystem of resources, including integration with original equipment manufacturers, external partners, and internal group resources. Its own cybersecurity technology and service capabilities have also been



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

certified by government agencies and international OEMs, providing customers with diverse cybersecurity products and services. Moreover, starting from industry Know-How, Systex Software & Service Corp. can offer professional cybersecurity consulting to customers for implementing recommendations. Systex Software & Service Corp.'s independently developed innovative proprietary product, the "SYSTEX Comprehensive Audit Management Platform," can adapt to the latest regulatory changes. It covers four major aspects of monitoring, from the date-of-audit operations to patch management, enabling clients to achieve comprehensive automated cybersecurity upgrades.

### E. Effects of and Response to Changes in Technology and the Industry Relating to Corporate Finance and Sales:

(a) SYSTEX will not only continue to provide investors with much needed international investment and wealth management systems, but also work with international finance IT operators to provide instantaneous information services across different markets and build a global transaction network to lower investors' investment cost for global transactions. The financial industry should reposition its strategy of FinTech development and enhance digital transformation, while applying these approaches to AI, cloud, identity verification, and other technologies. Looking forward, Taiwan must accelerate its promotion of API economy and data sharing, facilitate the creation of new financial ecosystem, and allow consumers to gain access to more diversified financial services via open banking. By sharing financial data, the relationship among financial institutions and financial technology companies will evolve from that of competition to that of cooperation, thus creating a multi-win situation with a mutually benefiting and co-prosperous financial ecosystem.

(b) As the market develops towards AI-powered operation in the future, omni-channel and online-merge-offline (OMO) have become the main developmental trends of the global retail industry. With the active planning for market presence by large business groups, Taiwan's retail and e-commerce industry has also progressively broken the barriers between various retail business patterns and virtual and physical channels, including interactive electronic statements, video electronic statements, LBS discount information services, mobile payment, and mobile discount coupons.

(c) About Cyber security management, please referred page 105~107.

### F. The Impact of Changes in Corporate Image on Corporate Risk Management, and the Company's Response Measures:

The Company has always upheld the operation principles of professionalism and integrity as well as its emphasis on corporate image and risk management. Therefore the corporate image has been well-maintained and there has been no major incident detrimental to corporate image.

### G. Expected Benefits from, Risks Relating to and Response to Merger and Acquisition Plans:

In August 2024, the Company publicly acquired 15.5% of the equity of Newweb Information Co., Ltd. to recognize reasonable investment income and improve the return on assets and shareholders' equity of both companies through closer business cooperation.

### H. Expected Benefits from, Risks Relating to and Response to Factory Expansion Plans: None.

### I. Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration:

The Company maintains good relations with multiple domestic and international suppliers to ensure the diversity of products and security of sources. The Company's sales customers are distributed across the government, finance industry, telecommunications, distribution, and education. Customers are numerous and dispersed and the Company uses the dispersion strategy to reduce the risk of concentrated purchases or sales.

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

---

J. Effects of, Risks Relating to and Response to Large Share Transfers or Changes in Shareholdings by Directors or Shareholders with Shareholdings of over 10%:

In September 2024, in order to introduce a strategic partner, subsidiaries Ching Pu Investment Corp. and Hanmore Investment Corp. sold their own shares of SYSTEX to Taiwan Mobile Co., Ltd. After the transaction was completed, Taiwan Mobile Co., Ltd. held 11.86% of the shares of SYSTEX. In addition to helping to gain access to resources in the telecommunications industry, both parties will also make substantial contributions to each other's revenue and profit synergies through business cooperation.

K. Effects of, Risks Relating to and Response to the Changes in Management Rights:

SYSTEX has been introduced Taiwan Mobile Corporation as a strategic partner in 2024, and there is no risk of change in operating rights.

