

# YANG MING

YANG MING MARINE TRANSPORT CORP.  
2024 ANNUAL REPORT



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**2609**

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<https://www.yangming.com>

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# I Letter to Shareholders

As we navigate through 2024, the global trade market has emerged from recession and is on a path of steady recovery. While market stabilization and economic rebound have brought renewed opportunities, the container shipping sector faces an oversupply due to the delivery of numerous newly-built containerships. Additionally, due to the geopolitical conflict between Israel and Palestine, many shipping companies have opted to reroute via the Cape of Good Hope instead of the Suez Canal to Europe in response to the Red Sea crisis, alleviating excess capacity pressures from new ships but incurring higher operating costs. Meanwhile, in the dry bulk market, the overall operation in 2024 has benefited from the demand for bulk commodities outpacing the supply of vessel tonnage, leading to an increase in bulk freight rates.

Looking ahead, we must remain vigilant in addressing persistent challenges, including trade conflicts, protectionism, geopolitical tensions, and a slowdown in China's economic growth. All of which contribute to continued uncertainty in global economic and trade development. Moreover, permanent resolution of the Israel-Hamas conflict remains subject to ongoing negotiations, with the resumption of Suez Canal transits dependent on the progress of ceasefire deal and comprehensive security assessments. The overall recovery of Europe needs to be observed whether the war between Ukraine and Russia can come to an end. These factors create numerous opportunities but also present many challenges in the container shipping market.

Additionally, in terms of corporate governance and sustainability policies, as environmental concerns continue to gain traction within the shipping industry, the Company has implemented YM Group's emissions reduction targets. These targets are in alignment with our corporate social responsibilities and are designed to ensure compliance with environmental regulations, with a firm commitment to achieving net-zero emissions by 2050. This objective becomes even more critical as major governments including the U.S. Federal Maritime Commission and the EU, enforce stricter regulations, posing ongoing challenges for the industry. Despite these uncertainties and challenges in the shipping market, Yang Ming remains steadfast in its commitment to operational excellence. We will continue to navigate the industry with professionalism, ensuring the delivery of high-quality services to our customers. Guided by our core principles of "teamwork, innovation, integrity, and pragmatism," we are dedicated to enhancing operational efficiency, promoting sustainable business management and upholding our corporate social responsibility to meet the expectations of our shareholders and the broader community.

## 1.1 The 2024 annual business report:

### 1.1.1 Changes in the External Environment

#### 1. Overall Economic Outlook

Given the easing inflation and improved global trade, the global GDP is projected at a 3.2% growth rate in 2024, according to OECD and IMF. Global trade volume is anticipated to expand by 3.5% and 3.4% respectively, reflecting a strong rebound from the previous year. Furthermore, global crude oil prices fell by approximately 3% in 2024 due to slower economic growth in post-pandemic China and increased crude production by the U.S. and other non-OPEC nations. The average oil price is projected to range between US\$76 and US\$80 per barrel in 2024.

#### 2. Industry Supply and Demand

According to Alphaliner's report (Alphaliner Monthly Monitor, January 2025), a professional shipping consultancy, container shipping demand in 2024 is expected to increase by 4.5%, a notable 4.8 percentage points recovery from the -0.3% contraction recorded in 2023. In terms of capacity supply, the industry anticipates a 10.3% growth, an increase of 2.1 percentage points from 8.2% in 2023. While this oversupply presents challenges, rerouting by the additional fleets required for the Asia-Europe routes via the Cape of Good Hope due to the Red Sea crisis has absorbed approximately 59% (over 1.76 million TEU) of the additional capacity (3 million TEU) in 2024, according to Alphaliner. Additionally, the spillover effects of the Red Sea crisis caused port congestion, container shortages, and industrial actions fueled by failed

negotiations have further influenced supply dynamics. Meanwhile, in the dry bulk market, the Baltic Dry Index (BDI) averaged 1,755 points in 2024, marking a 27% year-on-year increase, with bulk shipping demand growing by 5.0% and supply rising by 3.0% , indicating the undersupply was favorable for bulker companies, according to Clarksons' latest report (Dry Bulk Trade Outlook, January 2025).

### 1.1.2 Results of Implementing Business Plans

1. Achieved profitability across all service routes. Net profit after tax for 2024 reached NT\$64.18 billion.

2. Implementation of Operating Income and Expenses

The consolidated operating income for 2024 was NT\$222.7 billion, reflecting a 58% increase (NT\$82.1 billion) from NT\$140.6 billion in 2023.

The consolidated operating cost for 2024 rose to NT\$145.1 billion, marking an 8% increase (NT\$10.7 billion) from NT\$134.4 billion in 2023.

3. Profitability Analysis

ROA : 15.13%

ROE : 20.83%

Net Profit Margin : 28.95%

EPS : NT\$ 18.38 Per Share

### 1.1.3 Research and Development Initiatives

1. Digitalization Strategy

(1) Establishment of a Carbon Inventory Management System:

A comprehensive carbon inventory management system compliant with ISO-14064 standards has been successfully implemented. This enables the Company to effectively monitor and manage carbon emissions in alignment with our ESG objectives. Notably, enhancements in energy efficiency within our data center have led to significant reductions in energy consumption, improved operational efficiency, and lowered maintenance costs, providing a robust foundation for the development of a green data center.

(2) Enhancing Cybersecurity Protection:

The upgrade to our storage infrastructure has notably increased data processing speeds and bolstered system stability. In addition, the adoption of Zero Trust security architecture has further strengthened our defenses against both internal and external threats. These initiatives have not only enhanced system performance and reliability but also contributed to the Company's ongoing commitment to environmental sustainability and robust information security.

(3) Enhancing Customer Service through Innovative Digital Processes:

We continue to actively participate in the Digital Container Shipping Association (DCSA) and have successfully developed and upgraded key digital services such as e-Booking, e-B/L, operational vessel schedules, and Track & Trace, all in line with the latest DCSA standards. The integration of e-B/L with QR code technology has further innovated cargo collection processes, significantly improving user convenience and experience.

## (4) Application and Improvement of Digital Technologies:

In support of our digital transformation, over 700 colleagues have engaged in training on productivity and automation tools such as Power BI, Power Platform, MS365 Copilot, equipping them with the latest technological tools and skills. Additionally, we have developed an internal working procedure policy bot to help new employees quickly familiarize themselves with internal workflows, enhancing overall operational efficiency. Moreover, various business processes have been optimized through the adoption of Robotic Process Automation (RPA) technology, reducing the need for manual tasks and minimizing errors.

## 2. Environmentally-Friendly Fleet

### (1) Optimizing Environmentally-Friendly Fleet:

As of 2024, six of our owned vessels are equipped with Exhaust Gas Cleaning System (EGCS) and nine are outfitted with Alternative Maritime Power (AMP) systems. Hull cleaning and anti-fouling paint have been applied during scheduled maintenance and drydocking to further reduce fuel consumption and improve efficiency. In 2025, we plan to equip seven vessels with EGCS and eleven with AMP systems.

In alignment with our mid-to-long-term fleet strategy, the Company in 2025 will prioritize the renewal of vessels over 20 years old and the replacement of key vessel types essential to our network to further optimize energy efficiency. We will also remain vigilant in monitoring international environmental regulations and progressively deploying energy-efficient, dual-fuel containerships, thereby reinforcing our commitment to environmental sustainability and global shipping responsibility.

### (2) Implementing Ship Safety and Environmental Management:

We adhere strictly to the International Safety Management (ISM) and ISO 14001 standards, implementing comprehensive ship safety and environmental protection measures. These ensure safe vessel operations, cargo transport, crew safety, and emergency response, while actively promoting energy efficiency, emissions reduction, waste management, and marine pollution prevention.

- i. The onboard team has successfully developed and implemented an annual Safety Management System (SMS) training program, complemented by monthly training sessions. In addition, a rigorous Self-Inspection Deficiency (SID) mechanism and an onboard supervision system are in place to mitigate incidents, ensure navigational safety, and enhance overall vessel security.
- ii. To bolster crew safety, Yang Ming has strengthened safety awareness training, tracked fleet incident-free working hours, and conducted onboard occupational safety inspections. These initiatives are designed to improve working conditions, eliminate potential hazards, and ensure personnel safety and well-being across our operations.
- iii. The Company has optimized cargo loading and transportation processes by adhering to the recommended routes from Weathernews Inc. (WNI) to avoid severe sea conditions. Furthermore, we have ensured cargo integrity and reliability throughout transit, prioritizing cargo safety.
- vi. We regularly review the International Maritime Organization (IMO) MARPOL conventions and resolutions from the Marine Environment Protection Committee (MEPC) to ensure full compliance with environmental regulations. These efforts aim to minimize the impact of vessels on the marine environment, promoting sustainability and ensuring environmental safety.

### (3) Carbon Emission and Energy Efficiency Compliance:

We continue to promote the implementation of the Ship Energy Efficiency Management Plan (SEEMP) and Carbon Intensity Indicator (CII) monitoring and adopt energy saving and carbon reduction measures. Measures such as optimizing ship navigation, adjusting stowage in conjunction with ballast and draft, and employing green energy-saving operations contribute to more efficient and sustainable navigation. In line with stringent IMO emission standards, we are committed to maintaining carbon intensity ratings above a D grade for three consecutive years, avoiding any vessel from receiving an E grade during the annual CII evaluation. For large containerships, we have implemented a ship energy efficiency monitor system, ensuring timely improvements to optimize performance. Concurrently, the Company has partnered with Weathernews Inc. (WNI) to develop an advanced fuel efficiency management system and incorporate the use of biofuels. Additionally, a dynamic fleet scheduling and adjustment module has been established to further minimize greenhouse gas emissions and operational waste.

### (4) Delivery of Green Promises:

Yang Ming initiated the development of an eco-friendly fleet in 2009, focused on improving vessel energy efficiency and reducing greenhouse gas emissions. As of 2024, the carbon intensity of Yang Ming's operating vessels has reached 37g CO<sub>2</sub>/TEU-km\*, reflecting a 62.76% reduction from the base year (2008), exceeding the IMO's 40% reduction target for 2030. The Company continues to advance its environmental initiatives by optimizing vessel design, replacing older ships, planning for the adoption of alternative green fuels for new builds, as well as biofuels for its existing fleet. Additionally, Yang Ming is progressively transitioning to green electricity in its onshore offices. These ongoing efforts contribute to a further reduction in carbon intensity, with the ultimate goal of achieving net-zero emissions by 2050.

Note 1: The fleet's carbon intensity is internally assessed and will undergo third-party verification prior to being included in the sustainability report.

## 3. ESG Sustainability Strategy and Implementation Guidelines

In response to the competitive market landscape and the ongoing trend of green transformation, Yang Ming remains resolutely committed to its core business—container shipping development. The Company strives for sustainable growth in its operational scale, aligning with global trade dynamics, economic progress, and supply chain trends, all while addressing stakeholders' concerns and contributing to the broader sustainable development of society and the planet. Our mission, "We are committed to providing sustainable and top-class transportation services, creating value for customers, and contributing to human well-being," is central to our focus on optimizing customer service, implementing energy conservation and emissions reduction, strengthening corporate governance, and promoting employee welfare as integral components of advancing ESG initiatives.

In response to industry competition, Yang Ming is focused on enhancing the quality of its transportation services and ensuring customer satisfaction. The Company continues to optimize service quality by maintaining the frequency and reliability of services and port calls, offering diverse digital services, and leveraging AI technologies to advance maritime safety management. These efforts not only safeguard the well-being of seafarers, vessels, and cargo but also contribute to the digital transformation of the shipping industry, delivering comprehensive services for our customers.

To further promote energy conservation and emissions reduction, Yang Ming rigorously complies with IMO regulations, actively enhancing vessel energy efficiency, and transitioning to green electricity across its onshore offices. The Company is also adopting alternative fuels, expanding the use of biofuels, and implementing shore power utilization across its operations to fulfill its environmental responsibilities within the supply chains of our customers.

In parallel, Yang Ming has obtained dual certification under ISO 14064-1 and the GHG Protocol, reinforcing its commitment to greenhouse gas emissions management and advancing environmental sustainability. The Company actively engages in international collaborations with industry stakeholders to jointly develop and promote decarbonization strategies, aligning with global climate change governance and progressing towards a low-carbon future.

Ethical corporate management remains the cornerstone of Yang Ming's operations. The Company fully complies with antitrust laws to ensure fair competition, has implemented ISO 37001 Anti-Bribery Management Systems, and is a member of the Maritime Anti-Corruption Network (MACN) to enhance the transparency and credibility, achieving sustainable corporate governance. Moreover, Yang Ming continuously strengthens its cybersecurity measures and maintains sustainable supply chain management protocols, ensuring that all suppliers adhere to its code of conduct. The Company is also deeply committed to human rights protection, prioritizing occupational health and safety, fostering talent diversity, and upholding gender equality to create a respectful, inclusive, and open workplace environment.

#### 4. Awards & Performance

With a focus on marine transportation and quality customer service, Yang Ming is dedicated to optimizing its service network and driving efficiency through digital transformation. The Company also remains focused on sustainability goals, including talent development, employee welfare, and environmental conservation, to meet the expectations of all stakeholders. Yang Ming's efforts across various fields have earned widespread recognition, including:

##### (1) Environmental Conservation:

Yang Ming participated in the "Protecting Blue Whales & Blue Skies" program led by the National Oceanic and Atmospheric Administration (NOAA), receiving the Sapphire Award for its voluntary vessel speed reduction efforts.

The Company also won the Vancouver Fraser Port Authority's Blue Circle Award for its utilization of alternative maritime power (AMP) and other environmental protection technologies.

##### (2) Digital Competitiveness and Customer Service Optimization:

Yang Ming was awarded the Best Shipping Line - Intra-Asia award at the 2024 AFLAS held by Asia Cargo News.

It was also recognized by the Ministry of Transportation and Communications for its excellence in promoting green shipping, receiving the Taiwan International Ports Corporation's Golden Vessel Award - Shipping Agency Services Category.

Furthermore, the Company's digital transformation initiatives-streamlining business process, managing operational risk, and systematizing management-earned the 2024 IT Matters Awards for Digital Transformation from the Ministry of Digital Affairs.

The "Green Shipping, Sustainable Ports" project won First Prize in the 4<sup>th</sup> Maritime and Port Big Data Creative Innovation Competition in the Social Group Category.

(3) Employee Well-being and Corporate Social Responsibility:

Yang Ming is committed to creating a diverse and inclusive workplace, offering various supportive initiatives for its employees and their families. These efforts recognized through the 5<sup>th</sup> “Work-Life Balance Award” from the Ministry of Labor and the “Health Care Award” from the Ministry of Health and Welfare’s 2024 National High-Performance and Healthy Workplace Selection.

The Company’s long-term support for professional athletes earned it the Bronze Award in the Sponsorship Category of the Ministry of Education’s Sports Administration “2024 Sports Activist Award.”

(4) Comprehensive Sustainability Performance:

Yang Ming’s dedication to environmental policy, human rights protection, labor rights, cybersecurity, risk management, and ethical corporate management has been acknowledged with the “2024 Sustainability Partner Award” from Union Pacific Railroad, a 2024 Silver Rating (ranking in the top 15% of sustainable companies globally) from EcoVadis, the Global Supply Chain Assessment platform, as well as the “Top 100 Sustainable Taiwanese Companies Award” and the “Corporate Sustainability Reports Award: Transportation Sector- Platinum Award” at the 17<sup>th</sup> Taiwan Corporate Sustainability Awards (TCSA).

## 1.2 2025 Annual Business Plans

### 1. Overall economic environment

Looking ahead to 2025, according to the latest forecast from the OECD and IMF, the global economy is projected to grow by 3.3% in 2025. Correspondingly, global trade is expected to increase by 3.6% and 3.2% respectively. With inflationary pressures easing and a widespread shift towards interest rate cuts, economic growth is anticipated to remain stable. However, significant challenges persist, including trade conflicts, protectionism, geopolitical tensions, and China’s economic slowdown, all of which contribute to ongoing uncertainty in the global economic and trade landscape.

### 2. Industry environment

Based on Alphaliner’s most recent forecast, container shipping demand is projected to grow by 2.5 % in 2025, with supply increasing by 5.7%. The narrow gap between supply and demand is a noteworthy development in the shipping market. In early 2025, Israel and Hamas reached a phased ceasefire agreement, though it remains uncertain whether this will lead to a permanent resolution of the conflict, pending the results of further negotiations. The resumption of Suez Canal transit by shipping companies will depend on the progress of ceasefire deal and comprehensive security assessments. The overall recovery of Europe needs to be observed whether the war between Ukraine and Russia can come to an end. Simultaneously, the dry bulk market faces challenges due to U.S. tariff policies and uncertainties surrounding China’s demand for major imports, potentially leading to a weaker outlook compared to 2024, characterized by a supply surplus. Amid these shifts, the Company will remain vigilant to changes in the shipping industry, enhancing business capability and service quality. With financial stability and long-term sustainability as our core objectives, we are committed to strengthening cost control and providing improved services to our customers.

To further bolster our competitive position in an increasingly complex market, Yang Ming is refining its operational approach to enhance profitability. Our key development strategies are outlined below.

- (1) Adopting a stable and prudent approach to service planning, ensuring alignment with business demand, while optimizing the utilization of vessel resources to drive revenue enhancement.

- i. East-West Main Services: We will continue to collaborate with the Premier Alliance and third-party partners to offer stable, efficient, and extensive high-frequency transport services, thereby enhancing the alliance's competitiveness.
- ii. South-North and Intra-Asia Services: We aim to enhance strategic cooperation with leading shipping companies to expand business opportunities, increase cost efficiency, and drive mutually beneficial growth and market competitiveness.

### (2) Business development strategy

- i. We will focus on developing flexible service configurations, maximizing loading factors, and balancing container flow to drive increased revenue.
- ii. We will continue to enhance and optimize container turnaround times to improve cost control across our operations.

### (3) Digitalization development strategy

- i. We are committed to advancing our digital transformation efforts to reduce transaction costs for both Yang Ming and our customers.
- ii. We will fully optimize our services and information technologies to ensure continued improvement.

### (4) Investment strategy

- i. We will evaluate potential industry-related investment opportunities, such as terminals and depots, to diversify our portfolio.
- ii. In parallel, we will explore new energy investment opportunities to further bolster our commitment to sustainability.

### (5) Greenhouse Gas Emissions Reduction Targets

In line with IFRS sustainability disclosure standards, the Company will conduct periodic greenhouse gas inventories and adopt the 2024 greenhouse gas emissions as a baseline for our emissions reduction goals, with the ultimate objective of achieving net-zero emissions by 2050.

### (6) Human Resource Development Strategy

We will implement an organized rotation program to facilitate employee training, including the integration of AI knowledge and skills development to diversify and expand employee capabilities.

Reflecting on 2024, the container shipping industry encountered rising freight rates driven by factors such as the Red Sea crisis, port congestion, and port strikes. However, it also benefited from the steady recovery of the global trade market, overcoming the downturns in container shipping. Given the prevailing uncertainty in the international political and economic environment, along with the ongoing challenges of industry competitiveness, tightening environmental regulations, and the urgent need for low-carbon transformation in 2025, Yang Ming will spare no effort to achieve greater success and financial sustainability, which is our unwavering commitment to the shareholders.

Yours truly,

Feng-Ming Tsai



Chairman

**II Corporate Governance Report**

**2.1 Information on the Company’s Directors, Supervisors, President, Vice President, Assistant Vice President, Division Supervisors, and Department Heads**

**2.1.1 Directors (including independent directors)**

| Title  | Nationality or place of registration | Name           | Gender /age            | Date elected | Term  | Date first elected  | Shares held when elected   |  | Shares currently held  |  |
|--|--------------------------------------|----------------|------------------------|--------------|---|---|--|--|--|--|
|  |                                      |                |                        |              |   |   | Shares   | %  | Shares   | %  |
| Chairman<br>(Corporate Representative of the MOTC) | R.O.C.                               | Feng-Ming Tsai | Male/<br>Age: Under 50 | 07.26.2024   | May be eligible for re-election and consecutive appointment within 3 years. | 05.24.2024, and as the Chairman of Yang Ming since 07.26.2024 | Directors herein as the corporate representatives of the MOTC, holding a total of 467,682,372 shares ; Director personally holds 0 share | 13.39% of the Company's shares ; 0.00% of the Company's shares | Directors herein as the corporate representatives of the MOTC, holding a total of 467,682,372 shares ; Director personally holds 0 share | 13.39% of the Company's shares ; 0.00% of the Company's shares |
| Director<br>(Corporate Representative of the MOTC) | R.O.C.                               | Dzwo-Min Dai   | Female/<br>Age:61~69   | 05.24.2024   |   | 05.24.2024  | Director personally holds 0 share  |  | Director personally holds 0 share  |  |
| Director<br>(Corporate Representative of the MOTC) | R.O.C.                               | Chin-Yi Yang   | Female/<br>Age:51~60   | 08.06.2024   |   | 08.06.2024  |  |  |  |  |