L. Litigation or Non-litigation Matters: None.

5.7 Other Major Risks: None.

## VI. Special Disclosure

### 6.1 Summary of Affiliated Companies

#### 6.1.1 SYSTEX's Subsidiaries

Unit: NT(USD,RMB,HKD,JYP,VND)\$ thousands As of December 31, 2024

Company	Date of Incorporation	Place of Registration	Share Capital	Business Activities
Taifon Computer Co., Ltd.	1992.10.14	Taipei, Taiwan	200,000	Design, construction, and sales of telecommunications, electronic calculators, and computer installation projects etc.
Systex Solutions Corp.	2014.04.29	Taipei, Taiwan	260,000	Design, construction, and sales of telecommunications, electronic calculators, and computer installation projects etc.
Concord System Management Corp.	1982.10.19	Taipei, Taiwan	304,134	Design of computer system software and software application programs, assessment and planning of computer systems etc.
Top Information Technologies Co., Ltd.	1980.11.18	Taipei, Taiwan	180,000	Sale of computer peripheral equipment and office machines, design of computer system and professional repairs services.
Systex Software & Service Corp.	2011.08.25	Taipei, Taiwan	400,000	IT software and data processing services, retail and services for IT software.
SoftMobile Technology Corp.	2011.08.02	Taipei, Taiwan	36,619	Manufacture of electronic wired communication machinery and equipment, manufacture of electronic components, manufacture of computers and peripheral equipment, installation of computer equipment, IT software retail, computer and office appliance wholesale and retail.

## VI. Special Disclosure

Company	Date of Incorporation	Place of Registration	Share Capital	Business Activities
Systex Fintech Corp.	2000.05.16	Taipei, Taiwan	219,635	Manufacture of electronic wired communication machinery and equipment, manufacture of electronic components, manufacture of computers and peripheral equipment, installation of computer equipment, IT software retail, computer and office appliance wholesale and retail.
Naturint Ltd.	2016.07.19	Taipei, Taiwan	20,000	Installation and sales of computer software and related equipment, IT software, data processing, and other consulting services, network certification, software publication etc.
Smartsys Technology Corp.	2018.04.18	Taipei, Taiwan	30,000	Design, installation, and maintenance of computer information and telecommunication construction, design and sales of computer system software.
Syswiser Technology Corp.	2018.04.18	Taipei, Taiwan	20,000	Design, installation, and maintenance of computer information and telecommunication construction, design and sales of computer system software.
E-service Information Co.	2001.08.06	Taipei, Taiwan	80,000	Information software services and intellectual property rights and printing and data storage media manufacturing and duplicating ,
uniXecure Corp.	2021.12.15	Taipei, Taiwan	200,000	Design, construction, and sales of telecommunications, electronic calculators, and computer installation projects etc.
Syspower Corp.	1988.09.05	Taipei, Taiwan	234,537	Design, installation, and maintenance of computer information and telecommunication construction, design and sales of computer system software.

## VI. Special Disclosure

Company	Date of Incorporation	Place of Registration	Share Capital	Business Activities
Palsys Digital Technology Corp.	2021.01.14	Taipei, Taiwan	312,843	Sale of computer peripheral equipment and office machines, design of computer system and professional repairs services.
Dawning Technology Inc.	2000.09.13	Taipei, Taiwan	356,000	Design, installation, and maintenance of computer information and telecommunication construction, design and sales of computer system software.
Taiwan Information Service Technology Corp.	2008.09.09	Taichung, Taiwan	24,680	Design, installation, and maintenance of computer information and telecommunication construction, design and sales of computer system software.
MISYS Corp. (Note)	2022.09.12	Taipei, Taiwan	100,000	Information software services.
Docutek Solution, Inc.	2004.03.11	Taipei, Taiwan	137,808	Design, installation, and maintenance of computer information and telecommunication construction, design and sales of computer system software.
Caresys Information, Inc.	2004.01.08	Taipei, Taiwan	20,000	Software design and data processing, electronic information service industry, wholesale of computers and office machinery, wholesale of software, wholesale of telecommunication equipment, wholesale of electronic materials
Systek Information (Shanghai) Ltd.	2000.11.27	Shanghai, China	USD29,759	Data processing services, IT supply services, IT software services, international trade.
Systex Group (China) Ltd.	2012.09.28	Shanghai, China	USD17,000	Business management and consulting services, market management and sales services, financial management services for fund operations etc.
Systex Rainbow Tech Inc.	2001.03.16	Guangzhou, China	RMB50,000	Computer software and hardware technologies, research, development, installation, wholesale, and trade of computer network systems etc.

## VI. Special Disclosure

Company	Date of Incorporation	Place of Registration	Share Capital	Business Activities
Systex Ucom (Shanghai) Information Co., Ltd.	2015.01.13	Shanghai, China	RMB2,000	IT software services, IT software wholesale, IT software retail.
Systex Rainbow (Shanghai) Tech Inc.	2018.08.31	Shanghai, China	RMB1,250	Computer software and hardware technologies, research, development, installation, wholesale, and trade of computer network systems etc.
Systex Information (H.K.) Ltd.	1999.12.02	Hong Kong	HKD 262,337	Sales of computers and peripherals.
Rainbow Tech Information (HK) Ltd.	2012.04.26	Hong Kong	HKD29,812	Sales of computers and peripherals.
Gemini Data K.K.	2022.01.17	Tokyo, Japan	JYP110,000	IT services, software development, computers and related equipment Wholesale and retail of equipment, electronic data processing and related off service.
Systex Vietnam Company Limited	2024.05.04	Ho Chi Minh City, Vietnam	VND 7,308,000	IT services, software development, computers and related equipment Wholesale and retail of equipment, electronic data processing and related off service.
Ching Pu Investment Corp.	1998.09.02	Taipei, Taiwan	234,375	Investment.
Golden Bridge Information Corp.	2011.08.25	Taipei, Taiwan	230,000	Investment.
Syscore Corp.	2017.10.25	Taipei, Taiwan	2,900,000	Investment.
Syslink Corp.	2018.03.29	Taipei, Taiwan	1,400,000	Investment.
Syslong Corp.	2021.11.04	Taipei, Taiwan	250,000	Investment.
Hanmore Investment Corp.	1989.04.21	Taipei, Taiwan	19,707	Investment.
Kimo.com (BVI) Corp.	1999.08.12	British Virgin Islands	USD500	Financial trust, shareholding and other investment businesses.
Systex Capital Group, Inc.	2000.02.23	British Virgin Islands	USD0.55	Financial trust, shareholding and other investment businesses.