03.31.2025

|  | Shares currently held by spouse & minors |   | Shares held in the name of others |   | Selected Education, past and current positions  | Other concurrent positions in the Company or other companies   | Managers, directors or supervisors who are spouses or relatives within the second degree of kinship |      |          | Remarks |
|--|--|---|-----------------------------------|---|---|--|---|------|----------|---------|
|  | Shares                                   | % | Shares                            | % |   |  | Position  | Name | Relation |         |
|  | 0  | 0 | 0                                 | 0 | <p><b>Current Position:</b><br/>Chairman, Yang Ming<br/>Chairman, Taiwan Strait Shipping Association Chairman,<br/>National Association of Chinese Shipowners</p> <p><b>Past Positions:</b><br/>Professor and Chair of Department of Shipping &amp; Transportation Management, National Taiwan Ocean University<br/>Professor (joint appointment), Bachelor Degree Program in Ocean Tourism Management, National Taiwan Ocean University Representative, APEC Maritime Experts Group (MEG), MOTC<br/>Education &amp; Training Consultant, Academy of Maritime Development, TIPC<br/>Executive Director, Association for Cruises Development of Taiwan<br/>Assistant Researcher, National Center for Transportation and Industrial Productivity, New Jersey Institute of Technology<br/>Specialist, Operational Strategy Planning Department, Taiwan High Speed Rail Corporation</p> <p><b>Selected Education:</b><br/>Ph.D. in Transportation, New Jersey Institute of Technology<br/>Master's Degree in Transportation, New Jersey Institute of Technology<br/>Bachelor's Degree in Civil Engineering, Chung Yuan Christian University</p> | Director, Yang Ming Line Holding Co., Yang Ming Line (Singapore) Pte. Ltd., Yang Ming Line (B.V.I.) Holding Co., Ltd., Yang Ming Line B.V. Chairman, Kao Ming Container Terminal Corp. | -   | -    | -        |         |
|  | 0  | 0 | 0                                 | 0 | <p><b>Current Position:</b><br/>Associate Professor, Department of Transportation and Communication Management Science, Institute of Telecommunications Management, National Cheng Kung University</p> <p><b>Past Positions:</b><br/>Engineer, China Engineering Consultants, Inc.</p> <p><b>Selected Education:</b><br/>Ph.D. in Civil and Environmental Engineering, University of Maryland</p>   | -  | -   | -    | -        |         |
|  | 0  | 0 | 0                                 | 0 | <p><b>Current Position:</b><br/>Chairman of Gong Cheng Attorneys-At-Law</p> <p><b>Past Positions:</b><br/>Attorney-in-Charge, Gong Cheng Attorneys-At-Law<br/>Arbitrator, Chinese Arbitration Association, Taipei<br/>Member of Pingtung County Domestic Violence Prevention Committee<br/>Member of Pingtung County Sexual Harassment Prevention Committee<br/>Member of Pingtung County Medical Review Committee<br/>Volunteer lawyer, Consumers' Foundation Chinese Taipei<br/>Attorney, Legal Aid Foundation</p> <p><b>Selected Education:</b><br/>Master's Degree in Division of Civil and Commercial Law, Institute of Law, National Taiwan University<br/>Bachelor's Degree in Law, National Taiwan University</p>   | Director, Chunghwa Post Co., Ltd.  | -   | -    | -        |         |

| Title   | Nationality or place of registration | Name           | Gender /age           | Date elected | Term  | Date first elected | Shares held when elected |  | Shares currently held |  |
|---|--------------------------------------|----------------|-----------------------|--------------|---|--------------------|--------------------------|--|-----------------------|--|
|   |                                      |                |                       |              |   |                    | Shares                   | %  | Shares                | %  |
| Director (Corporate Representative of the MOTC) | R.O.C.                               | Chun-Chun Chen | Female /Age: Under 50 | 05.24.2024   | May be eligible for re-election and consecutive appointment within 3 years. | 05.24.2024         | 0                        | 13.39% of the Company's shares ; 0.00% of the Company's shares | 0                     | 13.39% of the Company's shares ; 0.00% of the Company's shares |
| Director (Corporate Representative of the NDF)  | R.O.C.                               | Fang-Guan Jan  | Male/ Age:61 ~69      | 08.21.2024   |   | 08.21.2024         | 0                        | 13.17% of the Company's shares ; 0.00% of the Company's shares | 0                     | 13.17% of the Company's shares ; 0.00% of the Company's shares |
| Director (Corporate Representative of the NDF)  | R.O.C.                               | Chien-Yi Chang | Male/ Age:51 ~60      | 05.24.2024   |   | 06.22.2018         | 0                        | 13.17% of the Company's shares ; 0.00% of the Company's shares | 0                     | 13.17% of the Company's shares ; 0.00% of the Company's shares |
| Director (Corporate Representative of the NDF)  | R.O.C.                               | Wan-Chi Hsu    | Female /Age:51 ~60    | 05.24.2024   |   | 05.24.2024         | 0                        | 13.17% of the Company's shares ; 0.00% of the Company's shares | 0                     | 13.17% of the Company's shares ; 0.00% of the Company's shares |

| Shares currently held by spouse & minors |   | Shares held in the name of others |   | Selected Education, past and current positions   | Other concurrent positions in the Company or other companies  | Managers, directors or supervisors who are spouses or relatives within the second degree of kinship |      |          | Remarks |
|--|---|-----------------------------------|---|--|---|---|------|----------|---------|
|  |   |                                   |   |  |   | Position  | Name | Relation |         |
| Shares                                   | % | Shares                            | % |  |   |   |      |          |         |
| 0  | 0 | 0                                 | 0 | <p>Current Position:<br/>Assistant Vice President, Yang Ming</p> <p>Past Positions:<br/>Assistant Vice President, Yang Ming</p> <p>Selected Education:<br/>Bachelor's Degree in Department of English Language and Literature, Fu Jen Catholic University</p>  | -   | -   | -    | -        |         |
| 0  | 0 | 0                                 | 0 | <p>Current Position:<br/>Deputy Minister, National Development Council</p> <p>Past Positions:<br/>Director, Department of Industrial Development, National Development Council<br/>Director and Deputy Director, Department of Sectoral Planning, Council for Economic Planning and Development<br/>Senior Executive Officer, Department of Economic Research, Council for Economic Planning and Development</p> <p>Selected Education:<br/>Ph.D., Institute of Business and Management, National Chiao Tung University (now National Yang Ming Chiao Tung University)<br/>Master's Degree in Department of Economics, National Chengchi University<br/>Bachelor's Degree in Department of Business Administration, National Taiwan University</p>   | Director, Mega Financial Holding Company Ltd  | -   | -    | -        |         |
| 0  | 0 | 0                                 | 0 | <p>Current Position:<br/>President, Taiwan Institute of Economic Research<br/>Research Fellow, Taiwan Institute of Economic Research</p> <p>Past Positions:<br/>Director, Research Division II, Taiwan Institute of Economic Research<br/>Deputy Director, Research Division II, Taiwan Institute of Economic Research<br/>Associate Research Fellow, Taiwan Institute of Economic Research<br/>Assistant Research Fellow, Taiwan Institute of Economic Research<br/>Research Vice Executive Secretary, Industrial Development Advisory Council of Ministry of Economic Affairs, ROC<br/>Vice Executive Secretary, Commercial Development Advisory Council of Ministry of Economic Affairs ROC<br/>Committee Member, Policy Research Commission of the Economic and Trade, ROCCOC<br/>Adjunct Associate Professor, Department of National Business and Trade, Soochow University, Taiwan<br/>Board Member, AirAsia Co., Ltd.</p> <p>Selected Education:<br/>Ph.D. in Economics, National Taipei University</p> | Director, Chang Hwa Bank, Asia Pacific Emerging Industry Venture Capital Co., Ltd., Taipei Exchange<br>Independent Director, United Renewable Energy Co., Ltd.<br>Standing Director & Independent Director, CPC Corporation, Taiwan<br>Member, Wholesaler & Retailer Committee in TWCSI<br>Director, Central Bank of the Republic of China (Taiwan) | -   | -    | -        |         |
| 0  | 0 | 0                                 | 0 | <p>Current Position:<br/>Associate Professor, Department of Marketing Management, Central Taiwan University of Science and Technology</p> <p>Past Positions:<br/>Chairman, Small and Medium Enterprise Credit Guarantee Fund of Taiwan<br/>President, Taiwan Small &amp; Medium Enterprise Counseling Foundation<br/>Director, Taiwan Incubator SME Development Corp.<br/>Vice President, Yang Ming<br/>CEO, YM Oceanic Culture &amp; Art Museum Associate<br/>Researcher and Congressional Relations, Public Construction Commission, Executive Yuan<br/>Secretary, Department of Social Welfare, Taipei City Government</p> <p>Selected Education:<br/>Ph.D. in Department of Business Administration, National Central University<br/>Master's Degree in Business Administration, National Taipei University</p>  | Director, Yang Ming Cultural Foundation   | -   | -    | -        |         |

| Title   | Nationality or place of registration | Name           | Gender /age       | Date elected | Term  | Date first elected | Shares held when elected  |  | Shares currently held   |  |
|---|--------------------------------------|----------------|-------------------|--------------|---|--------------------|---|--|---|--|
|   |                                      |                |                   |              |   |                    | Shares  | %  | Shares  | %  |
| Director (Corporate Representative of the NDF)  | R.O.C.                               | Fang-Yuan Chen | Male/ Age:61 ~69  | 05.24.2024   | May be eligible for re-election and consecutive appointment within 3 years. | 05.24.2024         | Directors herein as the corporate representatives of the NDF, holding a total of 460,000,000 shares; Director personally holds 0 share. | 13.17% of the Company's shares                               | Directors herein as the corporate representatives of the NDF, holding a total of 460,000,000 shares; Director personally holds a total of 84 shares | 13.17% of the Company's shares                               |
| Director (Corporate Representative of the TIPC) | R.O.C.                               | Hsien-Yi Lee   | Male/ Age:61 ~69  | 10.21.2024   |   | 10.21.2024         | Directors herein as the corporate representatives of the TIPC, holding a total of 160,438,579 shares; Director personally holds 0 share | 4.59% of the Company's shares                                | Directors herein as the corporate representatives of the TIPC, holding a total of 160,438,579 shares; Director personally holds 0 share             | 4.59% of the Company's shares                                |
| Director (Corporate Representative of the TNC)  | R.O.C.                               | Wen-Ching Liu  | Male/Age: Over 70 | 05.24.2024   |   | 06.22.2018         | Directors herein as the corporate representatives of the TNC, holding a total of 37,290,858 shares; Director personally holds 0 share   | 1.07% of the Company's shares; 0.00% of the Company's shares | Directors herein as the corporate representatives of the TNC, holding a total of 37,220,858 shares; Director personally holds 0 share               | 1.07% of the Company's shares; 0.00% of the Company's shares |
| Independent Director                            | R.O.C.                               | Tar-Shing Tang | Male/ Age:61 ~69  | 05.24.2024   |   | 06.22.2018         | 0   | 0  | 0   | 0  |

|  | Shares currently held by spouse & minors |   | Shares held in the name of others |   | Selected Education, past and current positions   | Other concurrent positions in the Company or other companies | Managers, directors or supervisors who are spouses or relatives within the second degree of kinship |      |          | Remarks |
|--|--|---|-----------------------------------|---|--|--|---|------|----------|---------|
|  | Shares                                   | % | Shares                            | % |  |  | Position  | Name | Relation |         |
|  | 0  | 0 | 0                                 | 0 | <p><b>Current Position:</b><br/>Adjunct Associate Professor, Department of Transportation and Logistics, Feng Chia University</p> <p><b>Past Positions:</b><br/>Associate Professor, Department of Transportation and Logistics, Feng Chia University<br/>Chair, Department of Transportation and Logistics, Feng Chia University<br/>Secretary to the Dean of the School of Construction and Development, Feng Chia University<br/>Deputy Director, Sales Department, Far Eastern Air Transport Corp.<br/>Airport Traffic Agent/Flight Attendant, China Airlines Ltd.<br/>Member of Aviation Safety Review Committee, Civil Aviation Administration, MOTC</p> <p><b>Selected Education:</b><br/>Ph.D. in Department of Transportation and Communication Management Science, National Cheng Kung University<br/>MBA in Aviation, Embry-Riddle Aeronautical University, Florida, USA.<br/>Bachelor's Degree in Department of Soil and Water Conservation, National Chung Hsing University</p> | -  | -   | -    | -        |         |
|  | 0  | 0 | 0                                 | 0 | <p><b>Current Position:</b><br/>Chairman, TIPC</p> <p><b>Past Positions:</b><br/>Director of Water Resources Bureau, Tainan City Government<br/>Deputy Secretary, Taichung City Government<br/>Director of Water resources Bureau, Kaohsiung City Government<br/>Director of Department of Water Resources, Kaohsiung County Government<br/>Director of Water resources Bureau, Kaohsiung County Government<br/>Director and Supervisor, Taiwan Water Corporation</p> <p><b>Selected Education:</b><br/>Ph.D. in Graduate School of Engineering Science and Technology, National Kaohsiung First University of Science and Technology<br/>Master's Degree in Civil Engineering, National Cheng Kung University<br/>Bachelor's Degree in Civil Engineering, National Cheng Kung University</p>  | -  | -   | -    | -        |         |
|  | 0  | 0 | 0                                 | 0 | <p><b>Current Position:</b><br/>Chairman, Taiwan Navigation Company</p> <p><b>Past Positions:</b><br/>Chairman, Kaohsiung Ammonium Sulfate Co., Ltd.<br/>Chairman, the CSLC<br/>Senior Consultant, CPC Corporation, Taiwan</p> <p><b>Selected Education:</b><br/>Master's Degree in Applied Biology and Chemical Technology, The Hong Kong Polytechnic University<br/>Bachelor's Degree in Chemistry, National Chung Hsing University</p>  | Chairman, Taishing Maritime Co. S.A., Shinwang Maritime Inc. | -   | -    | -        |         |
|  | 0  | 0 | 0                                 | 0 | <p><b>Current Position:</b><br/>Attorney-in-Charge, Tar-Shing Tang Law Office</p> <p><b>Past Positions:</b><br/>Qualification in Bar Examination<br/>Completion in The Training Institute of Ministry of Finance<br/>Qualification in Senior Examination of Finance</p> <p><b>Selected Education:</b><br/>Bachelor's Degree in Economics (Minor in Law), National Taiwan University</p>  | -  | -   | -    | -        |         |

| Title                | Nationality or place of registration | Name             | Gender /age            | Date elected | Term  | Date first elected | Shares held when elected |   | Shares currently held |   |
|----------------------|--------------------------------------|------------------|------------------------|--------------|---|--------------------|--------------------------|---|-----------------------|---|
|                      |                                      |                  |                        |              |   |                    | Shares                   | % | Shares                | % |
| Independent Director | R.O.C.                               | Huang-Chuan Chiu | Male/<br>Age:61<br>~69 | 05.24.2024   | May be eligible for re-election and consecutive appointment within 3 years. | 05.24.2024         | 0                        | 0 | 0                     | 0 |
| Independent Director | R.O.C.                               | Jr-Tsung Huang   | Male/<br>Age:51<br>~60 | 05.24.2024   | May be eligible for re-election and consecutive appointment within 3 years. | 05.26.2023         | 0                        | 0 | 0                     | 0 |
| Independent Director | R.O.C.                               | Zheng-Yi Shon    | Male/<br>Age:51<br>~60 | 05.24.2024   | May be eligible for re-election and consecutive appointment within 3 years. | 05.24.2024         | 0                        | 0 | 0                     | 0 |

|  | Shares currently held by spouse & minors |   | Shares held in the name of others |   | Selected Education, past and current positions  | Other concurrent positions in the Company or other companies  | Managers, directors or supervisors who are spouses or relatives within the second degree of kinship |      |          | Remarks |
|--|--|---|-----------------------------------|---|---|---|---|------|----------|---------|
|  | Shares                                   | % | Shares                            | % |   |   | Position  | Name | Relation |         |
|  | 0  | 0 | 0                                 | 0 | <p><b>Current Position:</b><br/>Attorney-in-Charge, Kew &amp; Lord</p> <p><b>Past Positions:</b><br/>Partner, Taiwan Commercial Law Offices Attorney, Baker &amp; McKenzie<br/>Attorney, Huang &amp; Associates</p> <p><b>Selected Education:</b><br/>Master's Degree in Law, University of Cambridge<br/>Bachelor's Degree in Law, National Taiwan University</p>  | <p>Independent Director, Taiwan High Speed Rail Corporation Independent Director, Lungteh Shipbuilding Co., Ltd. Independent Director, Chungghwa Precision Test Tech. Co., Ltd. Director, Ju- Kao Engineering Co., Ltd. Executive Supervisor, Central News Agency Director, Nylon Cheng Liberty Foundation Director, Pumen Home of Philanthropy</p> | -   | -    | -        |         |
|  | 0  | 0 | 0                                 | 0 | <p><b>Current Position:</b><br/>Professor, Distinguished Professor and Contracted Professor, National Chengchi University</p> <p><b>Past Positions:</b><br/>Promotion Review Board members for outsourcing or bidding projects of MOEA, MOND, Taoyuan City Government, New Taipei City Government<br/>Minister and Consultant of International Industry Academic Exchange and Cooperation Committee, Taiwan Chamber of Commerce &amp; Industry Members of the Public Debt Management Committee, Ministry of Finance<br/>Members of the Board of Examiners, Examination Yuan (Public Finance of Special Examination for Local Governments in 2010 and 2016)<br/>Dean of School of Humanities and Social Sciences, Kainan University<br/>Director of in service Master program, Department of Public affairs and Management, Kainan University<br/>Director, Office of Education and Training in Taipei, Kainan University<br/>Vice President and Director of Research Center, The Prospect Foundation<br/>Contracted Assistant Professor, Contracted Associate Professor, Chair, National Chengchi University<br/>Assistant Research Fellow and Postdoctoral Research Fellow, The First Research Division, Chung-Hua Institution for Economic Research Second Lieutenant Supply Officer, Magong Base Squadron, Republic of China Air Force</p> <p><b>Selected Education:</b><br/>Ph.D. in Economics, University of Washington Master's Degree in Economics, University of Washington<br/>Master's Degree in Economics, National Taiwan University<br/>Bachelor's Degree in Economics, National Taiwan University</p> | -   | -   | -    | -        |         |
|  | 0  | 0 | 0                                 | 0 | <p><b>Current Position:</b><br/>Professor, Department of International Business Management, Tainan University of Technology</p> <p><b>Past Positions:</b><br/>Independent Director, AXIOMTEK Co., Ltd. Independent Director, Asia Pacific Telecom Co., Ltd.<br/>Dean of Research and Development/Dean of College of Management, Tainan University of Technology</p> <p><b>Selected Education:</b><br/>Ph.D. in Transportation and Communication Management Science, National Cheng Kung University<br/>Master's Degree in Graduate School in China Studies, Tamkang University<br/>Bachelor's Degree in Department of Information Management, Chinese Culture University</p>  | <p>Director, Taoyuan International Airport Corporation Ltd.</p>   | -   | -    | -        |         |

## 1. Major corporate shareholders

03.31.2025

| Name of corporate shareholders                | Major corporate shareholders   |
|---|--|
| Ministry of Transportation and Communications | Government of the R.O.C(100% )   |
| National Development Fund, Executive Yuan     | Government of the R.O.C(100% )   |
| Taiwan International Ports Corporation, Ltd.  | Ministry of Transportation and Communications(100% )   |
| Taiwan Navigation Co., Ltd.                   | Ministry of Transportation and Communications (26.46%), Yang Ming Marine Transport Corp. (16.96%), Yunn Wang Investment Co., Ltd.(2.42%), Central Taiwan Science Park Logistics Co., Ltd.(1.34%),HSBC Bank (Taiwan) in custody for Mitsubishi UFJ Morgan Stanley PLC(1.25%), Chen, Chang Hong(0.70%), TransGlobe Life Insurance Inc. (0.53%), Global Growing International Co., Ltd. (0.47%), Standard Chartered Bank (Taiwan) Limited in custody for Mizuho Securities Co., Ltd. Investment Fund (0.47%), J.P. Morgan Securities PLC(0.43%) |

## 2. Major juridical person shareholders

As of the date of publication, the last time to stop the transfer: 03.31.2025

| Name of juridical persons   | Major juridical person shareholders (Note1)   |
|---|---|
| Government of the R.O.C   | Inapplicable  |
| Ministry of Transportation and Communications   | Government of the R.O.C(100% )  |
| Yang Ming Marine Transport Corp.  | Ministry of Transportation and Communications (13.39%), National Development Fund, Executive Yuan (13.17%), Taiwan International Ports Corporation, Ltd. (4.59%), Yuanta Taiwan Dividend Plus ETF (4.04%), Labor Pension Fund (The New Fund) (1.56%), Taiwan Navigation Co., Ltd. (1.07%), J.P. Morgan Securities PLC (1.00%), Norges Bank (0.64%), Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.-Equity Trading Division (Proprietary Trading Desk) For Tri-Party SBL Trading (0.61%), T3EX Global Holdings Corp. (0.58%) |
| Yunn Wang Investment Co. Ltd.   | Yang Ming Marine Transport Corp. (49.75%), Taiwan Navigation Co., Ltd. (49.75%), Fulirong Investment (0.50%)  |
| Central Taiwan Science Park Logistics Co. Ltd.  | Chien Shing Harbour Service CO., Ltd. (64.60%), HCT Logistics Co., Ltd. (13.80%), Taiwan Express CO., Ltd. (12.93%)   |
| HSBC Bank (Taiwan) in custody for Mitsubishi UFJ Morgan Stanley PLC                                 | Inapplicable  |
| TransGlobe Life Insurance Inc.  | Zhongwei Co. (100%)   |
| Global Growing International Co., Ltd.  | Yu-Qin Lin (59.49%), Jia Yongfeng Investment (25.64%), Jiong-Qiao Li (14.87%)   |
| Standard Chartered Bank (Taiwan) Limited in custody for Mizuho Securities Co., Ltd. Investment Fund | Inapplicable  |
| J.P. Morgan Securities PLC  | Inapplicable  |

Note 1: Names of major juridical person shareholders (Top 10 shareholders).

### 3. Information of Directors (Including independent directors)

03.31.2025

| Criteria<br>Name | Professional criteria and experience   | Independence criteria  | Number of other Taiwanese public companies concurrently serving as an independent director |
|------------------|--|--|--|
| Feng-Ming Tsai   | Feng-Ming Tsai is the Chairman of Yang Ming and the Professor of Shipping & Transportation Management Department of National Taiwan Ocean University. He was the Representative of APEC Maritime Experts Group (MEG) of MOTC, and the Education & Training Consultant of Academy of Maritime Development of TIPC. He is a qualified Professor and well-versed in marine industry. His professional affiliation is not in violation of Article 30 of the Company Act.   | Complies with the provisions stipulated in Article 26-3 of the Securities and Exchange Act. His spouse, and relatives within second degree of kinship do not serve as directors or supervisors of the Company. | 0  |
| Dzwo-Min Dai     | Dzwo-Min Dai is the Associate Professor of Transportation and Communication Management Science Department & Telecommunications Management Institute of National Cheng Kung University. She is a qualified Associate Professor and well-versed in transportation industry. Her professional affiliation is not in violation of Article 30 of the Company Act.   | Complies with the provisions stipulated in Article 26-3 of the Securities and Exchange Act. His spouse, and relatives within second degree of kinship do not serve as directors or supervisors of the Company. | 0  |
| Chin-Yi Yang     | Chin-Yi Yang is the Chairman of Gong Cheng Attorneys-At-Law and the Arbitrator of Chinese Arbitration Association, Taipei. She is a qualified lawyer and well-versed in legal affairs. Her professional affiliation is not in violation of Article 30 of the Company Act.  | Complies with the provisions stipulated in Article 26-3 of the Securities and Exchange Act. His spouse, and relatives within second degree of kinship do not serve as directors or supervisors of the Company. | 0  |
| Chun-Chun Chen   | Chun-Chun Chen is the Assistant Vice President of Yang Ming. She is well-versed in marine industry. Her professional affiliation is not in violation of Article 30 of the Company Act.   | Complies with the provisions stipulated in Article 26-3 of the Securities and Exchange Act. His spouse, and relatives within second degree of kinship do not serve as directors or supervisors of the Company. | 0  |
| Fang-Guan Jan    | Fang-Guan Jan is the Deputy Minister of National Development Council. He is the former Director of Industrial Development Department of National Development Council and Sectoral Planning Department of Council for Economic Planning and Development. He is well-versed in business management and decision-making. His professional affiliation is not in violation of Article 30 of the Company Act.   | Complies with the provisions stipulated in Article 26-3 of the Securities and Exchange Act. His spouse, and relatives within second degree of kinship do not serve as directors or supervisors of the Company. | 0  |
| Chien-Yi Chang   | Chien-Yi Chang is the President of Taiwan Institute of Economic Research. He was the Adjunct Associate Professor of National Business Department of Soochow University. He is a qualified Associate Professor and well-versed in international economics and trade, industrial development and relevant policy research. His professional affiliation is not in violation of Article 30 of the Company Act.  | Complies with the provisions stipulated in Article 26-3 of the Securities and Exchange Act. His spouse, and relatives within second degree of kinship do not serve as directors or supervisors of the Company. | 2  |
| Wan-Chi Hsu      | Wan-Chi Hsu is the Associate Professor of Marketing Management Department of Central Taiwan University of Science and Technology. She is the former Chairman of Small and Medium Enterprise Credit Guarantee Fund of Taiwan, the former President of Taiwan Small & Medium Enterprise Counseling Foundation, and the former Vice President of Yang Ming. She is a qualified Associate Professor, well-versed in business management, finance and marine industry. Her professional affiliation is not in violation of Article 30 of the Company Act. | Complies with the provisions stipulated in Article 26-3 of the Securities and Exchange Act. His spouse, and relatives within second degree of kinship do not serve as directors or supervisors of the Company. | 0  |

| Criteria<br>Name | Professional criteria and experience   | Independence criteria  | Number of other Taiwanese public companies concurrently serving as an independent director |
|------------------|--|--|--|
| Fang-Yuan Chen   | Fang-Yuan Chen is the Adjunct Associate Professor of Transportation and Logistics Department of Feng Chia University. He was the Deputy Director of Sales Department of Far Eastern Air Transport Corp., and the Member of Aviation Safety Review Committee of Civil Aviation Administration of MOTC. He is a qualified Associate Professor and well-versed in transportation industry. His professional affiliation is not in violation of Article 30 of the Company Act.                                       | Complies with the provisions stipulated in Article 26-3 of the Securities and Exchange Act. His spouse, and relatives within second degree of kinship do not serve as directors or supervisors of the Company. | 0  |
| Hsien-Yi Lee     | Hsien-Yi Lee is the Chairman of TIPC. He is the former Director of Water Resources Bureau of Tainan City Government, the former Deputy Secretary of Taichung City Government, and the former Director of Water resources Bureau of Kaohsiung City Government. He is well-versed in business management, decision-making and marine industry. His professional affiliation is not in violation of Article 30 of the Company Act.  | Complies with the provisions stipulated in Article 26-3 of the Securities and Exchange Act. His spouse, and relatives within second degree of kinship do not serve as directors or supervisors of the Company. | 0  |
| Wen-Ching Liu    | Wen-Ching Liu is the Chairman of Taiwan Navigation Company. He is well-versed in marine industry. His professional affiliation is not in violation of Article 30 of the Company Act.   | Complies with the provisions stipulated in Article 26-3 of the Securities and Exchange Act. His spouse, and relatives within second degree of kinship do not serve as directors or supervisors of the Company. | 0  |
| Tar-Shing Tang   | Tar-Shing Tang is an independent director and also the Convener of the Audit Committee. He is the Attorney-in-Charge of Tar-Shing Tang Law Office and well-versed in legal affairs. His professional affiliation is not in violation of Article 30 of the Company Act.   | Complies with the independent criteria stipulated in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.   | 0  |
| Huang-Chuan Chiu | Huang-Chuan Chiu is an independent director and also a member of the Audit Committee. He is the Attorney-in-Charge of Kew & Lord, the Independent Director of Taiwan High Speed Rail Corporation and Lungteh Shipbuilding Co., Ltd. He is a qualified Lawyer and well-versed in legal affairs, transportation and marine industry. His professional affiliation is not in violation of Article 30 of the Company Act.  | Complies with the independent criteria stipulated in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.   | 3  |
| Jr-Tsung Huang   | Jr-Tsung Huang is an independent director and also a member of the Audit Committee. He is the Distinguished Professor of National Chengchi University and is the former member of the Public Debt Management Committee of Ministry of Finance, the former Postdoctoral Research Fellow of The First Research Division of Chung-Hua Institution for Economic Research. He is a qualified Professor and well-versed in finance. His professional affiliation is not in violation of Article 30 of the Company Act. | Complies with the independent criteria stipulated in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.   | 0  |
| Zheng-Yi Shon    | Zheng-Yi Shon is an independent director and also a member of the Audit Committee. He is the Professor of International Business Management Department of Tainan University of Technology, and the Director of Taoyuan International Airport Corporation Ltd. He is a qualified Professor and well-versed in business management. His professional affiliation is not in violation of Article 30 of the Company Act.   | Complies with the independent criteria stipulated in the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.   | 0  |

### 4. The Board Diversity and Independence

Yang Ming's Corporate Governance Best Practice Principles stipulate the Board diversity policy. Details of the Board's diversity and independence are published in the Annual Report and on the Company's official website.

#### (1) The Board Diversity

##### i. The Board Diversity

The Board of Yang Ming is responsible for governing the Company's strategies, supervise the executive management, and being accountable to the Company and its shareholders. The procedures and arrangements of Yang Ming's corporate governance system shall ensure that the powers and functions of the Board of Directors comply with relevant laws, regulations, the Company's Articles of Incorporation and the resolutions of shareholders meetings.

Considering the Company's business scale, the shareholdings of major shareholders and operational needs, Yang Ming's Board of Directors consists of 7 to 15 members.

The composition of the Board is determined by diversity. The number of directors serving as company managers concurrently shall not exceed one-third of the total. An appropriate policy shall be formulated based on Yang Ming's operational patterns and development requirements, including but not limited to the following two broad standards:

- (i) Basic conditions and values: gender, age, race or ethnicity, nationality and culture.
- (ii) Professional knowledge (e.g., law, accounting, industry, finance, marketing or technology), skills and industry experiences.

Board members should possess the necessary knowledge, skills, and experiences to fulfill their responsibilities. To achieve corporate governance objectives, the Board of Directors shall collectively demonstrates the following competencies:

- (i) Operational judgments
- (ii) Accounting and financial analysis
- (iii) Operation and management expertise
- (iv) Crisis management
- (v) Industry knowledge
- (vi) International market perspective
- (vii) Leadership
- (viii) Decision-making skills
- (ix) Risk management knowledge and abilities

##### ii. Specific objectives and implementation of the Board Diversity policy

With the exception of 1 independent director currently vacant, Yang Ming's Board consists of 15 directors (including 5 independent directors). All Board members possess extensive experience and expertise in marine industry, international economy, finance, accounting, laws, and management. 6.7% of Yang Ming's directors are employed by the Company. 26.7% of directors are female. 33.3% of directors are independent directors, 3 independent directors have served for less than 3 years while 1 served between 3 to 9 years. In terms of age distribution, 2 directors are under 50 years old, 5 directors are between 51-60 years old, 6 directors are between 61-69 years old and 1 director is over 70 years old. The implementation of Board diversity policy is as follows.

| Director         | Basic Condition |             |                                   |          |       |       |         | Capabilities                   |            |            | Professional Background |                       |                        |           |                |
|------------------|-----------------|-------------|-----------------------------------|----------|-------|-------|---------|--------------------------------|------------|------------|-------------------------|-----------------------|------------------------|-----------|----------------|
|                  | Gender          | Nationality | Concurrent Positions in Yang Ming | Age      |       |       |         | Tenure of Independent Director | Management | Leadership | Industry Experience     | International Economy | Accounting and Finance | Marketing | Legal Practice |
|                  |                 |             |                                   | Under 50 | 51-60 | 61-69 | Over 70 |                                |            |            |                         |                       |                        |           |                |
| Feng-Ming Tsai   | Male            | R.O.C.      |                                   | ✓        |       |       |         |                                | ✓          | ✓          | ✓                       |                       |                        |           |                |
| Dzwo-Min Dai     | Female          | R.O.C.      |                                   |          |       | ✓     |         |                                | ✓          | ✓          | ✓                       |                       |                        |           |                |
| Chin-Yi Yang     | Female          | R.O.C.      |                                   |          | ✓     |       |         |                                | ✓          | ✓          |                         |                       |                        |           | ✓              |
| Chun-Chun Chen   | Female          | R.O.C.      | ✓                                 | ✓        |       |       |         |                                | ✓          | ✓          | ✓                       |                       |                        |           |                |
| Fang-Guan Jan    | Male            | R.O.C.      |                                   |          |       | ✓     |         |                                | ✓          | ✓          |                         | ✓                     |                        |           |                |
| Chien-Yi Chang   | Male            | R.O.C.      |                                   |          | ✓     |       |         |                                | ✓          | ✓          |                         | ✓                     |                        |           |                |
| Wan-Chi Hsu      | Female          | R.O.C.      |                                   |          | ✓     |       |         |                                | ✓          | ✓          | ✓                       |                       |                        | ✓         |                |
| Fang-Yuan Chen   | Male            | R.O.C.      |                                   |          |       | ✓     |         |                                | ✓          | ✓          | ✓                       |                       |                        |           |                |
| Hsien-Yi Lee     | Male            | R.O.C.      |                                   |          |       | ✓     |         |                                | ✓          | ✓          | ✓                       |                       |                        | ✓         |                |
| Wen-Ching Liu    | Male            | R.O.C.      |                                   |          |       |       | ✓       |                                | ✓          | ✓          | ✓                       |                       |                        | ✓         |                |
| Tar-Shing Tang   | Male            | R.O.C.      |                                   |          |       | ✓     |         | 3-9 years                      | ✓          | ✓          |                         |                       |                        |           | ✓              |
| Huang-Chuan Chiu | Male            | R.O.C.      |                                   |          |       | ✓     |         | Less than 3 years              | ✓          | ✓          | ✓                       |                       |                        |           | ✓              |
| Jr-Tsung Huang   | Male            | R.O.C.      |                                   |          | ✓     |       |         | Less than 3 years              | ✓          | ✓          |                         | ✓                     | ✓                      |           |                |
| Zheng-Yi Shon    | Male            | R.O.C.      |                                   |          | ✓     |       |         | Less than 3 years              | ✓          | ✓          | ✓                       |                       |                        |           |                |

To achieve gender equality, our plan is to increase the proportion of female directors to one-third of the total 22<sup>nd</sup> Board members. This aims to enhance female participation in decision-making and to fortify the structure and effectiveness of the Board.

## (2) Board Independence

The Board of Directors is committed to making independent judgement and providing objective opinions on corporate matters to oversee the operation of the Company. All directors (include independent directors) must adhere to the provisions stipulated in Article 26-3 of the Securities and Exchange Act.

The Board consists of 5 independent directors (with 1 vacancy), which is 33.3% of the total Board members. They maintain independent in the execution of their duties. They do not hold direct or indirect interests in Yang Ming. In compliance with regulatory requirements, independent directors are required to submit declaration and comply with the provisions of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies for at least 2 years prior to their appointment and throughout their tenure.

### 5. Succession Plan for Board Members

Except as otherwise specified in Articles of Incorporation of the Company or applicable regulations, Yang Ming's directors are elected in accordance with the Company's Procedures for Election of Directors. Candidates are selected based on business scale, major shareholders' shareholding ratio, operation practices, the Board's diversity policy, relevant qualifications and the results of Board performance assessments. In addition, both external conditions and internal development are taken into account. To further enhance the professional capabilities of Board members and strengthen the management function of the Board, the Company assists to arrange a minimum of 6 hours of annual training sessions to the directors.

In order to optimize the management function and appointment mechanism, Yang Ming has established Nominating Committee which is responsible for establishing criteria for directors and important managerial personnel, such as required expertise, skills, experience, gender and independence, and reviewing succession plans regularly.

In order to meet requirements from directors or being successor to the directors, Yang Ming's executive managers attend Board meetings and functional committee meetings to familiarize themselves with the meeting procedures. Executive managers are also being assigned to different positions through job rotation, expatriate programs, and appointments as directors of subsidiaries, thereby enhancing their engagement with the group while developing their proficiency and to improve their abilities in policy formulation, internal control supervision and execution, legal compliance, and risk management enabling them to adapt to evolving business conditions.

To preserve professionalism and experience heritage among Board members, the following are Yang Ming's succession plan for Board of Directors:

- (1) Recommendation for director candidates by shareholders.
- (2) Inviting current directors to recommend suitable candidates.
- (3) Reappointment of directors based on the results of Board performance assessments.
- (4) Selection from Yang Ming's executive managers.

The list of candidates derived from above shall be reviewed by the Board as reference of succession plan for Board of Directors.

In summary, while recruiting qualified professionals as director candidates, Yang Ming also prioritizes the development of internal executive managers as potential future successor to ensure the decision-making and supervisory function of the Board.

**2.1.2 Information of President, Executive Vice Presidents, Vice President, Officers of Departments and Branches**

| Title  | Nationality | Name             | Gender | Appointment Date | Shareholdings |      | Spouse & Minor Shareholding |   | Current Shareholding in the name of others |   |
|--|-------------|------------------|--------|------------------|---------------|------|-----------------------------|---|--|---|
|  |             |                  |        |                  | Shares        | %    | Shares                      | % | Shares                                     | % |
| President  | R.O.C.      | Kuen-Rong Pai    | Male   | 08.01.2024       | 14,101        | 0    | 0                           | 0 | 0  | 0 |
| Chief Marine Technology Officer & Executive Vice President | R.O.C.      | Jeng-Shong Jeng  | Male   | 05.01.2022       | 24,382        | 0    | 0                           | 0 | 0  | 0 |
| Chief Taiwan Operations Officer & Executive Vice President | R.O.C.      | Ying-Tung Lin    | Male   | 05.01.2022       | 8,575         | 0    | 0                           | 0 | 0  | 0 |
| Chief Commercial Officer & Senior Vice President           | R.O.C.      | Ming- Hui Lee    | Male   | 06.01.2023       | 0             | 0    | 0                           | 0 | 0  | 0 |
| Chief Administrative Officer & Senior Vice President       | R.O.C.      | Tseng-Yu Chiu    | Female | 07.12.2023       | 1,843         | 0    | 0                           | 0 | 0  | 0 |
| Chief Strategy Officer & Senior Vice President             | R.O.C.      | Yi-Ta Wu         | Male   | 08.16.2024       | 2,000         | 0    | 0                           | 0 | 0  | 0 |
| Chief Logistics Officer & Senior Vice President            | R.O.C.      | Chia-Wen Chiang  | Male   | 01.01.2025       | 2,000         | 0    | 5,000                       | 0 | 0  | 0 |
| Chief Financial Officer & Senior Vice President            | R.O.C.      | Yu-Wen Su        | Male   | 03.01.2025       | 0             | 0    | 0                           | 0 | 0  | 0 |
| Chief Information Security Officer                         | R.O.C.      | Der-Shi Tsao     | Male   | 03.01.2025       | 180,893       | 0.01 | 0                           | 0 | 0  | 0 |
| Chief Information Officer & Senior Vice President          | R.O.C.      | Shyi-Chang Chang | Male   | 03.01.2025       | 1,564         | 0    | 0                           | 0 | 0  | 0 |
| Executive Vice President                                   | R.O.C.      | Mei-Chi Shih     | Male   | 04.01.2020       | 0             | 0    | 0                           | 0 | 0  | 0 |
| Senior Vice President                                      | R.O.C.      | Cheng-Hsing Yang | Male   | 12.16.2011       | 24,000        | 0    | 0                           | 0 | 0  | 0 |

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|  | Experience and Education  | Current position at other companies   | Managers who are spouse or within second- degree of kinship |              |              | Note             |
|--|---|---|---|--------------|--------------|------------------|
|  |   |   | Title   | Name         | Relationship |                  |
|  | <ul style="list-style-type: none"> <li>Senior Executive Vice President of this company &amp; Chief Strategy Officer</li> <li>Master of National Chiao Tung University</li> </ul>  | <ul style="list-style-type: none"> <li>Chairman of Kuang Ming Shipping Corp., Huan Ming (Shanghai) International Shipping Agency Co., Ltd Director of Yang Ming (America) Corp., Yes Logistics Corp., Kao Ming Container Terminal Corp., Yang Ming Line Holding Co., Yang Ming Line (Singapore) Pte Ltd, Yang Ming Line (B.V.I.) Holding Co., Ltd.</li> </ul> | -   | -            | -            | Note 1           |
|  | <ul style="list-style-type: none"> <li>Senior Vice President of this company &amp; Chief Marine Technology Officer</li> <li>Master of National Taiwan Ocean University</li> </ul>   | <ul style="list-style-type: none"> <li>Director and General Manager of All Oceans Transportation Inc.</li> <li>Director of Yang Ming (Singapore) Pte. Ltd., Kuang Ming Shipping Corp.</li> </ul>  | -   | -            | -            | Note 2           |
|  | <ul style="list-style-type: none"> <li>Senior Vice President of this company &amp; Chief Taiwan Operations Officer</li> <li>Bachelor of Feng Chia University</li> </ul>   | <ul style="list-style-type: none"> <li>Director of Yes Logistics Corp., Jing Ming Transportation Co., Ltd., Hong Ming Terminal &amp; Stevedoreing Corp., Taipei Port Container Terminal Corp., United Stevedoring Corporation, Taiwan Foundation International PTE. LTD.</li> </ul>   | -   | -            | -            | Note 2           |
|  | <ul style="list-style-type: none"> <li>Senior Vice President of Subsidiary Management Dept.</li> <li>Master of Claremont Graduate Univ. / Peter Drucker Graduate School of Management</li> </ul>  | <ul style="list-style-type: none"> <li>Chairman of Yangming (Japan) Co., Ltd.</li> <li>Director of Huan Ming (Shanghai) International Shipping Agency Co., Ltd, Young-Carrier Company Ltd., Yang Ming (Korea) Co. Ltd, Yang Ming Line (India) Pvt. Ltd., Taiwan Navigation Company</li> </ul>   | -   | -            | -            | Note 2           |
|  | <ul style="list-style-type: none"> <li>Senior Vice President of Huan Ming (Shanghai) International Shipping Agency Co., Ltd</li> <li>Master of Chinese Culture University</li> </ul>  | <ul style="list-style-type: none"> <li>Chairman of Yang Ming Cultural Foundation</li> <li>Director of Jing Ming Transportation Co., Ltd., Yes Logistics Corp., Yang Ming Insurance Co., Ltd.</li> </ul>   | -   | -            | -            | Note 2           |
|  | <ul style="list-style-type: none"> <li>Senior Vice President of this company &amp; Chief Strategy Officer &amp; Chief Logistics Officer</li> <li>Master of Royal Melbourne Institute of Technology</li> </ul>                             | <ul style="list-style-type: none"> <li>Director of Kuang Ming Shipping Corp., Yang Ming (Australia) Pty.</li> <li>Ltd., Huan Ming (Shanghai) International Shipping Agency Co., Ltd, Kao Ming Container Terminal Corp., West Basin Container Terminal LLC, United Terminal Leasing LLC</li> </ul>   | Vice President  | Pao- Lin Lee | Spouse       | Note 2<br>Note 3 |
|  | <ul style="list-style-type: none"> <li>Vice President of Operations Dept.</li> <li>Master of National Ocean University</li> </ul>   | None  | -   | -            | -            | Note 3           |
|  | <ul style="list-style-type: none"> <li>Managing Director of Yang Ming (Singapore) Pte. Ltd.</li> <li>Master of National Taiwan University</li> </ul>  | <ul style="list-style-type: none"> <li>Chairman of Yang Ming (France) S.A.S.</li> <li>Director of Yang Ming Line Holding Co., Yang Ming Line (Singapore) Pte Ltd, Yang Ming Line (B.V.I.) Holding Co., Ltd./ YES Yangming Logistics (Singapore) Pte. Ltd.</li> <li>Supervisor of Kao Ming Container Terminal Corp.</li> </ul>                                 | -   | -            | -            | Note 2           |
|  | <ul style="list-style-type: none"> <li>Executive Vice President of this company &amp; Chief Information Officer &amp; Chief Information Security Officer</li> <li>Tamsui Institute of Industrial &amp; Business Administration</li> </ul> | None  | -   | -            | -            | Note 2<br>Note 4 |
|  | <ul style="list-style-type: none"> <li>Senior Vice President of Information Dept.</li> <li>Master of National Chiao Tung University</li> </ul>  | None  | -   | -            | -            | Note 4           |
|  | <ul style="list-style-type: none"> <li>Managing Director of Huan Ming (Shanghai) International Shipping Agency Co., Ltd.</li> <li>Master of Tamkang University</li> </ul>   | <ul style="list-style-type: none"> <li>Chairman and President of Hong Ming Terminal &amp; Stevedoreing Corp.</li> </ul>   | -   | -            | -            | Note 2           |
|  | <ul style="list-style-type: none"> <li>Chairman of Hong Ming Terminal &amp; Stevedoring Corp.</li> <li>Doctor of National Ocean University</li> </ul>   | None  | -   | -            | -            |                  |

| Title  | Nationality | Name             | Gender | Appointment Date | Shareholdings |   | Spouse & Minor Shareholding |   | Current Shareholding in the name of others |   |
|--|-------------|------------------|--------|------------------|---------------|---|-----------------------------|---|--|---|
|  |             |                  |        |                  | Shares        | % | Shares                      | % | Shares                                     | % |
| Senior Vice President                            | R.O.C.      | Shih-Nan Huang   | Male   | 01.01.2019       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Ping- Jen Tseng  | Male   | 06.01.2014       | 5,290         | 0 | 28                          | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Leng-Hui Wang    | Male   | 02.01.2018       | 2,283         | 0 | 0                           | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Pao-Lin Lee      | Female | 04.01.2018       | 345           | 0 | 0                           | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Men-Huo Tsai     | Male   | 05.16.2019       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Li-Wen Liu       | Female | 02.04.2020       | 45,474        | 0 | 0                           | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Mei-Ling Chung   | Female | 04.01.2020       | 808           | 0 | 0                           | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Lung-Fu Chen     | Male   | 04.16.2020       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Vice President & Corporate Governance Supervisor | R.O.C.      | Ting-Yu Lu       | Female | 07.01.2020       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Vice President & Accounting Supervisor           | R.O.C.      | Kuan-Sheng Fu    | Male   | 04.01.2021       | 7,846         | 0 | 0                           | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Hung-Chung Chien | Male   | 07.01.2021       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Chin-Jung Lee    | Female | 07.06.2021       | 784           | 0 | 0                           | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Chen-To Lin      | Male   | 07.19.2021       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Yi-Jia Su        | Male   | 01.01.2023       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Chia- Feng Lee   | Female | 01.01.2023       | 79,748        | 0 | 0                           | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Yen-Pang Chen    | Male   | 06.14.2023       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Hsin-Wen Chang   | Female | 07.01.2023       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Vice President                                   | R.O.C.      | Chao Hung Chen   | Male   | 07.01.2023       | 0             | 0 | 0                           | 0 | 0  | 0 |