## VI. Special Disclosure

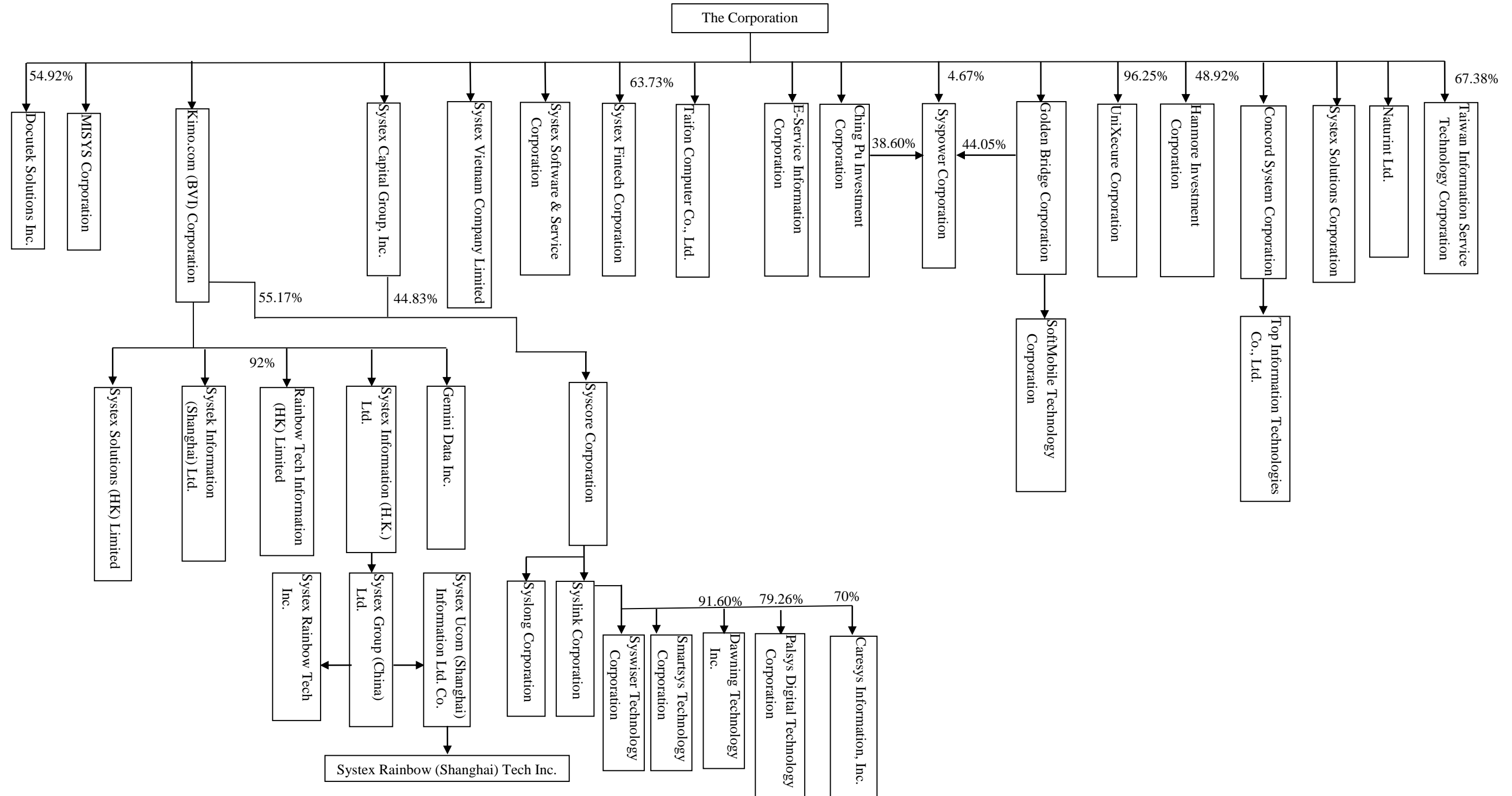
---

Company	Date of Incorporation	Place of Registration	Share Capital	Business Activities
System Solutions (HK) Ltd.	2011.10.03	Hong Kong	USD10,400	Financial trust, shareholding and other investment businesses.

Note: Had been merger and dissolved in March 2025.

## VI. Special Disclosure

6.1. 2 SYSTEX's Subsidiaries Chart (December 31, 2024):



Note: Percentage of ownership is 100% unless noted on the chart.



## VI. Special Disclosure

6.1.3 Shareholders in Common of SYSTEX and Its Subsidiaries with Deemed Control and Subordination: None.

6.1.4 Rosters of Directors, Supervisors, and Presidents of SYSTEX's Subsidiaries :

As of December 31, 2024

Company	Title	Name	Shareholding	
			Shares (Investment Amount)	% (Investment Holding)
Taifon Computer Co., Ltd.	Chairman & President	SYSTEX Corp. Rep.: Yang, Yun-Chang	20,000,000	100.00%
	Director	SYSTEX Corp. Rep.: Lin, Jen-Shou		
	Director	SYSTEX Corp. Rep.: Chen, Shih-Chen		
	Supervisor	SYSTEX Corp. Rep.: Chung, Chih-Chun		
Systex Solutions Corp.	Chairman	SYSTEX Corp. Rep.: Yang, Shih-Chung	26,000,000	100.00%
	Director	SYSTEX Corp. Rep.: Lin, Lung-Fen		
	Director	SYSTEX Corp. Rep.: Lin, Jen-Shou		
	Supervisor	SYSTEX Corp. Rep.: Chung, Chih-Chun		
	President	Lee, Chien Long	-	-
Concord System Management Corp.	Chairman	SYSTEX Corp. Rep.: Shen, Ming-Ching	30,413,372	100.00%
	Director & President	SYSTEX Corp. Rep.: Tao, Ya-Kuang		
	Director	SYSTEX Corp. Rep.: Lin, Jen-Shou		
	Supervisor	SYSTEX Corp. Rep.: Chung, Chih-Chun		
Top Information Technologies Co., Ltd.	Chairman & President	Concord System Management Corp. Rep.: Tao, Ya-Kuang	18,000,000	100%
	Director	Concord System Management Corp. Rep.: Hsieh, Ming-Shu		
	Director	Concord System Management Corp. Rep.: Chen, Shih-Chen		
	Supervisor	Concord System Management Corp. Rep.: Cheng, Yuan-Yih		