|  | Experience and Education   | Current position at other companies  | Managers who are spouse or within second- degree of kinship |          |              | Note |
|--|--|--|---|----------|--------------|------|
|  |  |  | Title   | Name     | Relationship |      |
|  | <ul style="list-style-type: none"> <li>Senior Vice President of Huan Ming (Shanghai) International Shipping Agency Co., Ltd</li> <li>Master of Feng Chia University</li> </ul> | <ul style="list-style-type: none"> <li>Director of Yangming (Japan) Co., Ltd., Yang Ming Shipping (B.V.I.) Inc., Yang Ming (Korea) Co. Ltd., Yang Ming Shipping Philippines, Inc., Yang Ming Shipping (Vietnam) Co., Ltd</li> </ul>                  | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Bachelor of Shih Chien University</li> </ul>   | <ul style="list-style-type: none"> <li>Director of Karlman Properties Limited</li> </ul>   | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Bachelor of National Chiao Tung University</li> </ul>                                    | None   | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Bachelor of Soochow University</li> </ul>  | <ul style="list-style-type: none"> <li>Director of Corstor Ltd., Transcont Intermodal Logistics, Inc.</li> </ul>   | Senior Vice President                                       | Yi-Ta Wu | Spouse       |      |
|  | <ul style="list-style-type: none"> <li>Deputy General Manager of Yang Ming (Netherlands) B.V.</li> <li>Master of Rotterdam School of Management, Erasmus University</li> </ul> | <ul style="list-style-type: none"> <li>Director of Kao Ming Container Terminal Corp., Yunn Wang Investment Co., Ltd., Yang Ming Cultural Foundation, Hong Ming Terminal &amp; Stevedoring Corp., Jing Ming Transportation Co., Ltd.</li> </ul>       | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Master of National Taiwan University</li> </ul>  | <ul style="list-style-type: none"> <li>Director of Yang Ming Cultural Foundation</li> </ul>  | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Bachelor of National Chung Hsing University</li> </ul>                                   | None   | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Master of National Cheng Kung University</li> </ul>                                      | <ul style="list-style-type: none"> <li>Director of Manwa &amp; Company, Ltd.</li> </ul>  | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Bachelor of National Taiwan Ocean University</li> </ul>                                  | None   | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Bachelor of National Cheng Kung University</li> </ul>                                    | <ul style="list-style-type: none"> <li>Director of Formosa International Development Corporation Supervisor of Huan Ming (Shanghai) International Shipping Agency Co., Ltd., Kuang Ming Shipping Corp., Yes Logistics Corp.</li> </ul>               | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Bachelor of Feng Chia University</li> </ul>  | <ul style="list-style-type: none"> <li>Director of Yang Ming (Latin America) Corp., Yang Ming Line (M) Sdn. Bhd., Yang Ming Shipping (Canada) Ltd., Yang Ming (America) Corp., Transcont Intermodal Logistics Inc.</li> </ul>                        | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Bachelor of National Taiwan University of Science and Technology</li> </ul>              | <ul style="list-style-type: none"> <li>Director of Yang Ming (Belgium) N.V., Yang Ming (Netherlands) B.V., Yang Ming (UK) Ltd.</li> </ul>  | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Bachelor of National Taiwan University</li> </ul>  | None   | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Bachelor of Soochow University</li> </ul>  | None   | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Master of National Taiwan Ocean University</li> </ul>                                    | None   | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Master of National Taiwan Ocean University</li> </ul>                                    | <ul style="list-style-type: none"> <li>Director of Yang Ming (UK) Ltd., All Oceans Transportation Inc.</li> </ul>  | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Master of University of South Hampton</li> </ul>   | <ul style="list-style-type: none"> <li>Managing Director of Taiwan Foundation International PTE. LTD. Director of Kuang Ming Shipping Corp., PT. Formosa Sejati Logistics, West Basin Container Terminal LLC, United Terminal Leasing LLC</li> </ul> | -   | -        | -            |      |
|  | <ul style="list-style-type: none"> <li>Deputy Vice President of this company</li> <li>Bachelor of Feng Chia University</li> </ul>  | <ul style="list-style-type: none"> <li>Director of Yang Ming (Italy) S.P.A. , Yang Ming (Spain), S.L., Yang Ming Anatolia Shipping Agency S.A.</li> </ul>  | -   | -        | -            |      |

| Title                               | Nationality | Name             | Gender | Appointment Date | Shareholdings |   | Spouse & Minor Shareholding |   | Current Shareholding in the name of others |   |
|-------------------------------------|-------------|------------------|--------|------------------|---------------|---|-----------------------------|---|--|---|
|                                     |             |                  |        |                  | Shares        | % | Shares                      | % | Shares                                     | % |
| Vice President & Finance Supervisor | R.O.C.      | Shu-Hui Ou       | Female | 07.01.2023       | 1,229         | 0 | 0                           | 0 | 0  | 0 |
| Vice President                      | R.O.C.      | Chia-Ju Lin      | Female | 08.01.2023       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Vice President                      | R.O.C.      | Jan-Tsung Lu     | Male   | 10.12.2023       | 2,000         | 0 | 0                           | 0 | 0  | 0 |
| Vice President                      | R.O.C.      | Chih-Cheng Chang | Male   | 10.12.2023       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Vice President                      | R.O.C.      | Hsieh-Wen Liu    | Male   | 01.01.2024       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Vice President                      | R.O.C.      | Hung-Lung Chen   | Male   | 02.19.2024       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Vice President                      | R.O.C.      | Chieh-Chih Lin   | Male   | 07.01.2024       | 1,000         | 0 | 0                           | 0 | 0  | 0 |
| Vice President                      | R.O.C.      | Shu-Chen Tsai    | Female | 08.13.2024       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Vice President                      | R.O.C.      | Ching-Tang Hsu   | Male   | 11.01.2024       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Deputy Vice President               | R.O.C.      | Mei-Ying Yang    | Female | 01.01.2025       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Deputy Vice President               | R.O.C.      | Ching-Yi Pan     | Female | 01.01.2025       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Deputy Vice President               | R.O.C.      | Te-Hua Yi        | Male   | 02.28.2025       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Deputy Vice President               | R.O.C.      | Yi-Wen Chen      | Female | 02.28.2025       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Deputy Vice President               | R.O.C.      | Shan-Chung Chan  | Male   | 03.01.2025       | 0             | 0 | 0                           | 0 | 0  | 0 |
| Deputy Vice President               | R.O.C.      | Cheng-Chih Hsu   | Male   | 03.01.2025       | 0             | 0 | 0                           | 0 | 0  | 0 |

Note 1: Shu-Chin Tu stopped serving as President on August 1, 2024. Kuen-Rong Pai was appointed as President on the same date.

Note 2: The system of Appointed Managers was terminated effective August 1, 2024, and the employment relationship system was reinstated.

Note 3: Yi-Ta Wu, the former Chief Logistics Officer, was appointed as Chief Strategy Officer while retaining his duties as Chief Logistics Officer starting August 16, 2024. He was relieved of his duties as Chief Logistics Officer on January 1, 2025, and Chia-Wen Chiang was appointed as Chief Logistics Officer from that date.

Note 4: Der-Shi Tsao stopped serving as Chief Information Officer & Chief Information Security Officer & Executive Vice President on February 28, 2025, and he was reappointed as Chief Information Security Officer & Appointed Manager. Shyi-Chang Chang was appointed as Chief Information Officer on March 1, 2025.

|  | Experience and Education   | Current position at other companies   | Managers who are spouse or within second- degree of kinship |      |              | Note |
|--|--|---|---|------|--------------|------|
|  |  |   | Title   | Name | Relationship |      |
|  | <ul style="list-style-type: none"> <li>· Deputy Vice President of this company</li> <li>· Master of National Cheng Kung University</li> </ul>                          | <ul style="list-style-type: none"> <li>· Director of All Oceans Transportation Inc., Yang Ming Insurance Co., Ltd.</li> <li>· Supervisor of Taipei Port Container Terminal Corp., United Stevedoring Corporation, Yunn Wang Investment Co., Ltd., PT. Formosa Sejati Logistics</li> </ul> | -   | -    | -            |      |
|  | <ul style="list-style-type: none"> <li>· Deputy Vice President of this company</li> <li>· Master of National Taiwan Ocean University</li> </ul>                        | <ul style="list-style-type: none"> <li>· Director of Yang Ming Insurance Co., Ltd.</li> </ul>   | -   | -    | -            |      |
|  | <ul style="list-style-type: none"> <li>· Deputy Vice President of this company</li> <li>· Master of National Taiwan Ocean University</li> </ul>                        | None  | -   | -    | -            |      |
|  | <ul style="list-style-type: none"> <li>· Deputy Vice President of this company</li> <li>· Master of National Chiao Tung University</li> </ul>                          | <ul style="list-style-type: none"> <li>· Director of Yang Ming (U.A.E.) LLC,</li> <li>· LogiTrans Technology Private Limited, Yang Ming Line (India) PVT. Ltd., Yang Ming (Latin America) Corp.</li> </ul>  | -   | -    | -            |      |
|  | <ul style="list-style-type: none"> <li>· Deputy Vice President of this company</li> <li>· Master of National Taiwan Ocean University</li> </ul>                        | <ul style="list-style-type: none"> <li>· Director of Yang Ming Shipping Philippines, INC., Yang Ming Line (Thailand) Co., Ltd., Yang Ming Line Shipping (Thailand) Co., Ltd., PT Yang Ming Shipping Indonesia</li> </ul>  |   |      |              |      |
|  | <ul style="list-style-type: none"> <li>· Doctor of National Chengchi University</li> </ul>   | None  | -   | -    | -            |      |
|  | <ul style="list-style-type: none"> <li>· Deputy Vice President of this company</li> <li>· Master of National Kaohsiung University of Science and Technology</li> </ul> | None  | -   | -    | -            |      |
|  | <ul style="list-style-type: none"> <li>· Deputy Vice President of this company</li> <li>· Bachelor of National Taiwan University</li> </ul>                            | None  | -   | -    | -            |      |
|  | <ul style="list-style-type: none"> <li>· Deputy Vice President of this company</li> <li>· Master of National Taiwan Ocean University</li> </ul>                        | None  | -   | -    | -            |      |
|  | <ul style="list-style-type: none"> <li>· Assistant Vice President of this company</li> <li>· Bachelor of National Chung Hsing University</li> </ul>                    | None  | -   | -    | -            |      |
|  | <ul style="list-style-type: none"> <li>· Assistant Vice President of this company</li> <li>· Master of National Chiao Tung University</li> </ul>                       | <ul style="list-style-type: none"> <li>· Director of Yang Ming Line (Hong Kong) Ltd., Yang Ming Line Shipping (Vietnam) Co., Ltd.</li> </ul>  | -   | -    | -            |      |
|  | <ul style="list-style-type: none"> <li>· Assistant Vice President of this company</li> <li>· Master of National Central University</li> </ul>                          | None  | -   | -    | -            |      |
|  | <ul style="list-style-type: none"> <li>· Assistant Vice President of this company</li> <li>· Bachelor of National Taiwan Ocean University</li> </ul>                   | None  | -   | -    | -            |      |
|  | <ul style="list-style-type: none"> <li>· Assistant Vice President of this company</li> <li>· Bachelor of Feng Chia University</li> </ul>                               | <ul style="list-style-type: none"> <li>· Director of LogiTrans Technology Private Limited</li> </ul>  | -   | -    | -            |      |
|  | <ul style="list-style-type: none"> <li>· Executive Vice President of Yes Logistics Corporation</li> <li>· Master of Tunghai University</li> </ul>                      | <ul style="list-style-type: none"> <li>· Director of Yunn Wang Investment Co., Ltd., Taiwan Foundation International Pte. Ltd. Supervisor of Yang Ming Line (Korea) Co. Ltd.</li> </ul>   | -   | -    | -            |      |

## 2.2 Remuneration Paid during the Most Recent Fiscal Year to Directors, Supervisors, President and Vice President

### 2.2.1 Remuneration of Directors (including independent directors.)

| Title                    | Name  | Remuneration of Directors         |  |                   |  |                                      |  |                        |  |
|--------------------------|---|-----------------------------------|--|-------------------|--|--------------------------------------|--|------------------------|--|
|                          |   | Base Compensation (A)<br>(Note 2) |  | Severance pay (B) |  | Director Compensation(C)<br>(Note 3) |  | Allowance (D) (Note 4) |  |
|                          |   | The Company                       | All the companies in the consolidated financial statement (Note 7) | The Company       | All the companies in the consolidated financial statement (Note 7) | The Company                          | All the companies in the consolidated financial statement (Note 7) | The Company            | All the companies in the consolidated financial statement (Note 7) |
| Legal Entity as Director | MOTC  |                                   |  |                   |  |                                      |  |                        |  |
| Legal Entity as Director | NDF   |                                   |  |                   |  |                                      |  |                        |  |
| Legal Entity as Director | TIPC  |                                   |  |                   |  |                                      |  |                        |  |
| Legal Entity as Director | TNC   |                                   |  |                   |  |                                      |  |                        |  |
| Former Chairman          | Cheng-Mount Cheng, Corporate Representative of the MOTC(Note 1) |                                   |  |                   |  |                                      |  |                        |  |
| Chairman                 | Feng-Ming Tsai, Corporate Representative of the MOTC(Note 1)    |                                   |  |                   |  |                                      |  |                        |  |
| Former Director          | Jiang-Ren Chang, Corporate Representative of the MOTC(Note 1)   |                                   |  |                   |  |                                      |  |                        |  |
| Director                 | Dzwo-Min Dai, Corporate Representative of the MOTC(Note 1)      |                                   |  |                   |  |                                      |  |                        |  |
| Director                 | Chin-Yi Yang, Corporate Representative of the MOTC(Note 1)      | 12,098                            | 12,098   | 3,828             | 3,828  | 30,000                               | 30,000   | 1,277                  | 1,277  |
| Former Director          | An-Chung Ku, Corporate Representative of the MOTC(Note 1)       |                                   |  |                   |  |                                      |  |                        |  |
| Director                 | Chun-Chun Chen, Corporate Representative of the MOTC(Note 1)    |                                   |  |                   |  |                                      |  |                        |  |
| Former Director          | Keh-Her Shih, Corporate Representative of the NDF(Note 1)       |                                   |  |                   |  |                                      |  |                        |  |
| Director                 | Chien-Yi Chang, Corporate Representative of the NDF(Note 1)     |                                   |  |                   |  |                                      |  |                        |  |
| Former Director          | Chih-Li Chen, Corporate Representative of the NDF(Note 1)       |                                   |  |                   |  |                                      |  |                        |  |
| Director                 | Fang-Guan Jan, Corporate Representative of the NDF(Note 1)      |                                   |  |                   |  |                                      |  |                        |  |
| Director                 | Wan-Chi Hsu, Corporate Representative of the NDF(Note 1)        |                                   |  |                   |  |                                      |  |                        |  |

Unit: NT\$Thousand

| Remuneration amount & ratio of total remuneration (A+B+C+D) to net income (%) (Note 10) |  | Relevant remuneration of the Company's employee |  |                   |  |                                      |       | Remuneration amount & ratio of total remuneration (A+B+C+D+E+F+G) to net income (%) (Note 8) |       |  |   | Compensation from an invested company other than the Company's subsidiary or parent company (Note 9) |       |             |  |      |
|---|--|---|--|-------------------|--|--------------------------------------|-------|--|-------|--|---|--|-------|-------------|--|------|
|   |  | Salary, bonus, and allowance (E) (Note 5)       |  | Severance pay (F) |  | Employees' Compensation (G) (Note 6) |       | The Company  |       | All the companies in the consolidated financial statement (Note 7) |   |  |       |             |  |      |
| The Company   | All the companies in the consolidated financial statement (Note 7) | The Company                                     | All the companies in the consolidated financial statement (Note 7) | The Company       | All the companies in the consolidated financial statement (Note 7) | The Company                          |       |  |       |  |   | All the companies in the consolidated financial statement (Note 7)                                   |       | The Company | All the companies in the consolidated financial statement (Note 7) |      |
|   |  |   |  |                   |  | Cash                                 | share | Cash   | share |  |   |  |       |             |  |      |
| 47,203  | 0.07%  | 47,203  | 0.07%  | 3,350             | 3,350  | 0                                    | 0     | 973  | 0     | 973  | 0 | 51,526   | 0.08% | 51,526      | 0.08%  | None |

| Title                | Name                        | Remuneration of Directors                                     |  |                   |  |                                      |  |                        |  |       |
|----------------------|-----------------------------|---|--|-------------------|--|--------------------------------------|--|------------------------|--|-------|
|                      |                             | Base Compensation (A)<br>(Note 2)                             |  | Severance pay (B) |  | Director Compensation(C)<br>(Note 3) |  | Allowance (D) (Note 4) |  |       |
|                      |                             | The Company   | All the companies in the consolidated financial statement (Note 7) | The Company       | All the companies in the consolidated financial statement (Note 7) | The Company                          | All the companies in the consolidated financial statement (Note 7) | The Company            | All the companies in the consolidated financial statement (Note 7) |       |
| Director             | Director                    | Fang-Yuan Chen, Corporate Representative of the NDF(Note 1)   |  |                   |  |                                      |  |                        |  |       |
|                      | Former Director             | Shao-Liang Chen, Corporate Representative of the TIPC(Note 1) | 12,098   | 12,098            | 3,828  | 3,828                                | 30,000   | 30,000                 | 1,277  | 1,277 |
|                      | Director                    | Hsien-Yi Lee, Corporate Representative of the TIPC(Note 1)    |  |                   |  |                                      |  |                        |  |       |
|                      | Director                    | Wen-Ching Liu, Corporate Representative of the TNC            |  |                   |  |                                      |  |                        |  |       |
| Independent Director | Independent Director        | Tar-Shing Tang  |  |                   |  |                                      |  |                        |  |       |
|                      | Former Independent Director | Tan Ho-Cheng (Note 1)   |  |                   |  |                                      |  |                        |  |       |
|                      | Independent Director        | Jr-Tsung Huang  | 2,472  | 2,472             | 0  | 0                                    | 0  | 0                      | 280  | 280   |
|                      | Independent Director        | Huang-Chuan Chiu(Note 1)                                      |  |                   |  |                                      |  |                        |  |       |
|                      | Independent Director        | Zheng-Yi Shon(Note 1)   |  |                   |  |                                      |  |                        |  |       |

| Remuneration amount & ratio of total remuneration (A+B+C+D) to net income (%) (Note 10) |       |  |       | Relevant remuneration of the Company's employee |       |  |   |                                      |       |  |       | Remuneration amount & ratio of total remuneration (A+B+C+D+E+F+G) to net income (%) (Note 8) |       |  |       | Compensation from an invested company other than the Company's subsidiary or parent company (Note 9) |
|---|-------|--|-------|---|-------|--|---|--------------------------------------|-------|--|-------|--|-------|--|-------|--|
|   |       |  |       | Salary, bonus, and allowance (E) (Note 5)       |       | Severance pay (F)  |   | Employees' Compensation (G) (Note 6) |       |  |       |  |       |  |       |  |
| The Company   |       | All the companies in the consolidated financial statement (Note 7) |       | The Company                                     |       | All the companies in the consolidated financial statement (Note 7) |   | The Company                          |       | All the companies in the consolidated financial statement (Note 7) |       | The Company  |       | All the companies in the consolidated financial statement (Note 7) |       |  |
|   |       |  |       |   |       |  |   | Cash                                 | share | Cash   | share |  |       |  |       |  |
| 47,203  | 0.07% | 47,203   | 0.07% | 3,350   | 3,350 | 0  | 0 | 973                                  | 0     | 973  | 0     | 51,526   | 0.08% | 51,526   | 0.08% | None   |
| 2,752   | 0.00% | 2,752  | 0.00% | 0   | 0     | 0  | 0 | 0                                    | 0     | 0  | 0     | 2,752  | 0.00% | 2,752  | 0.00% | None   |

**Range of Remuneration**

| Range of remuneration paid to Directors             |  |
|---|--|
| Under NT\$1,000,000                                 |  |
| NT\$1,000,000(included)~NT\$2,000,000 (excluded)    |  |
| NT\$2,000,000(included)~NT\$3,500,000 (excluded)    |  |
| NT\$3,500,000(included)~NT\$5,000,000 (excluded)    |  |
| NT\$5,000,000(included)~NT\$10,000,000 (excluded)   |  |
| NT\$10,000,000(included)~NT\$15,000,000 (excluded)  |  |
| 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) |  |
| Over NT\$100,000,000                                |  |
| Total   |  |

Note 1: Tenure information of directors and independent directors please refer to “Directors (including independent directors)” and “Board of Directors meetings”.

Note 2: Compensations in 2024 include director’s salaries, allowance, severance pay, bonus and incentives. The Labor Director and Assistant Vice President, Chun-Chun Chen and The Former Labor Director and Vice President, An-Chung Ku, are also employees of this Company, only obtained relevant employee remuneration and didn’t receive directors’ compensation.

Note 3: Fill in the amount of directors’ compensation in 2024 approved by the Board of Directors.

Note 4: Refers to allowances in 2024, including special disbursements, perquisites, accommodation, company cars, and other provided objects. They do not include the relevant remuneration paid to drivers, which is NT\$711,000.

Note 5: Compensations include salaries, allowance, separation pay, bonus, incentives, special disbursements, perquisites, accommodation, company cars, and other provided objects, received by directors who are employees of this Company, (including serving as President, Executive Vice presidents, other managerial officers, and employees.), but relevant compensation NT\$0 paid to drivers is excluded. In addition, the salary expenses recognized in the IFRS2 (Share-based Payment) include obtainments of employee stock option certificates, restricted stock rewards, and participation of subscribing stock by cash injection, also counted in the compensations.

Note 6: Refers to recipients of employees’ compensation (including stocks and cash) for concurrent directors and employees (including serving as president, Executive Vice presidents, other managerial officers, and employees.) in 2024, and the amount of employees’ compensation approved by the board of directors shall be disclosed.

|  | Names of Directors   |  |  |  |
|--|--|--|--|--|
|  | Total remuneration for the first four items (A+B+C+D)  |  | Total remuneration for the first seven items (A+B+C+D+E+F+G)   |  |
|  | The Company (Note 10)  | All the companies in the consolidated financial statement (Note 11)  | The Company (Note 10)  | All the companies in the consolidated financial statement (Note 11)  |
|  | Jiang-Ren Chang,<br>Dzwo- Min Dai,<br>Chin-Yi Yang,<br>An-Chung Ku,<br>Chun-Chun Chen,<br>Keh-Her Shih,<br>Chien-Yi Chang,<br>Chih-Li Chen,<br>Fang-Guan Jan,<br>Wan-Chi Hsu,<br>Fang-Yuan Chen,<br>Shao-Liang Chen,<br>Hsien-Yi Lee,<br>Wen-Ching Liu,<br>Tar-Shing Tang,<br>Tan Ho-Cheng,<br>Jr-Tsung Huang,<br>Huang-Chuan Chiu,<br>Zheng-Yi Shon | Jiang-Ren Chang,<br>Dzwo- Min Dai,<br>Chin-Yi Yang,<br>An-Chung Ku,<br>Chun-Chun Chen,<br>Keh-Her Shih,<br>Chien-Yi Chang,<br>Chih-Li Chen,<br>Fang-Guan Jan,<br>Wan-Chi Hsu,<br>Fang-Yuan Chen,<br>Shao-Liang Chen,<br>Hsien-Yi Lee,<br>Wen-Ching Liu,<br>Tar-Shing Tang,<br>Tan Ho-Cheng,<br>Jr-Tsung Huang,<br>Huang-Chuan Chiu,<br>Zheng-Yi Shon | Jiang-Ren Chang,<br>Dzwo- Min Dai,<br>Chin-Yi Yang,<br>Keh-Her Shih,<br>Chien-Yi Chang,<br>Chih-Li Chen,<br>Fang-Guan Jan,<br>Wan-Chi Hsu,<br>Fang-Yuan Chen,<br>Shao-Liang Chen,<br>Hsien-Yi Lee,<br>Wen-Ching Liu,<br>Tar- Shing Tang,<br>Tan Ho- Cheng,<br>Jr-Tsung Huang,<br>Huang-Chuan Chiu,<br>Zheng- Yi Shon | Jiang-Ren Chang,<br>Dzwo- Min Dai,<br>Chin-Yi Yang,<br>Keh-Her Shih,<br>Chien-Yi Chang,<br>Chih-Li Chen,<br>Fang-Guan Jan,<br>Wan-Chi Hsu,<br>Fang-Yuan Chen,<br>Shao-Liang Chen,<br>Hsien-Yi Lee,<br>Wen-Ching Liu,<br>Tar- Shing Tang,<br>Tan Ho- Cheng,<br>Jr-Tsung Huang,<br>Huang-Chuan Chiu,<br>Zheng- Yi Shon |
|  |  |  | Chun-Chun Chen   | Chun-Chun Chen   |
|  |  |  | An-Chung Ku  | An-Chung Ku  |
|  | Feng-Ming Tsai   | Feng-Ming Tsai   | Feng-Ming Tsai   | Feng-Ming Tsai   |
|  | Cheng-Mount Cheng  | Cheng-Mount Cheng  | Cheng-Mount Cheng  | Cheng-Mount Cheng  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  | 21 people  | 21 people  | 21 people  | 21 people  |

Note 7: The total amounts of directors' compensation paid by all companies (including this Company) and listed in this consolidation shall be disclosed. Note 8: The net profit after tax in the parent-company-only financial statements of 2024.

Note 8: The net profit after tax in the parent-company-only financial statements of 2024.

Note 9: This Company's directors don't receive relevant compensations of others reinvested businesses which are neither subsidiaries nor parent company that were not disclosed in the above table.

Note 10: The Company pays each director the total amount of remuneration, and the name of director is disclosed in the attributable grade.

Note 11: The total amount of directors' compensation paid by all companies (including this Company) and listed in this consolidated statement shall be disclosed. Directors' names in the attributed bracket are omitted.

Note 12: Apart from the above disclosure, the directors' compensation from providing services (such as acting as non-employee advisers) for all of the listed companies in this financial statement: None.

\* The remuneration disclosed this table is unlike the concept stipulated in the Income Tax Act. Therefore, this table is for information disclosure, not for taxation.

**2.2.2 Remuneration of President and Executive Vice Presidents**

| Title (Note 1)  | Name              | Salary (A)<br>(Note 2) |  | Severance pay (B) |  |
|---|-------------------|------------------------|--|-------------------|--|
|   |                   | The Company            | All the companies in the consolidated financial statement (Note 5) | The Company       | All the companies in the consolidated financial statement (Note 5) |
| President   | Kuen-Rong Pai     |                        |  |                   |  |
| Chief Information Security Officer                            | Der-Shi Tsao      |                        |  |                   |  |
| Chief Financial Officer & Senior Vice President               | Yu-Wen Su         |                        |  |                   |  |
| Chief Marine Technology Officer & Executive Vice President    | Jeng-Shong Jeng   |                        |  |                   |  |
| Chief Taiwan Operations Officer & Executive Vice President    | Ying-Tung Lin     |                        |  |                   |  |
| Chief Strategy Officer & Senior Vice President                | Yi-Ta Wu          |                        |  |                   |  |
| Chief Commercial Officer & Senior Vice President              | Ming- Hui Lee     |                        |  |                   |  |
| Chief Administrative Officer & Senior Vice President          | Tseng-Yu Chiu     | 27,941                 | 34,389   | 31,913            | 31,913   |
| Senior Executive Vice President                               | Shu-Chin Tu       |                        |  |                   |  |
| Executive Vice President                                      | Mei-Chi Shih      |                        |  |                   |  |
| Senior Vice President   | Chao-Feng Chang   |                        |  |                   |  |
| Senior Vice President   | Chien-Chang Tzeng |                        |  |                   |  |
| Former Chief Auditor & Former Senior Executive Vice President | Li-Chuan Wang     |                        |  |                   |  |
| Former Senior Executive Vice President                        | Shih-Chou Lee     |                        |  |                   |  |

## II. Corporate Governance Report

Unit: NT\$Thousand

| Bonus and allowances (C)<br>(Note 3) |  | Employee remuneration (D) (Note 4) |       |  |       | Remuneration amount and ratio of total remuneration (A+B+C+D) to net income%(Note 6) |  |         |       | Remuneration amount from an invested company other than the Company's subsidiaries or parent company (Note 7) |
|--------------------------------------|--|------------------------------------|-------|--|-------|--|--|---------|-------|---|
| The Company                          | All the companies in the consolidated financial statement (Note 5) | The Company                        |       | All the companies in the consolidated financial statement (Note 5) |       | The Company  | All the companies in the consolidated financial statement (Note 5) |         |       |   |
|                                      |  | Cash                               | Stock | Cash   | Stock |  |  |         |       |   |
| 29,758                               | 29,758   | 13,291                             | 0     | 13,291   | 0     | 102,903  | 0.16%  | 109,351 | 0.17% | None  |

**Range of Remuneration**

| Range of remuneration paid to President and Executive Vice Presidents |  |
|---|--|
| Under NT\$1,000,000   |  |
| NT\$1,000,000(included)~NT\$2,000,000 (excluded)                      |  |
| NT\$2,000,000(included)~NT\$3,500,000 (excluded)                      |  |
| NT\$3,500,000(included)~NT\$5,000,000 (excluded)                      |  |
| NT\$5,000,000(included)~NT\$10,000,000 (excluded)                     |  |
| NT\$10,000,000(included)~NT\$15,000,000 (excluded)                    |  |
| 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)                   |  |
| Over NT\$100,000,000  |  |
| Total   |  |

Note 1: The system of Appointed Managers took effect from 08.01, 2021 to 31.07.2024. Information of Appointed Managers (include those transferred to overseas subsidiaries) during this period of time should be disclosed. There are fourteen Appointed Managers: President Kuen-Rong Pai, Chief Information Security Officer Der-Shi Tsao, Chief Financial Officer & Senior Vice President Yu-Wen Su, Chief Marine Technology Officer & Executive Vice President Jeng-Shong Jeng, Chief Taiwan Operations Officer & Executive Vice President Ying-Tung Lin, Chief Strategy Officer & Senior Vice President Yi-Ta Wu, Chief Commercial Officer & Senior Vice President Ming-Hui Lee, Chief Administrator Officer & Senior Vice President Tseng-Yu Chiu, Senior Executive Vice President Shu-Chin Tu, Executive Vice President Mei-Chi Shih, Senior Vice President Senior Chao-Feng Chang, Senior Vice President Chien-Chang Tzeng, Former Senior Executive Vice President Shih-Chou Lee, and Former Chief Auditor & Executive Vice President Li-Chuan Wang. Tenure information of President, EVPs and Appointed Managers please refer to "Information of President, Executive Vice Presidents, Vice President, Officers of Departments and Branche".

Note 2: Salaries and allowances to this Company's President, EVPs and Appointed Managers in 2024.

Note 3: Compensations include salaries, allowance, separation pay, bonus, incentives, special disbursements, perquisites, accommodation, company cars, and other provided objects received by President, EVPs and Appointed Managers, but relevant compensations of NT\$683 thousand paid to President's driver is excluded. In addition, the salary expenses recognized in the IFRS2 (Share-based Payment), including obtainments of employee stock option certificates, restricted stock rewards, and participation of subscribing stock by cash injection, are also counted in the compensations.

Note 4: Fill in the amount of employees' compensation in 2024 approved by the Board of Directors.

Note 5: The disclosure of total amounts of President's, EVPs' and Appointed Managers' compensations paid by all companies (including this Company) is listed in this consolidation.

Note 6: The net profit after tax in the parent-company-only financial statements of 2024.

Note 7: This Company's President and EVPS didn't receive the relevant compensations of other reinvested businesses which are not subsidiaries or parent company remunerations that were not disclosed in the above table.

Note 8: The President and EVPs receive compensations paid by this Company and their names are disclosed in the attributed bracket.

Note 9: The disclosure of the total amounts of President's and EVPs' compensations paid by all companies (including this Company) is listed in this consolidation. The President and EVPs receive compensations paid by this Company and their names are disclosed in the attributed bracket.

\* The remunerations disclosed in this table are different from the concept stipulated in the Income Tax Act. Therefore, this table is for information disclosure, not for taxation.

|  | Names of President and Executive Vice Presidents  |   |
|--|---|---|
|  | The company (Note 8)  | All the companies in the consolidated financial statement (Note 9)                                  |
|  |   |   |
|  | Li-Chuan Wang, Chao-Feng Chang  | Li-Chuan Wang   |
|  | Yu-Wen Su, Jeng-Shong Jeng, Ying-Tung Lin, Yi-Ta Wu, Ming-Hui Lee, Tseng-Yu Chiu, Chien-Chang Tzeng | Yu-Wen Su, Jeng-Shong Jeng, Ying-Tung Lin, Yi-Ta Wu, Ming-Hui Lee, Tseng-Yu Chiu, Chien-Chang Tzeng |
|  | Der-Shi Tsao, Mei-Chi Shih  | Der-Shi Tsao, Mei-Chi Shih, Chao-Feng Chang   |
|  | Kuen-Rong Pai, Shih-Chou Lee  | Kuen-Rong Pai   |
|  | Shu-Chin Tu   | Shih-Chou Lee   |
|  |   | Shu-Chin Tu   |
|  |   |   |
|  | 14 people   | 14 people   |

**2.2.3 Managers responsible for distribution of employee compensation**

12.31.2024

Unit: NT\$Thousand

|                                   | Title  | Name              | Employees' compensation in stock | Employees' compensation in stock | Total  | Ratio of total amount to net income (%) |
|-----------------------------------|--|-------------------|----------------------------------|----------------------------------|--------|---|
| Managers                          | President  | Kuen-Rong Pai     | 0                                | 69,566                           | 69,566 | 0.11%                                   |
|                                   | Senior Executive Vice President  | Shu-Chin Tu       |                                  |                                  |        |   |
|                                   | Chief Information Officer& Chief Information Security Officer&Executive Vice President | Der-Shi Tsao      |                                  |                                  |        |   |
|                                   | Chief Marine Technology Officer & Senior Vice President                                | Jeng-Shong Jeng   |                                  |                                  |        |   |
|                                   | Chief Taiwan Operations Officer & Senior Vice President                                | Ying-Tung Lin     |                                  |                                  |        |   |
|                                   | Chief Strategy Officer &Chief Logistics Officer & Senior Vice President                | Yi-Ta Wu          |                                  |                                  |        |   |
|                                   | Chief Financial Officer & Vice President & Accounting Supervisor                       | Kuan-Sheng Fu     |                                  |                                  |        |   |
|                                   | Chief Commercial Officer & Senior Vice President                                       | Ming-Hui Lee      |                                  |                                  |        |   |
|                                   | Chief Administrator Officer & Senior Vice President                                    | Tseng-Yu Chiu     |                                  |                                  |        |   |
|                                   | Executive Vice President   | Mei-Chi Shih      |                                  |                                  |        |   |
|                                   | Former Executive Vice President  | Shih-Chou Lee     |                                  |                                  |        |   |
|                                   | Senior Vice President  | Chao-Feng Chang   |                                  |                                  |        |   |
|                                   | Senior Vice President  | Chien-Chang Tzeng |                                  |                                  |        |   |
|                                   | Senior Vice President  | Yu-Wen Su         |                                  |                                  |        |   |
|                                   | Senior Vice President  | Cheng-Hsing Yang  |                                  |                                  |        |   |
|                                   | Senior Vice President  | Shih-Nan Huang    |                                  |                                  |        |   |
|                                   | Senior Vice President  | Shyi-Chang Chang  |                                  |                                  |        |   |
|                                   | Vice President   | Chin-Jung Lee     |                                  |                                  |        |   |
|                                   | Vice President   | Chia Feng Lee     |                                  |                                  |        |   |
|                                   | Vice President   | Chieh Chih Lin    |                                  |                                  |        |   |
|                                   | Vice President   | Chun-Chieh Lu     |                                  |                                  |        |   |
|                                   | Vice President   | Chen-To Lin       |                                  |                                  |        |   |
|                                   | Vice President   | Ching Tang Hsu    |                                  |                                  |        |   |
|                                   | Vice President   | Tseng-Ping Jen    |                                  |                                  |        |   |
|                                   | Vice President   | Chia-Wen Chiang   |                                  |                                  |        |   |
|                                   | Vice President   | Chao Hung Chen    |                                  |                                  |        |   |
|                                   | Vice President   | Hsin-Wen Chang    |                                  |                                  |        |   |
|                                   | Vice President   | Mei-Ling Chung    |                                  |                                  |        |   |
|                                   | Vice President   | Hsieh-Wen Liu     |                                  |                                  |        |   |
|                                   | Vice President   | Hung-Chung Chien  |                                  |                                  |        |   |
|                                   | Vice President   | Pao-Lin Lee       |                                  |                                  |        |   |
|                                   | Vice President   | Leng-hui Wang     |                                  |                                  |        |   |
|                                   | Vice President & Finance Supervisor  | Shu-Hui Ou        |                                  |                                  |        |   |
|                                   | Vice President   | Lung Fu Chen      |                                  |                                  |        |   |
|                                   | Vice President   | Yi-Jia Su         |                                  |                                  |        |   |
|                                   | Vice President   | Yen-Pang Chen     |                                  |                                  |        |   |
|                                   | Vice President   | Jan-Tsung Lu      |                                  |                                  |        |   |
|                                   | Vice President & Corporate Governance Supervisor                                       | Ting-Yu Lu        |                                  |                                  |        |   |
|                                   | Vice President   | Tung-Hai Chen     |                                  |                                  |        |   |
|                                   | Vice President   | Chia-Ju Lin       |                                  |                                  |        |   |
| Vice President                    | Chih-Cheng Chang   |                   |                                  |                                  |        |   |
| Vice President                    | Li Wen Liu   |                   |                                  |                                  |        |   |
| Vice President                    | Men-Huo Tsai   |                   |                                  |                                  |        |   |
| Vice President                    | Chen Hung Lung   |                   |                                  |                                  |        |   |
| Vice President & Audit Supervisor | Shu-Chen Tsai  |                   |                                  |                                  |        |   |
| Vice President                    | Chien-Lu Chang   |                   |                                  |                                  |        |   |
| Vice President                    | Tai-chi Tsai   |                   |                                  |                                  |        |   |
| Vice President                    | Wen-Chung Yeh  |                   |                                  |                                  |        |   |

|          | Title                 | Name             | Employees' compensation in stock | Employees' compensation in stock | Total  | Ratio of total amount to net income (%) |
|----------|-----------------------|------------------|----------------------------------|----------------------------------|--------|---|
| Managers | Vice President        | Yung-Kai Wang    | 0                                | 69,566                           | 69,566 | 0.11%                                   |
|          | Vice President        | An-Chung Ku      |                                  |                                  |        |   |
|          | Vice President        | Chung-Hsien Chan |                                  |                                  |        |   |
|          | Former Vice President | Der-Ren Li       |                                  |                                  |        |   |
|          | Former Vice President | Hann-Sy Hwang    |                                  |                                  |        |   |
|          | Former Vice President | Chun-Chih Wang   |                                  |                                  |        |   |

Note 1: The title as of 2024.12.31.

Note 2: The amount of employees' compensation for managers in 2024.

Note 3: Net income is the profit after tax in the parent-company-only financial statements of 2024.

Note 4: The scope of application of the manager is based on the letter dated March 27, 2003 from the Financial Supervisory Commission R.O.C. (Taiwan). The scope of the Taiwanese Certificate of Finance (Tai-Cai-Zheng-San-Zi), No. 0920001301, is as follows.

- (1) President and equivalent.
- (2) Executive Vice President and equivalent.
- (3) Senior Vice President and Deputy Senior Vice President and equivalent.
- (4) Head of Finance Department.
- (5) Head of Accounting Department.
- (6) Other persons who have the right to manage affairs and sign on behalf of the Company.

Note 5: Appointed Managers (including those already transferred to overseas subsidiaries) are also included in the above table.

**2.2.4 This analysis is about the proportion of the total remuneration of directors, supervisors, president, EVPs and Appointed Managers of the Company paid by the Company and all companies in the consolidated financial statement to net profit after tax in individual financial statement of the past two years. The remuneration policies, standards and packages, the procedure of determining remuneration, and its link to operating performance and future risk exposure are elaborated.**

1. This analysis is about the proportion of the total remuneration of directors, supervisors, president, EVPs and Appointed Managers of the Company paid by the Company and all companies in the consolidated financial statement to net profit after tax in individual financial statement of the past two years.

Unit: NT\$Thousand

| Item                                   | The Company |                                    |            |                                    | All companies in the consolidated financial statement |                                    |            |                                    |
|--|-------------|------------------------------------|------------|------------------------------------|---|------------------------------------|------------|------------------------------------|
|  | Y2023       |                                    | Y2024      |                                    | Y2023   |                                    | Y2024      |                                    |
|  | Amount      | Proportion of net profit after tax | Amount     | Proportion of net profit after tax | Amount  | Proportion of net profit after tax | Amount     | Proportion of net profit after tax |
| Director                               | 25,611      | 0.54%                              | 54,278     | 0.08%                              | 25,611  | 0.54%                              | 54,278     | 0.08%                              |
| President, EVPs and Appointed Managers | 51,063      | 1.07%                              | 102,903    | 0.16%                              | 60,315  | 1.26%                              | 109,351    | 0.17%                              |
| Net profit after tax                   | 4,774,106   | -                                  | 64,179,071 | -                                  | 4,774,106   | -                                  | 64,179,071 | -                                  |

Note 1: This Company's audit committee is set up according to relevant laws. As such, supervisors do not need to be set up and elected.

The total remuneration of directors in 2024 increased compared with that in 2023, which was due to the increase in net income after tax in 2024. The total remuneration of the general manager and deputy general manager increased compared with that in 2023, which was due to the increase in bonus payments.

2. The following explains the remuneration policies, standards and packages, the procedure of determining remuneration, and its link to operating performance and future risk exposure.

(1) Remuneration policies, standards, and compositions

A. In accordance with Article 11-1 of the Incorporation of Yang Ming Marine Transport Corporation, the remuneration for the Chairman and Board of Directors is determined by the Board, based on the level of participation, value contributed, and industry compensation standards. Industry standards refer to the annual remuneration for equivalent positions within the shipping industry. Moreover, if the Company achieves a net profit at the end of a fiscal year, no more than 2% of the net profit shall be allocated to the directors, as stipulated in Article 18 of the Incorporation of Yang Ming Marine Transport Corporation.

Independent directors do not participate in the distribution of director remuneration. The remuneration for the chairman and directors is reviewed by the Remuneration Committee and the Board of Directors.

B. The remuneration of the Company's managers is based on the responsibilities associated with their positions and in consideration of comparable positions within the industry. If adjustments are necessary due to changes in market salary levels, they must first be submitted to the Remuneration Committee for deliberation as required by relevant laws, and subsequently reported to the Board of Directors for approval. In addition to the standard one-month Lunar New Year bonus, managers are eligible for a performance bonus if the Company reports annual profits. The performance bonus is calculated in accordance with the Annual Performance Bonus Measures for Shore Employees, which rewards managers based on their contribution and work dedication. Relevant bonuses are also awarded based on the Company's annual operating performance, financial status, operating status, and individual work performance. Furthermore, if the Company generates profits for the year, 1% to 5% of the net profit is allocated for employee compensation as per Article 18 of the Incorporation of Yang Ming Marine Transport Corporation. To implement performance management, the Company evaluates not only managerial performance through Company's profit and loss performance, business project progress, cost reduction and talent management, but also capability such as leadership and strategic planning. After thoroughly considering the manager's participation in the Company's operations and personal rights and responsibilities, the remuneration for each position is determined, with the aim of mitigating future risks.

C. The composition of the Company's remuneration package is determined in accordance with the organizational regulations of the Remuneration Committee. It includes cash remuneration, stock options, dividends, retirement or resignation benefits, various allowances, and other substantial rewards. The remuneration for directors, independent directors, and managers is aligned with the established standards. In 2024, the Company incorporated Environmental, Social, and Governance (ESG) initiatives into its managerial performance management evaluation indicators. The results of these evaluations are linked to salary progression, performance bonuses, and other remuneration components. This initiative seeks to strengthen senior executives' commitment to ESG-related matters, thereby realizing the Company's vision for sustainable development and achieving its sustainability objectives. President is assigned 20% weight to "ESG Performance Indicators" goal and other Company's managers based on their positions and scopes of business undertake President's "ESG Performance Indicators" with 8%-20% weight to their personal performance indicators. The detail of "ESG Performance Indicators" and its weight for different Company's managers are demonstrated in following table.

|           | ESG Performance Indicators  | Weight | Description   |
|-----------|---|--------|---|
| President | Energy saving and emissions reduction to achieve environmental sustainability | 4%     | To supervise/evaluate Company's managers execute the goal set by "Sustainable Operation Strategy Team". For more details on business plans, please refer to the "Company's managers" section below. |
|           | Company's care to local communities and public welfare participation          | 4%     |   |
|           | Green procurement   | 4%     |   |
|           | Strengthen corporate governance and integrity management                      | 4%     |   |
|           | Stakeholder Communication   | 4%     |   |

|                    | ESG Performance Indicators  | Weight          | Description   |
|--------------------|---|-----------------|---|
| Company's managers | Energy saving and emissions reduction to achieve environmental sustainability | 8%<br>-<br>20%  | The detail of energy saving and emissions reduction to achieve environmental sustainability includes:<br>1. Reduce absolute GHG emissions<br>2. Reduce non-recyclable waste from ships<br>3. Monitor fleet's Carbon Emissions<br>4. Reduce paper consumption<br>5. Water resource management<br>6. To replace traditional fuel by biofuel for ships |
|                    | Company's care to local communities and public welfare participation          | 5%<br>-<br>10%  | The detail of Company's care to local communities and public welfare participation includes:<br>1. Support social participation and engagement<br>2. Cultural promotion, arts and cultural activities, marine education, and community development activities<br>3. Provide scholarship for students  |
|                    | Green procurement   | 5%<br>-<br>10%  | The detail of Green procurement includes:<br>1. Promote document digitalization   |
|                    | Strengthen corporate governance and integrity management                      | 10%<br>-<br>18% | The detail of strengthening corporate governance and integrity management includes:<br>1. Optimize sustainable management for suppliers<br>2. Strengthen employees' awareness of legal compliance and risk control, and ethical operation management mechanisms.<br>3. ISO 27001 yearly certification   |
|                    | Stakeholder Communication   | 5%<br>-<br>10%  | The detail of stakeholder Communication includes:<br>1. Strengthen the service network<br>2. Ensure navigation and transportation safety<br>3. Offer excellent customer services  |

### (2) Procedures for determining remuneration

- A. In order to regularly assess the remuneration of directors and managers, the Company's Performance Evaluation Measures for the Board of Directors and Functional Committees are utilized, along with the performance evaluation results of the relevant managers and employees. The remuneration of the Chairman and President is determined by referencing the Reference Table for Remuneration for Hosts of Public Enterprises Subordinated to the Ministry of Communications" and the Company's operating performance indicators. The remuneration is then submitted to the Board of Directors for approval, underscoring the significance of operating performance indicators. These performance indicators are based on the annual operating performance indicators, average employee productivity, and financial results. The evaluation criteria include total assets, operating income, net profit before tax, net profit after tax, growth rate, and average employee productivity indicators.
- B. The remuneration rationality and performance evaluations of the Company's directors and managers are reviewed annually by the Remuneration Committee and the Board of Directors. In addition to individual performance achievements and contributions, the Company also considers its overall operating performance, industry trends, risks, and future development potential. The remuneration system is reviewed in accordance with business conditions and relevant laws and regulations. In alignment with current trends in corporate governance, reasonable remuneration is provided to balance the Company's sustainable operations and risk management. The remuneration for directors and managers in 2024 was reviewed by the Remuneration Committee and subsequently submitted to the Board of Directors for approval.