## VI. Special Disclosure

Systex Software & Service Corp.	Chairman& President	SYSTEX Corp. Rep.: Lin, Lung-Fen	40,000,000	100.00%
	Director	SYSTEX Corp. Rep.: Lee, Su-Yue		
	Director	SYSTEX Corp. Rep.: Lin, Jen-Shou		
	Supervisor	SYSTEX Corp. Rep.: Cheng, Yuan-Yih		
SoftMobile Technology Corp.	Chairman	Golden Bridge Information Corp. Rep.: Wu, Wen-Shun	3,661,875	100.00%
	Director	Golden Bridge Information Corp. Rep.: Lin, Lung-Fen		
	Director	Golden Bridge Information Corp. Rep.: Hsieh, Ming-Shu		
	Supervisor	Golden Bridge Information Corp. Rep.: Chung, Chih-Chun		
	President	Huang, Feng-Lin	-	-
Systex Fintech Corp.	Chairman	SYSTEX Corp. Rep.: Yang, Yun-Chang	13,996,500	63.73%
	Director	SYSTEX Corp. Rep.: Pan, Tieh-I		
	Director& President	SYSTEX Corp. Rep.: Huang, Hua-Yung		
	Director	SYSTEX Corp. Rep.: Chung, Cheng-Wen		
	Director	Green World FinTech Service Co., Ltd. Rep.: Liang, Vei-Cheng	5,998,500	27.31%
	Supervisor	Chung, Chih-Chun	40,000	0.18%
	Supervisor	Yang, Bi-Yin	-	-
Naturint Ltd.	Chairman & President	SYSTEX Corp. Rep.: Chen, Kuo-Jen	2,000,000	100.00%
	Director	SYSTEX Corp. Rep.: Lin, Lung-Fen		
	Director	SYSTEX Corp. Rep.: Wu, Wen-Shun		
	Supervisor	SYSTEX Corp. Rep.: Chung, Chih-Chun		
Smartsys Technology Corp.	Chairman	Syslink Corp. Rep.: Lin, Lung-Fen	3,000,000	100.00%
	Director	Syslink Corp. Rep.: Chen, Shih-Chen		

## VI. Special Disclosure

	Director	Syslink Corp. Rep.: Lin, Cheng-Hsuan		
	Supervisor	Syslink Corp. Rep.: Cheng, Yuan-Yih		
Syswiser Technology Corp.	Chairman	Syslink Corp. Rep.: Lin, Lung-Fen	2,000,000	100.00%
	Director	Syslink Corp. Rep.: Chen, Shih-Chen		
	Director	Syslink Corp. Rep.: Chan, Yi-Cheng		
	Supervisor	Syslink Corp. Rep.: Cheng, Yuan-Yih		
E-service Information Corp.	Chairman	SYSTEX Corp. Rep.: Yang, Shih-Chung	8,000,000	100.00%
	Director	SYSTEX Corp. Rep.: Lin, Chia-Ying		
	Director	SYSTEX Corp. Rep.: Hong, An-Hong		
	Supervisor	SYSTEX Corp. Rep.: Cheng, Yuan-Yih		
uniXecure Corp.	Chairman	SYSTEX Corp. Rep.: Chan, Yi-Cheng	19,250,000	96.25%
	Director	SYSTEX Corp. Rep.: Lin, Jen-Shou		
	Director	SYSTEX Corp. Rep.: Hsieh, Ming-Shu		
	Supervisor	Chan, Yi-Cheng		
	President	Wu, Jian-Ho	-	-
Syspower Corp.	Chairman & President	Golden Bridge Information Corp. Rep.: Chen, Kuo-Chen	10,331,022	44.05%
	Director	Golden Bridge Information Corp. Rep.: Tao, Ya-Kuang		
	Director	Golden Bridge Information Corp. Rep.: Lin, Lung-Fen		
	Supervisor	Ching Pu Investment Corp. Rep.: Cheng, Yuan-Yih	9,052,889	38.60%
Palsys Digital Technology Corp.	Chairman	Syslink Corp. Rep.: Lin, Cheng-Hsuan	24,794,862	79.26%
	Director	Syslink Corp. Rep.: Chen, Kuo-Chen		
	Director	Syslink Corp. Rep.: Hsieh, Ming-Shu		