(3) Business performance and future risks

A. Under the remuneration policy, the payment standard and system review are primarily based on the Company's overall operating status. The payment standard is approved based on the performance achievement rates and contributions, which enhance the effectiveness of the Board and management. Industry salary standards are also considered to ensure that the Company's salary scheme remains competitive, thereby facilitating the retention of talented management personnel.

B. The managers are encouraged to participate in the Company's shareholding trust. Moreover, 30% of the subsidies are allocated to the purchase of Company stock, thereby encouraging long-term stockholding, ensuring that managers remain aligned with the Company's business cycle.

**2.2.5 Strengthening disclosure: This Company's Compensation Committee regularly adjusts directors' and managerial officers' performance evaluation, remuneration policy, system, standard, and structure.**

## 2.3 Corporate Governance Status

### 2.3.1 Board of Directors meetings

12 meetings were convened in 2024. The attendance is as follows.

| Title                       | Name   | Attendance in person | By proxy | Required Attendance | Attendance rate in person | Remarks   |
|-----------------------------|--|----------------------|----------|---------------------|---------------------------|---|
| Chairman                    | Feng-Ming Tsai (Corporate Representative of the MOTC)    | 6                    | 0        | 6                   | 100%                      | Took office as Director (corporate representative of the MOTC) and was elected as Chairman on 2024.07.26. |
| Former Chairman             | Cheng-Mount Cheng (Corporate Representative of the MOTC) | 6                    | 0        | 6                   | 100%                      | Stepped down on 2024.07.26.   |
| Director                    | Dzwo-Min Dai (Corporate Representative of the MOTC)      | 8                    | 0        | 8                   | 100%                      | Took office on 2024.05.24 after shareholder's meeting election.   |
| Director                    | Chin-Yi Yang (Corporate Representative of the MOTC)      | 3                    | 1        | 4                   | 75%                       | Took office on 2024.08.06.  |
| Director                    | Chun-Chun Chen (Corporate Representative of the MOTC)    | 7                    | 1        | 8                   | 88%                       | Took office on 2024.05.24 after shareholder's meeting election.   |
| Former Director             | Tan, Ho-Chen (Corporate Representative of the MOTC)      | 1                    | 0        | 2                   | 50%                       | Took office on 2024.05.24 after shareholder's meeting election. Stepped down on 2024.07.05.               |
| Former Director             | Jiang-Ren Chang (Corporate Representative of the MOTC)   | 4                    | 0        | 4                   | 100%                      | Term of office expired on 2024.05.24.   |
| Former Director             | An-Chung Ku (Corporate Representative of the MOTC)       | 3                    | 1        | 4                   | 75%                       | Term of office expired on 2024.05.24.   |
| Director                    | Fang-Guan Jan (Corporate Representative of the NDF)      | 2                    | 1        | 3                   | 67%                       | Took office on 2024.08.21.  |
| Director                    | Chien-Yi Chang (Corporate Representative of the NDF)     | 9                    | 3        | 12                  | 75%                       | -   |
| Director                    | Wan-Chi Hsu (Corporate Representative of the NDF)        | 8                    | 0        | 8                   | 100%                      | Took office on 2024.05.24 after shareholder's meeting election.   |
| Director                    | Fang-Yuan Chen (Corporate Representative of the NDF)     | 8                    | 0        | 8                   | 100%                      | Took office on 2024.05.24 after shareholder's meeting election.   |
| Former Director             | Keh-Her Shih (Corporate Representative of the NDF)       | 2                    | 2        | 5                   | 40%                       | Took office on 2024.05.24 after shareholder's meeting election. Stepped down on 2024.05.31.               |
| Former Director             | Chih-Li Chen (Corporate Representative of the NDF)       | 4                    | 0        | 4                   | 100%                      | Term of office expired on 2024.05.24.   |
| Director                    | Hsien-Yi Lee (Corporate Representative of the TIPC)      | 2                    | 0        | 2                   | 100%                      | Took office on 2024.10.21.  |
| Former Director             | Shao-Liang Chen (Corporate Representative of the TIPC)   | 4                    | 5        | 10                  | 40%                       | Took office on 2024.05.24 after shareholder's meeting election. Stepped down on 2024.10.21.               |
| Director                    | Wen-Ching Liu (Corporate Representative of the TNC)      | 12                   | 0        | 12                  | 100%                      | -   |
| Independent Director        | Tar-Shing Tang   | 12                   | 0        | 12                  | 100%                      | -   |
| Independent Director        | Huang-Chuan Chiu   | 8                    | 0        | 8                   | 100%                      | Took office on 2024.05.24 after shareholder's meeting election.   |
| Independent Director        | Jr-Tsung Huang   | 12                   | 0        | 12                  | 100%                      | -   |
| Independent Director        | Zheng-Yi Shon  | 8                    | 0        | 8                   | 100%                      | Took office on 2024.05.24 after shareholder's meeting election.   |
| Former Independent Director | Feng-Ming Tsai   | 2                    | 0        | 2                   | 100%                      | Took office on 2024.05.24 after shareholder's meeting election. Resigned on 2024.07.18.                   |
| Former Independent Director | Tan, Ho-Chen   | 4                    | 0        | 4                   | 100%                      | Term of office expired on 2024.05.24.   |

Other matters to be stated:

1. In case the Board encounters the following situations, the meeting minutes shall clearly state the date, term, motions, opinions of all independent directors and company's solutions.
  - (1) According to Article 14-5 of the Securities and Exchange Act, matters specified in Article 14-3 of the same Act do not apply to Yang Ming.
  - (2) Unless otherwise stated, in addition to resolutions, a written record or declaration of opposition or disqualification expressed by independent directors: None.
2. Where director recuses themselves due to conflict of interest, the minutes shall clearly state the director's name, motion, the reason for avoiding conflict of interest and participation in the voting process.

| Director          | Motion  | Reason for avoiding conflict of interest                               | Participation in the voting process |
|-------------------|---|--|-------------------------------------|
| Cheng-Mount Cheng | Chairman and President's remunerations  | The motion concerned the interest of former Chairman Cheng-Mount Cheng | Recused from discussion and voting  |
|                   | 2023 performance bonus for Chairman, performance bonus and employees' compensation distribution of managerial officers and department heads |  |                                     |
|                   | Chairman's remuneration   |  |                                     |
| Feng-Ming Tsai    | Donation to National Taiwan Ocean University  | The motion concerned the interest of Chairman Feng-Ming Tsai           | Recused from discussion and voting  |
|                   | Chairman's remuneration   |  |                                     |
|                   | 2024 performance assessment, bonus, and 2025 salary raises for managerial officers and department heads                                     |  |                                     |
| Wan-Chi Hsu       | Donation to Yang Ming Cultural Foundation   | The motion concerned the interest of Director Wan-Chi Hsu              | Recused from discussion and voting  |
| Jr-Tsung Huang    | Donation to National Chengchi University  | The motion concerned the interest of Director Jr-Tsung Huang           | Recused from discussion and voting  |

3. For purpose of consistency in corporate governance and the Board's functions, Yang Ming has set up the Board operation efficiency performance target and formulated the regulations governing the assessment of the Board and functional committee's performance. The following are the information of the Board and functional committee performance assessment of 2024. Please refer to 2.3.6 ("The Company's implementation of corporate governance, any departure from such implementation in the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons for such departure") for performance assessment results.

| Frequency | Year | Range   | Methods  | Contents  |
|-----------|------|---|--|---|
| Yearly    | 2024 | The Board, individual directors and functional committees | Internal self-evaluation by the Board, Board members, and functional committee members | <ol style="list-style-type: none"> <li>1. The performance assessment of the Board includes participation in Yang Ming's operations, decision-making quality improvement of the Board, composition and structure of the Board, election and continuing education of directors and internal control.</li> <li>2. The performance assessment of individual directors includes a solid understanding of the goals and tasks of Yang Ming, director's responsibilities, participation in Yang Ming's operations, management and communication of internal relations, professional knowledge and continuing education of directors and internal control.</li> <li>3. The performance assessment of functional committees includes participation in Yang Ming's operations, functional committees' responsibilities, decision-making quality of functional committees, composition and selection of functional committees and internal control.</li> </ol> |

4. The progress and enhancement of the Board's functions in current and recent years (e.g. establishment of the Audit Committee, improvement of information transparency) are as follows.
  - (1) Yang Ming operates transparently, cares about shareholders' rights and interests and makes public announcement of important resolutions immediately after the Board meetings. To improve information transparency, Yang Ming also formulated Procedures for Handling Material Inside Information as mechanism for handling and disclosing internal material information.
  - (2) Yang Ming established the Standard Operating Procedure for Handling Directors' Requests on March 25, 2019, providing appropriate and timely assistance to directors to fulfill their responsibilities and to improve Board's effectiveness.
  - (3) In order to enhance professional knowledge, directors regularly participate in continuing education according to the Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies; Continuing Education hours for directors and independent directors in 2024 should be 120 hours, the actual total hours were 153 hours.
  - (4) The Board approved resolution for the establishment of the Risk Management Committee on April 15, 2022 to strengthen its supervision and risk management capabilities and to advise on risk management policies and key operations of the Company. Considering its similar authorities and functions to the Special Project Committee, the Board also approved resolution on abrogating said Committee after the completion of the member appointment of the Risk Management Committee on October 14, 2022.
  - (5) The Board approved resolution for the establishment of the Nominating Committee on December 20, 2024 to enhance and strengthen the management mechanism and function of the Board.

### 2.3.2 Composition and operation of the Audit Committee

Yang Ming established the Audit Committee on June 14, 2013. The members of the 5<sup>th</sup> Audit Committee are Independent Director Tar-Shing Tang (convener), Huang-Chuan Chiu, Jr-Tsung Huang, Zheng-Yi Shon and former Independent Director Feng-Ming Tsai. The term of the 5<sup>th</sup> Audit Committee commenced on May 24, 2024 and is set to conclude on May 23, 2027. Due to personal arrangements, former Independent Director Feng-Ming Tsai resigned on July 18, 2024.

#### 1. Main responsibilities of the Audit Committee

- (1) Implement or amend the internal control systems pursuant to Article 14-1 of the Securities and Exchange Act.
- (2) Assess the effectiveness of the internal control system.
- (3) Establish or amend the procedures of major financial or business activities, including the acquisition or disposal of assets, derivatives trading, loaning funds and providing endorsements or guarantees to third parties in accordance with Article 36-1 of the Securities and Exchange Act.
- (4) Address matters involving conflicts of interest related to Directors.
- (5) Manage material assets and derivatives transactions.
- (6) Manage material loaning funds, endorsements or guarantees.
- (7) The raising, issuance or private placement of equity-type securities.
- (8) The appointment, dismissal and compensation for certified public accountants.
- (9) The appointment and dismissal of Chief Financial Officer, Chief Accounting Officer or Chief Audit Supervisor.
- (10) Annual financial statements signed or sealed by Chairman, managerial officers and Chief Accounting Officer, and semi-annual financial statements audited by certified public accountants.
- (11) Address any other major matters as required by Yang Ming or relevant authorities.

#### 2. Annual tasks of the Audit Committee in 2024

- (1) Review material asset transactions.
- (2) Review the 2023 business report, financial statements, earnings distribution proposal and compensation distribution of employees and Directors.
- (3) Review the 2023 self-assessment audit report and the statement of the internal control system.
- (4) Review the independence, suitability and compensation of certified public accountants for 2024 and 2025.
- (5) Review the Pre-approval Procedures and the list of items for non-assurance services provided to the Company and its subsidiaries by the CPA accounting firms and its global affiliates.
- (6) Review the business plans, budget, and internal audit plans for 2025.
- (7) Review the proposals for capital reduction, extension of loaning funds, authorization for engaging in financial instruments and investments in subsidiaries, and stock disposals from subsidiaries and affiliates.
- (8) Review the Regulations Governing Operating Procedures and Management for Financial Instruments and the internal control system.
- (9) Review the appointment and dismissal of Chief Financial Officer and internal Audit Supervisor.

#### 3. Implementation status of the Audit Committee

9 meetings were convened in 2024. The attendance is as follows.

| Title                           | Name             | Attendance in person | By proxy | Required Attendance | Attendance rate in person | Remarks                      |
|---------------------------------|------------------|----------------------|----------|---------------------|---------------------------|------------------------------|
| Independent Director (Convener) | Tar-Shing Tang   | 9                    | 0        | 9                   | 100%                      | -                            |
| Independent Director            | Huang-Chuan Chiu | 5                    | 0        | 5                   | 100%                      | Took office on May 24, 2024. |
| Independent Director            | Jr-Tsung Huang   | 8                    | 1        | 9                   | 89%                       | -                            |

| Title                       | Name           | Attendance in person | By proxy | Required Attendance | Attendance rate in person | Remarks  |
|-----------------------------|----------------|----------------------|----------|---------------------|---------------------------|--|
| Independent Director        | Zheng-Yi Shon  | 5                    | 0        | 5                   | 100%                      | Took office on May 24, 2024.                               |
| Former Independent Director | Feng-Ming Tsai | 1                    | 0        | 1                   | 100%                      | Took office on May 24, 2024.<br>Resigned on July 18, 2024. |
| Former Independent Director | Tan Ho-Chen    | 4                    | 0        | 4                   | 100%                      | Term of office expired on May 24, 2024.                    |

Other matters:

1. Where the Audit Committee encounters the following situations, the meeting date, motion, independent directors' objections or reserved opinions and suggestions, Audit Committee's resolutions and the Company's follow-up status and feedback shall be clearly stated in the meeting minutes.

(1) Matters specified in Article 14-5 of the Securities and Exchange Act.

| Audit Committee meeting                          | Motion   | Independent Directors' objections or reserved opinions and suggestions | Audit Committee's resolution   | The Company's follow up status and feedback  |
|--|--|--|--|--|
| The 83 <sup>th</sup> Meeting<br>January 12, 2024 | Amendment to Regulations Governing Financial Instruments Investment and Financial Instruments Investment Procedures                          | -  | Approved by all the Independent Directors in attendance.   | Reviewed and approved by all the Directors in attendance.  |
|  | Increasing authorization quota to subsidiaries for engaging in financial instruments investment  |  | Approved by all the Independent Directors in attendance. The remaining quota shall only be employed on approval by the Board after the managerial departments present investment performance report. |  |
|  | Evaluation on the certified CPA's independence and suitability and compensation of CPAs in 2024.   |  | All the Independent Directors in attendance approved CPA's independence and suitability evaluation and recommended to adjust CPA's 2024 compensation and submit to the Board.                        |  |
| The 84 <sup>th</sup> Meeting<br>March 7, 2024    | 2023 financial statements<br>2023 self-assessment audit report and statement of internal control system<br>Capital reduction to subsidiaries | -  | Approved by all the Independent Directors in attendance.   | Reviewed and approved by all the Directors in attendance.  |
| The 85 <sup>th</sup> Meeting<br>March 27, 2024   | Appointment and discharge of managerial officers   | -  | Approved by all the Independent Directors in attendance.   | Reviewed and approved by all the Directors in attendance.  |
| The 86 <sup>th</sup> Meeting<br>May 10, 2024     | 2024 Q1 financial statements<br>Authorization to subsidiaries for executing remaining financial instruments investment quota                 | -  | Approved by all the Independent Directors in attendance.   | Reviewed and approved by all the Directors in attendance.  |
|  | 2024 containers purchasing plan  |  | Approved by all the Independent Directors in attendance.<br>It is suggested to proceed the tender in batches to mitigate risks.  |  |
|  | Purchasing three 11,000 TEU full container vessels from long-term time charter ship owner  |  | Approved by all the Independent Directors in attendance and authorized the managerial department to implement in accordance with the resolution of the Audit Committee and submit to the Board.      | Reviewed and approved by all the Directors in attendance and authorized the managerial department to implement in accordance with the Board's resolution.                                |
|  | Appointment of the Company's Chief Internal Auditor  |  | It is suggested to consider requirements of the new Board of Directors and review again.   | Reviewed by all the Independent Directors in attendance; the managerial department is advised to re-submit to the Audit Committee in accordance with independent directors' suggestions. |

| Audit Committee meeting                          | Motion  | Independent Directors' objections or reserved opinions and suggestions | Audit Committee's resolution   | The Company's follow up status and feedback  |
|--|---|--|--|--|
| The 87 <sup>th</sup> Meeting<br>June 20, 2024    | Purchasing European Union Allowances  | -  | Approved by all the Independent Directors in attendance and authorized the managerial department to implement in accordance with the resolution of the Audit Committee; the company is advised to clarify the actual EUAs implementation and industry practices within three months, and put hedge mechanism into consideration. | Reviewed and approved by all the Directors in attendance.  |
|  | Warehouse Leasing from subsidiaries   |  | Reviewed by all the Independent Directors in attendance; the managerial department is advised to provide additional information in accordance with independent directors' suggestions and re-submit to the Audit Committee.  | -  |
| The 88 <sup>th</sup> Meeting<br>August 8, 2024   | 2024 Q2 financial statements  | -  | Approved by all the Independent Directors in attendance.   | Reviewed and approved by all the Directors in attendance.  |
|  | Appointment of internal audit supervisor  |  |  |  |
|  | Purchasing two 11,000 TEU full container vessels from long-term time charter ship owner   |  |  |  |
|  | Amendment to the internal control system  |  |  |  |
| The 89 <sup>th</sup> Meeting<br>October 9, 2024  | Declaration of optional period for ten 14,000 TEU long term time charter vessels  | -  | Approved by all the Independent Directors in attendance.   | Reviewed and approved by all the Directors in attendance; the managerial department is advised to include the rights and obligations of vessel modifications, compliance with future environmental regulations and market changes in the contract terms. |
|  | Lease renewal of fifteen 14,000 TEU long term time charter vessels  |  |  |  |
| The 90 <sup>th</sup> Meeting<br>November 7, 2024 | 2024 Q3 financial statements  | -  | Approved by all the Independent Directors in attendance.   | Reviewed and approved by all the Directors in attendance.  |
|  | Purchasing vessels from subsidiaries  |  |  |  |
|  | Increasing loaning funds to subsidiaries  |  |  |  |
|  | Execution of financial instruments investment and increasing authorization quota to subsidiaries for engaging in financial instruments investment   |  |  |  |
|  | The list of items for non-assurance service provided to the company and subsidiaries by the CPA accounting firms and its global affiliates  |  | Approved by all the Independent Directors in attendance and authorized the managerial department to implement in accordance with the resolution of the Audit Committee.  | Acknowledged by the Board.   |
|  | Consent to implementer for altering urban renewal process   |  | Reviewed by all the Independent Directors in attendance; the managerial department is advised to re-submit to the Audit Committee in accordance with independent directors' suggestions.   | -  |
| Disposal of shares in affiliates                 | Reviewed by all the Independent Directors in attendance; the affiliates are suggested to re-negotiate in accordance with independent directors' suggestions and re-submit to the Audit Committee. | -  |  |  |

| Audit Committee meeting  | Motion   | Independent Directors' objections or reserved opinions and suggestions   | Audit Committee's resolution  | The Company's follow up status and feedback               |
|--|--|--|---|---|
| The 91 <sup>th</sup> Meeting<br>December 12, 2024  | Deployment of six 8,000 TEU full container vessels           | It is advised to evaluate the necessity and timing of execution and take long-term time-chartered vessel market conditions into consideration.                           | Approved by all the Independent Directors in attendance.  | Reviewed and approved by all the Directors in attendance. |
|  | Disposal of shares in affiliates                             | -  |   |   |
|  | Appointment and discharge of managerial officers             | -  |   |   |
|  | Deployment of seven 14,000/15,000 TEU full container vessels | It is advised to consider construction in batches and adjust the plan based on market conditions dynamically to mitigate risks.  | Approved the deployment demands by all the Independent Directors in attendance; The actual number of deployment and acquisition method shall be reviewed again and adjusted based on market conditions dynamically; formal procurement shall submit to the Audit Committee and the Board. |   |
|  | Consent to implementer for altering urban renewal process    |  | Approved by all the Independent Directors in attendance and authorized the Company to sign necessary documents and commercial agreements.   |   |
| Evaluation on the certified CPA's independence and suitability and compensation of CPAs in 2025  |  | Approved by all the Independent Directors in attendance to adjust compensation of CPAs in 2025.  |   | Acknowledged by the Board.                                |
| The list of items for non-assurance service provided to the company and subsidiaries by the CPA accounting firms and its global affiliates |  | Independent Directors Tar-Shing Tang abstained from voting with no objection or reserved opinions for the motion; approved by other Independent Directors in attendance. |   |   |

(2) Information other than the aforementioned matters, other motions not approved by the Audit Committee but approved by more than two-thirds of the directors.

| Board meeting                                     | Motion  | Independent directors' feedback  | Board's resolution  |
|---|---|--|---|
| The 389 <sup>th</sup> Meeting<br>January 31, 2024 | Scrubber installations on company-owned container vessels | Despite supporting big picture of the motion, the existing information is insufficient for the Audit Committee to make any decision or judgement, considering time-sensitive situation, agreed the managerial department to provide additional information then submit to the Board. | Reviewed and approved by all the directors in attendance. |

2. Where Independent Directors recuse themselves due to conflict of interest, the Independent Director's name, motions, the reason for avoiding conflict of interest and voting process shall be clearly stated in the meeting minutes : None.