## VI. Special Disclosure

	Supervisor	Cheng, Yuan-Yih	-	-
	President	Hsu, Shu-Yang	-	-
Dawning Technology Inc.	Chairman	Syslink Corp. Rep.: Lin, Cheng-Hsuan	32,608,896	91.60%
	Director	Syslink Corp. Rep.: Chen, Shih-Chen		
	Director	Syslink Corp. Rep.: Hsieh, Ming-Shu		
	Supervisor	Cheng, Yuan-Yih	-	-
	President	Cheng, Tien-Hao	-	-
Taiwan Information Service Technology Corp.	Chairman	SYSTEX Corp. Rep.: Chan, Yi-Cheng	16,630	67.38%
	Director	SYSTEX Corp. Rep.: Wu, Jian-Ho		
	Director	Micro Factor Data Co., Ltd. Rep.: Hsieh, Jen-Chieh	8,050	32.62%
	Supervisor	Cheng, Yuan-Yih	-	-
	President	Huang, Chin-Te	-	-
MISYS Corp.(Note)	Chairman	SYSTEX Corp. Rep.: Tao, Ya-Kuang	10,000,000	100.00%
	Director	SYSTEX Corp. Rep.: Chen, Kuo-Jen		
	Director	SYSTEX Corp. Rep.: Wu, Wen-Shun		
	Supervisor	SYSTEX Corp. Rep.: Cheng, Yuan-Yih		
Docutek Solution, Inc.	Chairman	SYSTEX Corp. Rep.: Chan, Yi-Cheng	7,568,413	54.92%
	Director	SYSTEX Corp. Rep.: Hsieh, Jen-Chieh		
	Director& President	Lin, Chao-Hsien	196,612	1.43%
	Supervisor	Ko, Nai-Hsuan	282,868	2.05%
Caresys Information, Inc.	Chairman	Syslink Corp. Rep.: Chan, Yi-Cheng	1,100,000	55.00%
	Director	Syslink Corp. Rep.: Hsieh, Jen-Chieh		
	Director& President	Chen, Sheng-Xiang	20,000	1.00%
	Supervisor	Cheng, Yuan-Yih	-	-

## VI. Special Disclosure

Systek Information (Shanghai) Ltd.	Executive Director	Lin, Wen-Chou	Kimo.com (BVI) Corp.	100.00%
	Supervisor	Chang, Mei-Yi	Investment USD29,759,081	
	President	Tan, Chien-Jung	-	
Systex Group (China) Ltd.	Executive Director	Lin, Wen-Chou	Systex Information (H.K.) Ltd.	100.00%
	Supervisor	Chang, Mei-Yi	Investment USD17,000,000	
Systex Rainbow Tech Inc.	Executive Director	Lin, Wen-Chou	Systex Group (China) Ltd.	100.00%
	Supervisor	Chang, Mei-Yi	Investment RMB50,000,000	
Systex Ucom (Shanghai) Information Co., Ltd.	Executive Director	Li, Jing	Systex Group (China) Ltd.	100.00%
	Supervisor	Zhong, Qian-Fen	Investment RMB2,000,000	
Systex Rainbow (Shanghai) Tech Inc.	Executive Director & President	Tan, Chien-Jung	Systex Ucom (Shanghai) Information Co., Ltd.	100.00%
	Supervisor	Lin, Wen-Chou	Investment RMB1,250,000	
Systex Information (H.K.) Ltd.	Director	Cheng, Deng-Yuan	Kimo.com (BVI) Corp. 262,336,600	100.00%
	Director & President	HUI Hiu Tung		
	Director	Lin, Wen-Chou		
Rainbow Tech Information (HK) Ltd.	Director	Cheng, Deng-Yuan	Kimo.com (BVI) Corp.	92.00%
	Director	Lee On Nei Annie	27,426,823	
	Director	Hui Hiu Tung	Aottasys Information (H.K.) Limited 2,384,941	8.00%
Gemini Data K.K.	Chairman	Tang, Yin-Soon	Kimo.com (BVI) Corp. 11,000	100.00%
	Director	Chung, Chih-Chun		