3. Communication between Independent Directors and Chief Auditor and certified public accountants (including major issues, methods and results relating to corporate finance and business affairs) is as follows.

(1) Yang Ming's Chief Auditor attends Board and functional committee meetings, communicate and present audit reports and other relevant matters to the Independent Directors regularly, and have individual communication meeting at the end of the year. The topics of communication in 2024 are as follows.

| Date       | Communication Method                         | Topics for Communication   | Results                                    |
|------------|--|--|--|
| 01.31.2024 | The 389 <sup>th</sup> Board Meeting          | Internal audit follow-up report up to November 2023  | Independent directors raised no objections |
| 03.07.2024 | The 84 <sup>th</sup> Audit Committee Meeting | Report on internal control system self-assessment results and statement of internal control system for the year 2023   | Independent directors raised no objections |
| 03.07.2024 | The 390 <sup>th</sup> Board Meeting          | 1. Report on internal control system self-assessment results and statement of internal control system for the year 2023<br>2. Internal audit follow-up report up to January 2024 | Independent directors raised no objections |

| Date       | Communication Method  | Topics for Communication  | Results   |
|------------|---|---|---|
| 04.12.2024 | The 391 <sup>st</sup> Board Meeting                                     | Internal audit follow-up report up to February 2024   | Independent directors raised no objections                |
| 05.10.2024 | The 392 <sup>nd</sup> Board Meeting                                     | Internal audit follow-up report up to March 2024  | Independent directors raised no objections                |
| 06.21.2024 | The 394 <sup>th</sup> Board Meeting                                     | Internal audit follow-up report up to April 2024  | Independent directors raised no objections                |
| 08.12.2024 | The 397 <sup>th</sup> Board Meeting                                     | Internal audit follow-up report up to June 2024   | Follow-up according to independent directors' suggestions |
| 11.11.2024 | The 399 <sup>th</sup> Board Meeting                                     | Internal audit follow-up report up to September 2024  | Independent directors raised no objections                |
| 12.12.2024 | The 91 <sup>st</sup> Audit Committee Meeting                            | Internal audit plan for the year of 2025  | Independent directors raised no objections                |
| 12.20.2024 | Individual communication between independent director and chief auditor | 1. Audit organization and personnel allocation<br>2. Audit Report for 2024<br>3. Work Plan for 2025 | Independent directors raised no objections                |
| 12.20.2024 | The 400 <sup>th</sup> Board Meeting                                     | 1. Internal audit follow-up report up to October 2024<br>2. Internal audit plan for 2025            | Independent directors raised no objections                |

(2) Yang Ming's CPAs report audit conclusion of financial statements key account items and regulations update to Independent Directors at least once quarterly through the Audit Committee and Board meetings, and have individual communication with Independent Directors every quarter. The topics of communication in 2024 are as follows.

| Date       | Communication Methods   | Topics of Communication   | Results                                    |
|------------|---|---|--|
| 2024.03.07 | Individual communication between independent directors and certified public accountants | 1. Audit method and opinion on the financial statements for the year 2023<br>2. Group audit<br>3. Key audit items<br>4. Other major events in 2023            | Independent directors raised no objections |
|            | The 84 <sup>th</sup> Audit Committee Meeting  | 2023 Financial statements   |  |
|            | The 390 <sup>th</sup> Board Meeting   |   |  |
| 2024.05.10 | Individual communication between independent directors and certified public accountants | 1. Audit method, range and conclusion on the financial statements for the 1 <sup>st</sup> quarter of 2024<br>2. Key accounting items                          | Independent directors raised no objections |
|            | The 86 <sup>th</sup> Audit Committee Meeting  | Consolidated financial statements for the 1 <sup>st</sup> quarter of 2024   |  |
|            | The 392 <sup>nd</sup> Board Meeting   |   |  |
| 2024.08.08 | Individual communication between independent directors and certified public accountants | 1. Audit method, range and conclusion on the financial statements for the 2 <sup>nd</sup> quarter of 2024<br>2. Key accounting items<br>3. Regulations update | Independent directors raised no objections |
|            | The 88 <sup>th</sup> Audit Committee Meeting  | Consolidated financial statements for the 2 <sup>nd</sup> quarter of 2024   |  |
| 2024.08.12 | The 397 <sup>th</sup> Board Meeting   |   |  |
| 2024.11.07 | Individual communication between independent directors and certified public accountants | 1. Audit method, range and conclusion on the financial statements for the 3 <sup>rd</sup> quarter of 2024<br>2. Key accounting items<br>3. Key audit items    | Independent directors raised no objections |
|            | The 90 <sup>th</sup> Audit Committee Meeting  | Consolidated financial statements for the 3 <sup>rd</sup> quarter of 2024   |  |
| 2024.11.11 | The 399 <sup>th</sup> Board Meeting   |   |  |

4. Given that the Audit Committee is set up by the Company, there is no participation in board meetings by the supervisors.

**2.3.3 The composition, duties, and operation of the Compensation Committee**

Yang Ming passed the resolution to establish the Compensation Committee at the 278<sup>th</sup> Board meeting held on July 06, 2011. The Compensation Committee consists of at least three members appointed by the Board and over half of the members should be independent directors. The 393<sup>rd</sup> Board meeting approved resolution to appoint independent director Jr- Tsung Huang, Tar-Shing Tang, Huang-Chuan Chiu, Zheng-Yi Shon, and former independent director Feng-Ming Tsai as members of the 6<sup>th</sup> Compensation Committee on May 24, 2024. All members of the Compensation Committee unanimously agreed to elect independent director Jr-Tsung Huang as the convener. The term of the 6<sup>th</sup> Compensation Committee commenced on May 24,2024 and will conclude on May 23,2027. Following the resignation of former independent director Feng-Ming Tsai on July 18, 2024, the current Compensation Committee consists of four independent directors.

**1. Responsibilities of the Compensation Committee**

- (1) Regularly review the Charter of the Compensation Committee and make recommendations for amendments.
- (2) Establish and review the performance assessment standards, annual and long-term performance goals, and the policies, systems, standards, and structure for the compensation of directors and managerial officers periodically.
- (3) Assess performance achievements for the directors and managerial officers and set the types and amounts of their individual compensation based on the results of performance assessments periodically.

**2. Members of the Compensation Committee**

| Identify (Note 1)               | Qualification    |  | Independent criteria  | Number of other Taiwanese public companies concurrently serving as a member of the Compensation Committee |
|---------------------------------|------------------|--|---|---|
|                                 | Name             | Professional criteria and experience   |   |   |
| Independent Director (Convener) | Jr-Tsung Huang   | Please refer to 3.Information of Directors (Including independent directors)   |   | 0   |
| Independent Director            | Tar-Shing Tang   |  |   | 0   |
| Independent Director            | Huang-Chuan Chiu |  |   | 3   |
| Independent Director            | Zheng-Yi Shon    |  |   | 0   |
| Former Independent Director     | Feng-Ming Tsai   | Feng-Ming Tsai is a former member of the Compensation Committee. He is the Professor of Shipping & Transportation Management Department of National Taiwan Ocean University and well-versed in marine industry. His professional affiliation is not in violation of the circumstances stipulated in Article 30 of the Company Act.             | Has met the independent criteria in Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange.           | 0   |
| Former Independent Director     | Tan Ho-Chen      | Tan Ho-Chen is the former Convener of the Compensation Committee. He is the former Minister of MOTC and the former Chairman of Chunghwa Telecom Co., Ltd. He is well-versed in transportation industry and business management. His professional affiliation is not in violation of the circumstances listed in Article 30 of the Company Act. | Has met the independent criteria regulated in Article 6 of the Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange. | 2   |

3. Compensation Committee meeting

8 meetings were convened by the Compensation Committee in 2024. The attendance is as follows.

| Title                           | Name             | Attendance in person | By proxy | Required Attendance | Attendance rate in person | Remarks  |
|---------------------------------|------------------|----------------------|----------|---------------------|---------------------------|--|
| Independent Director (Convener) | Jr-Tsung Huang   | 8                    | 0        | 8                   | 100%                      | -  |
| Independent Director            | Tar-Shing Tang   | 8                    | 0        | 8                   | 100%                      | -  |
| Independent Director            | Huang-Chuan Chiu | 4                    | 0        | 4                   | 100%                      | Took office on May 24, 2024.                             |
| Independent Director            | Zheng-Yi Shon    | 4                    | 0        | 4                   | 100%                      | Took office on May 24, 2024.                             |
| Former Independent Director     | Feng-Ming Tsai   | 1                    | 0        | 1                   | 100%                      | Took office on May 24, 2024 ; Resigned on July 18, 2024. |
| Former Independent Director     | Tan Ho-Chen      | 4                    | 0        | 4                   | 100%                      | Term of office expired on May 24, 2024.                  |

Other matters:

- If the Board does not adopt or amend the Compensation Committee’s suggestions, the meeting date, term, motions, Board’s resolutions and the Company’s feedback shall be clearly stated in the meeting minutes: None.
- When the committee members have objections or reserved opinions on the record or in writing toward resolutions made by the Compensation Committee, the meeting date, term, motions, and feedback of all members shall be clearly stated in the meeting minutes: Please refer to 3.
- The motions, objections or reserved opinions and suggestions from members, resolutions and the Company’s feedback of the Compensation Committee in 2024 are as follows.

| Compensation Committee Meeting                 | Motion  | Members’ objections or reserved opinions and suggestions  | Compensation Committee’s Resolution   | The Company’s follow up status and feedback  |
|--|---|---|---|--|
| The 50 <sup>th</sup> meeting<br>March 07, 2024 | 2023 compensation distribution of employees and directors   | -   | Approved by all the members in attendance.  | Reviewed and approved by all the directors in attendance.  |
|  | 2023 performance bonus for employees  | -   | Approved by all the members in attendance. The performance bonus (including special contribution bonus) for managerial officers and department heads will be submitted separately.                  | Reviewed and approved by all the directors in attendance.  |
| The 51 <sup>st</sup> meeting<br>March 27, 2024 | Appointment and discharge of managerial officers  | -   | Approved by all the members in attendance.  | Reviewed and approved by all the directors in attendance.  |
|  | Chairman and President’s remunerations  | The Company is advised to consider changes in the external environment, talent demands, business performance, corporate governance or relevant regulations and make timely and reasonable adjustments to remunerations of directors and managers. | Approved by all the members in attendance; the managerial department is advised to prepare a formal proposal in accordance with members’ suggestions and submit to the Board.                       | Chairman Cheng-Mount Cheng recused himself from discussion and voting because the motion concerned his own interest; reviewed and approved by other directors in attendance. |
|  | 2023 performance bonus for Chairman, performance bonus and employees’ compensation distribution of managerial officers and department heads | The Human Resources Department is advised to establish rule of compensation distribution for employees to ensure a prudent system.  | Reviewed by all the members in attendance; the Human Resources Department is advised to establish a rule of compensation distribution for employees and submit to the Board.                        | -  |
| The 52 <sup>nd</sup> meeting<br>April 12, 2024 | Establishment of Rules of Compensation Distribution for Employees   | The Company is advised to learn the spirit of the legislation and the characterization of the law on employees’ compensation, consult expert suggestions and refer to actual practices of other listed companies then review the rules.           | Approved by all the members in attendance. The managerial department is advised to review the rules in accordance with members’ suggestions and submit to the Compensation Committee in six months. | Director Keh-Her Shih abstained from voting, reviewed and approved by other directors in attendance.   |
|  | 2023 performance bonus for Chairman, performance bonus and employees’ compensation distribution of managerial officers and department heads | -   | Approved by all the members in attendance based on the revised figures. The performance bonus for Chairman should be submitted to the Board.  | Chairman Cheng-Mount Cheng recused himself from discussion and voting because the motion concerned his own interest, reviewed and approved by other directors in attendance. |

| Compensation Committee Meeting                  | Motion   | Members' objections or reserved opinions and suggestions   | Compensation Committee's Resolution   | The Company's follow up status and feedback  |
|---|--|--|---|--|
| The 53 <sup>rd</sup> meeting<br>May 10, 2024    | Amendment to Rules of Shareholding Trust for employees   | The Company is advised to consider more diversified and flexible shareholding awards patterns and establish comprehensive rules.                 | Reviewed by all the members in attendance; the managerial department is advised to re-submit to the Compensation Committee in accordance with members' suggestions.         | -  |
|   | 2023 special contribution bonus  | The Company is advised to have certain definition and appropriate allocations to achieve the goal of retaining talents and motivating employees. |   |  |
|   | Proposal to MOTC for releasing the regulatory restrictions on Chairman and President's remunerations | -  | Approved by all the members in attendance.  |  |
|   | Review and adjustment of the managerial officers system  | -  |   |  |
| The 54 <sup>th</sup> meeting<br>June 20, 2024   | Chairman's remuneration  | -  | Approved by all the members in attendance.  | Chairman Cheng-Mount Cheng recused himself from discussion and voting because the motion concerned his own interest; reviewed and approved by other directors in attendance.   |
|   | Contract terms and conversion between appointed managerial officer and employed managerial officer   | -  | Approved by all the members in attendance; the managerial department is advised to revise in accordance with members' suggestions and submit to the Board.                  | Reviewed and approved by all the directors in attendance.  |
|   | President's contract and remuneration  | -  |   |  |
|   | 2023 special contribution bonus  | The Company is advised to review and make appropriate allocations to encourage employees.  | Reviewed by all the members in attendance; the managerial department is advised to re-submit to the Compensation Committee in accordance with members' suggestions.         | -  |
| The 55 <sup>th</sup> meeting<br>August 12, 2024 | Chairman's remuneration  | -  | Approved by all the members in attendance.  | Chairman Feng-Ming Tsai recused himself from discussion and voting because the motion concerned his own interest and Director Shao-Liang Chen abstained from voting; reviewed and approved by other directors in attendance. |
|   | President's contract and remuneration  | -  | Approved by all the members in attendance; President's contract should be submitted to the Board.   | Reviewed and approved by all the directors in attendance.  |
|   | Contracts and remunerations of managerial officers   | -  | Approved by all the members in attendance. The remunerations will be effective only when the Board has approved the contract terms and appointment for managerial officers. | Reviewed and approved by all the directors in attendance.  |
|   | Internal audit supervisor's remuneration   | -  | Approved by all the members in attendance.  | Reviewed and approved by all the directors in attendance.  |

| Compensation Committee Meeting                       | Motion   | Members' objections or reserved opinions and suggestions   | Compensation Committee's Resolution   | The Company's follow up status and feedback  |
|--|--|--|---|--|
| The 56 <sup>th</sup> meeting<br>November 07,<br>2024 | Amendment to Rules of Compensation Distribution for Employees  | The Human Resources Department is advised to refer to Article 29 of the Labor Standards Act to clearly regulate the ratio of discretionary distribution. | Reviewed by all the members in attendance; the managerial department is advised to re-submit to the Compensation Committee in accordance with members' suggestions. | -  |
|  | Establishment of Rules of Annual Incentive Bonus for Seafarers   | It is advised to consider the target, ratio and fairness then establish a more comprehensive rule to formulate a sustainable system.                     |   |  |
|  | 2023 special contribution bonus and remaining performance bonus for employees                            | -  | Approved by all the members in attendance.  | Reviewed and approved by all the directors in attendance.  |
|  | 2025 salary and meal allowance raises for employees (including managerial officers and department heads) |  |   |  |
|  | Calculation of separation pay for the former President   |  | Approved by all the members in attendance; the managerial department is advised to negotiate in accordance with members' suggestions and submit to the Board.       | Reviewed and approved by all the directors in attendance that the managerial department implement in accordance with the resolution and authorization.   |
| The 57 <sup>th</sup> meeting<br>December 12,<br>2024 | Amendment to Rules of Compensation Distribution for Employees  | -  | Approved by all the members in attendance   | Reviewed and approved by all the directors in attendance.  |
|  | Amendment to remuneration standard and table for native seafarers on group vessels with ROC flag         |  |   |  |
|  | 2023 special contribution bonus and remaining performance bonus for seafarers                            |  |   |  |
|  | 2024 performance bonus for seafarers   |  |   |  |
|  | 2024 performance bonus for employees   |  |   |  |
|  | Appointment and discharge of managerial officers   |  | Approved by all the members in attendance; the managerial department is advised to revise in accordance with members' suggestions and submit to the Board.          | The discussion is deferred by all the directors in attendance. Chairman Feng-Ming Tsai recused himself from discussion and voting because the motion concerned his own interest; reviewed and approved by other directors in attendance. |
|  | Establishment of Rules of Annual Incentive Bonus for Seafarers   |  |   |  |
|  | 2024 performance assessment, bonus, and 2025 salary raises for managerial officers and department heads  |  |   |  |
|  | Expatriate compensation packages and adjustment in 2025  |  |   |  |
| Service Awards for senior employees                  |  |  |   |  |
| Travel subsidies                                     | The Company is advised to evaluate according to relevant regulations and build up a reasonable system.   |  |   |  |

**2.3.4 The composition, duties, and operation of the Risk Management Committee**

At the 372<sup>nd</sup> Board meeting held on April 15, 2022, the Board of Directors approved resolution to establish the Risk Management Committee. The Committee consists of 5 to 7 members with the independent director as the ex officio member. Independent director Zheng-Yi Shon, independent director Tar-Shing Tang, independent director Huang-Chuan Chiu, independent director Jr-Tsung Huang, former independent director Feng-Ming Tsai, former chairman Cheng-Mount Cheng and director Wan-Chi Hsu were appointed as Risk Management Committee members at the 393<sup>rd</sup> Board meeting on May 24, 2024. The term of the 2<sup>nd</sup> Risk Management Committee commenced on May 24, 2024 and will conclude on May 23, 2027. Following the resignation of former independent director Feng-Ming Tsai on July 18, 2024 and former Chairman Cheng-Mount Cheng stepping down on July 26, 2024, the current Risk Management Committee consists of 5 directors (including 4 independent directors). The members unanimously agreed to elect independent director Zheng-Yi Shon as the convener. The members possess diverse expertise as followings: independent director Zheng-Yi Shon has extensive management experience, independent directors Tar-Shing Tang and Huang-Chuan Chiu are legal experts, independent director Jr-Tsung Huang possesses expertise in economics and director Wan-Chi Hsu has management and shipping industry expertise.

**1. Responsibilities of the Risk Management Committee**

- (1) Review the risk management policies, structure, system, specifications, risk appetite and tolerance of the Company, and make necessary adjustments in response to changes in the external environment.
- (2) Review the measures taken in response to major risk loss incidents.
- (3) Evaluate the effectiveness of the warning systems for critical risk management matters.
- (4) Advise on solutions and mechanisms of significant contractual disputes.
- (5) Advise on financial risks including financing, interest rates, exchange rates, liquidity and solvency.
- (6) Advise on material adjustments to the Company’s organizational structure.
- (7) Report on the implementation of risk management to the Board on a quarterly basis.
- (8) Address critical risk matters as requested by relevant administrative authorities, the Company, and the Board.

In the event that any of the above items are addressed in Article 14-5 of the Securities Exchange Act, the Audit Committee shall refer to the Risk Management Committee Charter.

**2. Risk Management Committee meetings**

4 meetings were convened by the Risk Management Committee in 2024. The attendance is as follows.

| Title                           | Name              | Attendance in person | By proxy | Required Attendance | Attendance rate in person | Remarks                     |
|---------------------------------|-------------------|----------------------|----------|---------------------|---------------------------|-----------------------------|
| Independent Director (Convener) | Zheng-Yi Shon     | 3                    | 0        | 3                   | 100%                      | Took office on 2024.05.24.  |
| Independent Director            | Tar-Shing Tang    | 4                    | 0        | 4                   | 100%                      | -                           |
| Independent Director            | Huang-Chuan Chiu  | 3                    | 0        | 3                   | 100%                      | Took office on 2024.05.24.  |
| Independent Director            | Jr-Tsung Huang    | 3                    | 1        | 4                   | 75%                       | -                           |
| Director                        | Wan-Chi Hsu       | 3                    | 0        | 3                   | 100%                      | Took office on 2024.05.24.  |
| Former Chairman                 | Cheng-Mount Cheng | 2                    | 0        | 2                   | 100%                      | Stepped down on 2024.07.26. |

| Title                                       | Name           | Attendance in person | By proxy | Required Attendance | Attendance rate in person | Remarks  |
|---|----------------|----------------------|----------|---------------------|---------------------------|--|
| Former Independent Director                 | Feng-Ming Tsai | 1                    | 0        | 1                   | 100%                      | Took office on 2024.05.24. Resigned on 2024.07.18. |
| Former Independent Director (Former member) | Tan, Ho-Chen   | 1                    | 0        | 1                   | 100%                      | Term of office expired on 2024.05.24.              |
| Former Director (Former member)             | Chih-Li Chen   | 1                    | 0        | 1                   | 100%                      | Term of office expired on 2024.05.24.              |

3. The motions, resolutions, members' objections or reserved opinions and suggestions, and the Company's solution and feedback in 2024 are as follows.

| Risk Management Committee Meeting         | Motion   | Members' objection or reserved opinions and suggestions  | Risk Management Committee's resolution                                  | The Company's solution and feedback |
|---|--|--|---|-------------------------------------|
| The 6 <sup>th</sup> meeting<br>2024.03.27 | Report on the Group's potential risks                | -  | Acknowledged by the Risk Management Committee.                          | -                                   |
| The 7 <sup>th</sup> meeting<br>2024.06.20 | Report on the Group's potential risks                | -  | Acknowledged by the Risk Management Committee.                          | Acknowledged by the Board.          |
| The 8 <sup>th</sup> meeting<br>2024.08.08 | Report on the Group's potential risks                | The Risk Control office is suggested to explore various hypothetical situations regarding geopolitical risk and develop adaptive strategies in advance.                                      | Acknowledged by the Risk Management Committee.                          | Acknowledged by the Board.          |
| The 9 <sup>th</sup> meeting<br>2024.11.07 | Report on the Group's potential risks                | -  | Acknowledged by the Risk Management Committee.                          | Acknowledged by the Board.          |
|   | Amendment to Risk Management Policies and Procedures | The Risk Control office is suggested to refer to relevant procedures and ESG trends to develop a comprehensive risk management policy before submitting the amended regulation for approval. | The motion is withdrawn with the approval of all members in attendance. | -                                   |

**2.3.5 The duties, core businesses, and advanced education of the Chief Corporate Governance Officer**

In accordance with Article 5 of the Organizational Rules of Yang Ming, the Secretarial Office of the Board is designated as the department responsible for promoting and implementing corporate governance initiatives within the Board of Directors. To enhance corporate governance practices, protect shareholders’ rights and strengthen the function of the Board, the 335<sup>th</sup> board meeting approved the appointment of Ms. Ting-Yu Lu as the Chief Corporate Governance Officer on January 25, 2019. Ms. Lu’s qualifications and the responsibilities are aligned with the requirements and the principle of corporate governance.