## VI. Special Disclosure

Systex Vietnam Company Limited	Director	Lin, Cheng-Hsuan	Kimo.com (BVI) Corp. Investment VND 7,308,000,000	100.00%
Ching Pu Investment Corp.	Chairman	SYSTEX Corp. Rep.: Lin, Lung-Fen	23,437,500	100.00 %
	Director	SYSTEX Corp. Rep.: Chung, Chih-Chun		
	Director	SYSTEX Corp. Rep.: Lin, Pei-Fen		
	Supervisor	SYSTEX Corp. Rep.: Cheng, Yuan-Yih		
Golden Bridge Information Corp.	Chairman	SYSTEX Corp. Rep.: Lin, Lung-Fen	23,000,000	100.00%
	Director	SYSTEX Corp. Rep.: Chung, Chih-Chun		
	Director	SYSTEX Corp. Rep.: Lin, Jen-Shou		
	Supervisor	SYSTEX Corp. Rep.: Cheng, Yuan-Yih		
Syscore Corp.	Chairman	Kimo.com (BVI) Corp. Rep.: Chung, Chih-Chun	160,000,000	55.17%
	Director	Kimo.com (BVI) Corp. Rep.: Lin, Lung-Fen		
	Director	Kimo.com (BVI) Corp. Rep.: Lin, Pei-Fen		
	Supervisor	Systex Capital Group, Inc. Rep.: Cheng, Yuan-Yih	130,000,000	44.83%
Syslink Corp.	Chairman	Syscore Corp. Rep.: Lin, Lung-Fen	140,000,000	100.00%
	Director	Syscore Corp. Rep.: Chen, Shih-Chen		
	Director	Syscore Corp. Rep.: Tang, Yin-Soon		
	Supervisor	Syscore Corp. Rep.: Chung, Chih-Chun		
Syslong Corp.	Chairman	Syscore Corp. Rep.: Chung, Chih-Chun	25,000,000	100.00 %
	Director	Syscore Corp. Rep.: Lin, Lung-Fen		

## VI. Special Disclosure

	Director	Syscore Corp. Rep.: Lin, Pei-Fen		
	Supervisor	Syscore Corp. Rep.: Cheng, Yuan-Yih		
Hanmore Investment Corp.	Chairman & President	Joray Co., Ltd. Rep.: Wu, Cheng-Huan	1,877	0.10%
	Director	Joray Co., Ltd. Rep.: Lin, Chih-Min		
	Director	SYSTEX Corp. Rep.: Cheng, Yuan-Yih	964,068	48.92%
	Supervisor	Chung, Chih-Chun	-	-
Kimo.com (BVI) Corp.	Director	Lin, Lung-Fen	500,000	100.00%
	Director	Chung, Chih-Chun		
Systex Capital Group, Inc.	Director	Lin, Lung-Fen	550	100.00%
	Director	Chung, Chih-Chun		
Systex Solutions (HK) Ltd.	Director	Lin, Lung-Fen	10,400,000	100.00%
	Director	Chung, Chih-Chun		

Note: Had been merger and dissolved in March 2025.

### 6.1.5 Operational Highlights of SYSTEX's Subsidiaries

Unit: NT\$ thousands, except EPS (\$) As of December 31, 2024

Company	Share Capital	Assets	Liabilities	Net Book Value	Net Revenues	Income (Loss) from Operation	Net Income (Loss)	EPS
Taifon Computer Co., Ltd.	200,000	636,768	299,857	336,911	477,858	74,190	62,640	3.13
Systex Solutions Corp.	260,000	886,782	517,962	368,820	1,401,068	90,992	76,431	2.94
Concord System Management Corp.	304,134	2,046,375	1,377,366	669,009	2,362,767	144,986	114,322	3.76
Top Information Technologies Co., Ltd.	180,000	319,348	116,467	202,881	282,170	2,925	2,875	0.16
Systex Software & Service Corp.	400,000	3,523,318	2,257,333	1,265,985	10,496,891	677,949	546,366	13.66
SoftMobile Technology Corp.	36,619	131,147	46,512	84,635	182,949	37,176	31,136	8.50
Systex Fintech Corp.	219,635	597,885	162,303	435,582	482,789	70,323	48,952	2.31
Naturint Ltd.	20,000	16,518	7,708	8,810	34,634	(4,795)	(4,758)	(2.38)

## VI. Special Disclosure

Company	Share Capital	Assets	Liabilities	Net Book Value	Net Revenues	Income (Loss) from Operation	Net Income (Loss)	EPS
Smartsys Technology Corp.	30,000	24,481	70	24,411	0	(47)	191	0.06
Syswiser Technology Corp.	20,000	11,650	70	11,580	0	(2,461)	(2,427)	(1.21)
E-service Information Co.	80,000	238,643	139,494	99,149	132,771	15,410	11,915	1.49
uniXecure Corp.	200,000	299,401	151,575	147,826	377,883	(11,443)	(11,698)	(0.58)
Syspower Corp.	234,537	585,692	111,076	474,616	370,861	70,155	59,959	2.56
Palsys Digital Technology Corp.	312,843	1,207,672	835,970	371,702	2,335,717	9,592	(6,329)	(0.20)
Dawning Technology Inc.	356,000	1,969,048	1,223,402	745,646	3,429,397	55,559	42,347	1.19
Taiwan Information Service Technology Corp.	24,680	90,084	20,021	70,063	90,168	14,652	12,186	493.77 (Note)
MISYS Corp.	100,000	16,327	17,692	(1,365)	52,029	(54,480)	(54,311)	(5.43)
Docutek Solution, Inc.	137,808	460,711	190,694	270,017	443,487	102,123	86,489	6.28
Caresys Information, Inc.	20,000	169,953	88,646	81,307	205,921	36,056	29,296	14.65
Systek Information (Shanghai) Ltd.	986,230	195,961	7,725	188,236	4,297	(3,122)	(2,352)	-
Systex Group (China) Ltd.	488,748	1,563,169	1,253,845	309,324	3,472,985	(60,922)	(83,004)	-
Systex Rainbow Tech Inc.	216,760	821,243	508,735	312,508	1,244,056	4,476	(4,788)	-
Systex Ucom (Shanghai) Information Co., Ltd.	8,670	81,354	48,012	33,342	283,507	(3,638)	(6,914)	-
Systex Rainbow (Shanghai) Tech Inc.	5,419	108,308	104,325	3,983	182,333	(1,664)	(1,562)	-
Systex Information (H.K.) Ltd.	1,030,721	1,360,218	383,411	976,807	2,452,235	85,945	(94,151)	-
Rainbow Tech Information (HK) Ltd.	117,130	365,052	171,848	193,204	901,985	45,267	38,093	-



## VI. Special Disclosure

Company	Share Capital	Assets	Liabilities	Net Book Value	Net Revenues	Income (Loss) from Operation	Net Income (Loss)	EPS
Gemini Data K.K.	72,762	46,919	1,431	45,488	321	(17,153)	(17,217)	-
Systex Vietnam Company Limited	9,853	9,447	19	9,428	452	(196)	(197)	-
Ching Pu Investment Corp.	234,375	466,297	63,149	403,148	0	(397)	101,499	4.33
Golden Bridge Information Corp.	230,000	324,756	120	324,636	0	(128)	57,776	2.51
Syscore Corp.	2,900,000	3,751,751	15,669	3,736,082	0	(239)	246,280	0.85
Syslink Corp.	1,400,000	1,463,665	69,831	1,393,834	0	(337)	41,152	0.29
Syslong Corp.	250,000	244,915	84	244,831	0	(91)	5,152	0.21
Hanmore Investment Corp.	19,707	196,052	115,024	81,028	123,010	112,710	111,592	56.62
Kimo.com (BVI) Corp.	15,353	4,472,973	340	4,472,633	0	(739)	94,032	-
Systex Capital Group, Inc.	17	2,815,552	507	2,815,045	0	(10,876)	151,290	-
Systex Solutions (HK) Ltd.	319,332	397,111	115	396,996	0	(178)	17,906	-

Note: The par value is NT\$1,000.

6.1.6 Subsidiaries' Consolidated Financial Statements: Please refer to MOPS .

6.2 Private Placement Securities in the Most Recent Years: N/A

6.3 Other Necessary Supplement: None.

6.4 Any Events in 2024 and as of the Date of this Annual Report that Had Significant Impacts on Shareholders'

Right or Security Prices as Stated in Item 3 Paragraph 2 of Article 36 of Securities and Exchange Law of Taiwan: None.



## SYSTEX CORPORATION

No.318, Rueiguang Rd., Neihu Dist., Taipei City 114, Taiwan  
Tel +886-2-7720-1888 | [www.systex.com](http://www.systex.com)