The primary duties of the Chief Corporate Governance Officer include matters related to Board meetings, shareholders’ meetings, and functional committee meetings, such as drafting meeting minutes, providing necessary information to directors and independent directors to perform duties, assisting with directors and independent directors appointments and continuing education, ensuring legal compliance, and managing corporate registrations and changes.

1. The following are the primary responsibilities of the Chief Corporate Governance Officer in 2024.

- (1) Ensure that shareholders’ meetings, Board meetings, and functional committee meetings comply with the relevant provisions of Yang Ming’s Articles of Incorporation, rules and regulations, applicable laws, and resolutions of the shareholders’ meetings.
- (2) Coordinate the convening of shareholders’ meetings, and handle all aspects related to Board meetings and functional committee meetings, including notifications, meeting procedure and meeting minutes.
- (3) Manage the convening of communication meetings between independent directors, certified public accountants or Chief Auditor separately, overseeing the scheduling, notifications, meetings, meeting minutes and other related matters.
- (4) Provide necessary information, guidance, and convene meetings, drafting meeting minutes as required by directors and independent directors.
- (5) Manage the external and internal performance assessments of the Board and functional committees.
- (6) Assist new directors and independent directors in their transition into office, ensuring their compliance with all applicable laws and regulations.
- (7) Facilitate the arrangement of continuing education for directors and independent directors.
- (8) Arrange for appropriate liability insurance coverage for directors and managers.
- (9) Manage the Company’s registration matters related to the election of directors (including independent directors), changes in managerial positions and information, and changes in managerial personnel and directors’ shareholdings.

2. Continuing education of the Chief Corporate Governance Officer in 2024.

| Date        | Organizer  | Course  | Hours |
|-------------|--|---|-------|
| 03.01.2024  | Taiwan Corporate Governance Association                      | How the Audit Committee interprets and applies the Audit Quality Indicators                               | 3     |
| 06.12.2024  | Greater China Financial and Economic Development Association | Risks and considerations of Generative AI for enterprises   | 3     |
| 07.03.2024  | Taiwan Stock Exchange  | 2024 Cathay Sustainable Finance and Climate Change Summit   | 6     |
| 10.23.2024  | Greater China Financial and Economic Development Association | How Can the Board Ensure Sustainable Business Operations - Starting from Talent Discovery and Development | 3     |
| 12.17.2024  | Taipei Bar Association                                       | 2024 Corporate Governance Forum: New Challenges for Corporate Governance Officers                         | 3     |
| Total Hours |  |   | 18    |



**2.3.6 The Company's implementation of corporate governance, any departure from such implementation in the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies, and the reasons for such departure**

| Items  | Implementation |  | Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed |
|--|----------------|--|--|
|  | Yes            | No   |  |
| <p>1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on Corporate Governance Best Practice Principles for TWSE/TPEX Listed</p>  | V              | <p>Yang Ming Marine Transport Corporation established the Best-Practice Principles for Corporate Governance and its latest amendment was approved by Board of Directors on January 14, 2022 and published on the Company's website (<a href="https://esg.yangming.com/download/0/68/">https://esg.yangming.com/download/0/68/</a>) and Market Observation Post System.</p>   | No Difference  |
| <p>2. Shareholding structure and shareholders' rights</p> <p>(1) Does the Company establish an internal operating procedure to process shareholder's suggestions, doubts, disputes, and litigation, and implement these based on the procedure?</p> <p>(2) Does the Company keep a list of its major shareholders as well as ultimate owners of those shares?</p> <p>(3) Does the Company establish and implement a risk management and firewall system within its conglomerate structure?</p> <p>(4) Does the Company establish internal rules against insider trading using undisclosed information?</p> | V              | <p>(1) The Company implements Internal Control System that specifies and handles shareholders' rights, share issue, dividends distribution procedure based on relevant rules. The shareholders' meetings are held and managed in accordance with the Shareholders' Meeting Regulations, relevant laws, and the Company Code. This Company has a special unit that handles shareholders' suggestions, doubts, and disputes.</p> <p>(2) The Company holds a list of major shareholders and a list of ultimate owners holding high percentage of shares and major shareholders. The above information is disclosed in accordance with the law.</p> <p>(3) a. The Company has established rules to keep track of its funds along with its affiliates and set up relevant mechanisms in the Internal Control System.<br/>b. Procedures such as acquisition or disposal of assets, endorsement, guarantee, monetary loan between this Company and affiliated enterprises are processed in accordance with relevant regulations.</p> <p>(4) The Company has formulated the Procedures for Handling Material Inside Information to prevent employees from buying and selling securities using undisclosed information.</p> | No Difference  |
| <p>3. Composition and responsibility of the Board of Directors</p> <p>(1) Does the Board develop and implement a diversified policy for the composition of its members?</p> <p>(2) Does the Company voluntarily establish other functional committees in addition to the Compensation Committee and Audit Committee?</p>   | V              | <p>(1) The Board has established and implemented diversity policies and specific objectives. The objectives and implementation of the Board's diversity policy is available on corporate ESG website and Chapter 2.3.5. The Board Diversity and Independence in the Annual Report.</p> <p>(2) In addition to audit committee and compensation committee, the Board of Yang Ming approved a resolution to establish the Risk Management Committee on April 15, 2022 to advise on risk management policies and important risk matters of the Company. The Board also approved a resolution to establish the Nominating Committee on December 20, 2024 to regularly review necessary standard and succession plan of directors and important manager personnel, to enhance the Board's management function.</p>   | No Difference  |

| Items   | Implementation |  | Deviations from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed |
|---|----------------|--|---|
|   | Yes            | No   |   |
| <p>(3) Does the Company establish a standard for determining the Board's performance and implement annually also report the result of evaluation to the Board and use the assessment result as the reference for the reward of individual directors and the nomination for renewal?</p> | V              | <p>(3) According to the resolutions of the 35<sup>th</sup> Board meeting, Yang Ming has amended the Procedures for Board and Functional Committee Performance Assessments. Yang Ming's Secretarial Office shall implement Board and functional committee performance assessments through questionnaires at the end of every year. The Board and functional committee performance assessments shall be conducted by an external independent professional institution or a panel of external experts and scholars at least once every three years. Yang Ming shall complete the performance assessments by the end of Q1 every year, and report the result to the Board and use the result as a reference when nominating directors for reappointment.</p> <p>The Company has processed the performance assessment of the Board of Directors, individual directors, and functional committee (including the Audit Committee, Remuneration Committee and Risk Management Committee) for the year 2024 in December 2024 and submitted the assessment results and the sustainability and improvement targets of 2025 to the Board meeting.</p> <p>a. The achievement rates of assessment criteria is 97.8% for the Board of Directors, 100% for the Audit Committee, 100% for the Remuneration Committee, and 100% for the Risk Management Committee. The result has exceeded the standards. The achievement rates of assessment criteria is 87% for directors and the result has met the required standards.</p> <p>b. For purpose of consistency in corporate governance and the Board's performance, targets for sustainability and improvement in 2025 are as follows.</p> <p>i. In order to facilitate sufficient communication and enhance supervision on business operations through meetings, the Company plans to convene 6 Board meetings in 2025, and already sent formal notices to the directors to reserve and arrange their schedule. The assessment criterion "average attendance status of directors on board meetings" is listed as an improvement target in 2025.</p> <p>ii. In order to facilitate sufficient communication and enhance supervision on business operations through meetings, the Company has made plans to convene six Board meetings in 2025, and it has already sent formal notices to the directors to reserve and arrange their schedule. The assessment criterion "the actual attendance status of directors on board meetings" is listed as an improvement target in 2025.</p> <p>c. The "Taiwan Corporate Governance Association" was commissioned to evaluate the performance of Board and functional committees in January 2024. The Association and evaluating experts were independent of any business affiliations with the Company. Its evaluation report on Board performance was submitted on March 28, 2024 and the results were submitted to the 391<sup>st</sup> Board meeting on April 12, 2024. Details are as follows.</p> | No Difference   |



| Items | Implementation |   | Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEx Listed |
|-------|----------------|---|--|
|       | Yes            | No  |  |
|       |                | <p>i. Evaluation duration: February 1, 2023 – January 31, 2024</p> <p>ii. Evaluation method: The Taiwan Corporate Governance Association reviews all the relevant documents submitted by the Company, and also commissioned 4 experts to conduct on-site evaluations and interviews with the Chairman, President, independent directors, chief audit officer and the corporate governance VP on March 14, 2024.</p> <p>iii. Evaluation standards: the 8 indicators include composition, guidance, authorization, supervision, communication and self-discipline of the Board, internal control and risk management, and others (e.g., Board meetings, support systems). With each indicator, the evaluators referred to the information provided by the Company and public information, and performed on-site interviews before submitting evaluation reports.</p> <p>iv. Overall evaluation results:</p> <ul style="list-style-type: none"> <li>• The Chairman encourages feedback, actively communicates and fully respects opinions from all Board members. Conclusions are only made after reaching a consensus through brainstorming and discussion in every way. The Company has nourished a great Board meeting culture and procedures with detailed meeting minutes.</li> <li>• With expertise in different fields, 3 independent directors proactively perform their duties, remain independent while considering shareholders' interest. Independent directors direct the management team with forward-thinking on critical issues (e.g., vessel building, affiliates management, compensation and rewards system), to ensure and assist the Board in guidance and supervision functions.</li> <li>• In addition to the Audit Committee and Compensation Committee, the Company took the initiative to establish the Risk Management Committee based on operational needs. One of the independent directors serves as the convener, the committee is composed of the Chairman, 3 independent directors and 1 director. The committee formulates risk management policies and system, reviews risk appetite, provides suggestions on managing major risks, and regularly reports risk control outcomes to the Board, reflecting the Company's determination to implement effective risk management.</li> <li>• The Company has established procedures for the Audit Committee to handle stakeholders' suggestions and grievance, and an independent directors' mailbox has been set up on the Company's website. To further enhance the independence of the whistleblower system, the independent directors have appointed dedicated personnel to manage and make direct report to them, reflecting that the Board places great importance on stakeholders' feedback.</li> </ul> | No Difference  |

| Items | Implementation |  | Deviations from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed |
|-------|----------------|--|---|
|       | Yes            | No   |   |
|       |                | <p>The Board values external professional advice and proactively appointed an independent third-party institution to evaluate performance of the Board in 2021. Suggestions from the evaluation (e.g., increasing number of independent directors and female directors, establishing Risk Management Committee) were listed as priorities and being carried out gradually, showing the Company's strong ambitions for self-improvement and commitment to enhance Board effectiveness.</p> <p>v. Evaluation recommendations/ improvement solutions:</p> <ul style="list-style-type: none"> <li>To enhance management competency of the Board, it is recommended that the Company refer to the "Corporate Governance Best-Practice Principles for TWSE/ TPEX Listed Companies" and make regular report related to succession and training plan of managerial managers to the Board. /The Company established Nominating Committee and its Charter, to regularly review succession plan of directors and important manager personnel.</li> <li>It is recommended that independent directors review the performance of Chief Audit Officer and express suggestions prior to the Chairman, in order to strengthen the independence of internal audits and the supervise function of the Audit Committee. / The Compensation Committee of the company is composed of all independent directors and reviews the KPI performance of directors and managerial officers regularly.</li> <li>In order to assist new directors in understanding the Company's current operations and overview of the industry, to enable directors to fulfill duties effectively, it is recommended to arrange orientation program by Chief Corporate Governance Officer and relevant departments for newly appointed directors. /Sales and related departments prepared introduction presentation and on-site visit of the group for new directors to know the score.</li> <li>In order to achieve excellent level (top 5%) in Corporate Governance Evaluation, it is recommended that the related departments shall draft an improvement plan based on the results and submit it to the Board for advice on the subsequent implementation. / The Company reviews performance in Corporate Governance Evaluation and convenes improvement discussion with related departments to enhance efficacy of corporate governance.</li> </ul> <p>(4) The Audit Committee and the Company's Board of Directors evaluate the independence and competence of CPAs annually (refer to Chapter 2.7 The evaluation on the independence of the CPA).</p> | No Difference   |



| Items  | Implementation |    | Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed   |               |
|--|----------------|----|--|---------------|
|  | Yes            | No |  | Description   |
| 4. As listed in the TWSE/TPEX, does the Company assign a corporate governance (concurrent) unit or personnel responsible for handling matters (including but not limited to providing necessary materials for directors and supervisors pursuant to the Board of Directors' resolutions, managing corporate registration, proceedings for the board of directors' and shareholders' meetings)? | V              |    | <p>(1) The supervisor of the Secretarial Office serves as Yang Ming's Chief Corporate Governance Officer who is managerial personnel with Board meetings operations experience over three years. The duties, core business and advanced education of the Chief Corporate Governance Officer can be found on corporate ESG website and in 2.2.1 of the Annual Report.</p> <p>(2) Yang Ming's secretarial office is responsible for events and matters related to Board meetings, shareholders' meetings and functional committee meetings, such as writing meeting minutes, providing necessary materials for directors and independent directors, assisting directors and independent directors to take office and take advanced training programs, legal compliance, handling and changing company registrations. Yang Ming's Public Affairs Dept. is in charge of implementing corporate governance practices.</p>   | No Difference |
| 5. Does the Company establish communication channels and designate a section on its website for stakeholders (including but not limited to shareholders, employees, clients and suppliers) to address important issues and concerns regarding corporate social responsibility?   | V              |    | <p>(1) The company has designated personnel in customer service and public relations to handle complaints and suggestions from suppliers, as well as concerns from investors. The Company also maintains open communication with banks and other creditors. In addition, the Company designates a grievance mechanism for employees and stakeholders on the official website where shareholders' feedback is received and responded to. The Stakeholder Area on the Company's Corporate ESG website can be accessed at <a href="https://esg.yangming.com/en/esg/stakeholder/1/">https://esg.yangming.com/en/esg/stakeholder/1/</a>. Diversified and comprehensive means of communication (contact, e-mail, phone number) are in place to learn about stakeholders' feedback for improvement. The stakeholder feedback is reported to the Board of Directors, and publicly disclosed on the corporate ESG website (<a href="https://esg.yangming.com/en/">https://esg.yangming.com/en/</a>), as well as in the Sustainability Report (<a href="https://esg.yangming.com/en/esg/sustainability_report/1/">https://esg.yangming.com/en/esg/sustainability_report/1/</a>) annually.</p> <p>(2) Click the links below to contact us.<br/>                     Market Observation Post System: <a href="https://emops.twse.com.tw/server-java/t58query">https://emops.twse.com.tw/server-java/t58query</a><br/>                     Company's website: <a href="https://www.yangming.com/">https://www.yangming.com/</a><br/>                     Annual Report: <a href="https://esg.yangming.com/en/investors/finance-detail/2024/">https://esg.yangming.com/en/investors/finance-detail/2024/</a><br/>                     ESG website: <a href="https://esg.yangming.com/en/">https://esg.yangming.com/en/</a><br/>                     ESG e-mail: <a href="mailto:esg@yangming.com">esg@yangming.com</a><br/>                     Customer service e-mail: <a href="mailto:cs@yangming.com">cs@yangming.com</a><br/>                     Employee box: <a href="mailto:employeebox@yangming.com">employeebox@yangming.com</a><br/>                     Occupational safety and healthy e-mail: <a href="mailto:HOSOservice@yangming.com">HOSOservice@yangming.com</a><br/>                     Independent director e-mail: <a href="mailto:yntarantang88@hibox.biz">yntarantang88@hibox.biz</a><br/>                     Whistleblowing e-mail: <a href="mailto:conduct@yangming.com">conduct@yangming.com</a><br/>                     Chairman e-mail: <a href="mailto:chairman@yangming.com">chairman@yangming.com</a></p> | No Difference |

| Items  | Implementation |    | Deviations from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed  |  |
|--|----------------|----|--|--|
|  | Yes            | No |  | Description  |
| 6. Does the Company appoint a professional shareholder service agency to deal with shareholder activities?   | V              |    | The Company has appointed KGI securities as its shareholder services agency.   | No Difference  |
| 7. Disclosure of information<br>(1) Does the Company have a corporate website to disclose its financial standing and corporate governance status?<br>(2) Does the Company have other information disclosure channels (e.g. website in English, designated people to handle information collection and disclosure, spokesman system, investor conference via wecast)?   |                | V  | <p>(1) The Company discloses its finance, business, sustainable management, and corporate governance on its Chinese and English websites (<a href="https://www.yangming.com">https://www.yangming.com</a>) for the reference of shareholders and stakeholders.</p> <p>(2) a. The Company has assigned a department to collect information on relevant industries and companies, as well as specialists to publish related information on its Chinese and English websites.</p> <p>b. The Company has designated spokespersons and deputy spokespersons and established communication procedures and policies.</p> <p>c. The Company has published the Sustainability Report detailing its sustainable development initiatives.</p> <p><a href="https://esg.yangming.com/en/esg/sustainability_report/1/">https://esg.yangming.com/en/esg/sustainability_report/1/</a></p> <p>d. The information related to the Company's investor conference is available on the official website.</p> | <p>(1) No Difference</p> <p>(2) No Difference</p>  |
| (3) Does the Company publicly announce the financial reports within two months after the end of each fiscal year? Also announce Q1-Q3 financial reports and register the operating status by limited time?   |                | V  | <p>(3) a. The Company abides by Article 3 of the Regulations Governing the Applicable Scope of Special Circumstances for the Public Announcement and Filing of Financial Reports and Operational Status Reports by Public Companies, which requests publishing financial reports within 75 days after the close of each fiscal year.</p> <p>b. The Company abides by Article 36 of the Securities and Exchange Act by publishing financial reports within 45 days after the end of the first, second, and third quarters of each fiscal year.</p> <p>c. The Company abides by Article 36 of the Securities and Exchange Act by publishing its operating status of the preceding month within the first ten days of each calendar month.</p>  | <p>(3) The Company abides by the Securities and Exchange Act by publishing financial reports within 75 days after the end of each fiscal year and also by releasing Q1-3 financial reports and registering the operating status within the specified time.</p> |
| 8. Is there any other important information to facilitate better understanding of the Company's corporate governance practices (e.g. including but not limited to employee rights, employee well-being, supplier relations, stakeholder rights, Board of Directors' and supervisors' training records, implementation of risk management policies and risk evaluation measures, implementation of customer service policies, and insurance for directors and supervisors)? |                | V  | <p>(1) Rights of employees: Yang Ming is law-abiding and spares no effort to improve its working environment by facilitating communication between the management and employees. The Company has established a corporate labor union, holding monthly meetings between the corporate labor union and management, with quarterly labor-management conferences held in combination. In 2024, a total of 12 meetings were held. However, no collective agreement has been concluded in the Labor-Management Council meetings so far, so no group agreement has been signed yet.</p> <p>(2) Care for employees: Employees are the Company's greatest assets. As such, the Company provides opportunities to fulfill their potentials. In addition to a competitive salary scheme, the employees also enjoy fringe benefits and well-rounded support.</p>   | No Difference  |



| Items | Implementation |   | Deviations from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed |
|-------|----------------|---|--|
|       | Yes            | No  |  |
|       |                | <p>(3) Relation with investors: In order to protect investors' rights and interests, the Company discloses its significant operational and financial information in accordance with related regulations. All the relevant business and financial information is posted on the Company's official website. Resolutions of shareholders' meeting are posted on both MOPS and the Company's official website.</p> <p>(4) Relation with suppliers: To build a sustainably developed operating environment, the Company undertakes to communicate with different supply chain partners about environmental protection, human rights and labor management, ethics and integrity, public welfare, and other issues, create comprehensive management mechanisms. The Company has in place the Supply Chain Management Policy, Supplier Code of Conduct, Company Basics and Assessment Form, Company Sustainability Statement Survey, and Statement of Integrity in Business Operation. These are available in the Supply Chain Management section on the Yang Ming corporate ESG website. <a href="https://esg.yangming.com/en/esg/information/supplychain/procurement/">https://esg.yangming.com/en/esg/information/supplychain/procurement/</a></p> <p>The Company requires compliance with the laws by all of its suppliers. In 2022, the Company amended the Codes of Ethical Conduct of Yang Ming Group, Ethical Corporate Management Best Practice Principles of Yang Ming Marine Transport Corporation, and Procedures for Ethical Management and Guidelines for Conduct of Yang Ming Marine Transport Corporation. The suppliers must be selected fairly, the negotiation conducted objectively, and no confidential information disclosed to potential suppliers. All of the employees are required to strictly observe the Company's confidentiality regulations. In 2022, the Company amended its confidentiality regulations. In 2022, the Company amended the Procedures of Whistleblowing Cases for Yang Ming Group Members and its Regulations Governing the Audit Committee's Handling of Stakeholder Suggestions and Complaints, which took effect in the same year. These procedures apply to all of Yang Ming Group's employees (including managerial officers), and those of its subsidiaries, suppliers and customers, shareholders, and other interested parties.</p> <p>(5) Rights of interested parties: All the transactions with banks/creditors are conducted pursuant to contractual terms and conditions. The Company gives adequate information to help banks/creditors fully understand its operation and financial status.</p> <p>(6) Board of Directors' and supervisors' training records: Please refer to Chapter 2.3.6 10. Advanced Education for Directors and Supervisors.</p> <p>(7) Risk management policy and risk assessment criteria</p> <p>a. Risk management policy: Risks may take the form of human activities, natural disasters, and global or regional economic fluctuations with varying frequency, severity, and impact negatively on business operations. The Company's risk management policy aims to efficiently prevent and control risks and safeguard regular business operation.</p> | No Difference  |

| Items | Implementation |  | Deviations from the Corporate Governance Best Practice Principles for TWSE/ TPEX Listed |
|-------|----------------|--|---|
|       | Yes            | No   |   |
|       |                | <p>b. Risk assessment criteria: Individual risks are assessed according to frequency and severity, as well as severity on the basis of quantitative and non-quantitative indexes. On the basis of frequency and severity, the individual risks are classified by their risk scores.</p> <p>c. Implementation of risk management policy in 2024</p> <p>The criteria of risk assessment for the annual risk assessment of Yang Ming were approved by the Company's CEO in accordance with the standard procedure of risk management. Accordingly, several items are classified as Highly Risky or Extremely Risky and the identified risks are averted by effective means. The report of the annual risk assessment is available to all departments, including the Audit Department, allowing employees to learn more about risk management decision-making.</p> <p>(8) Execution of Customer Service Policy: Our company is committed to providing high-quality services to our customers. In terms of operational strategy, we expand our service scope through strategic alliances, offering a reliable and extensive shipping network. With a customer-centric approach, we continuously enhance and promote e-services, implement intelligent customer service systems, and integrate innovative technologies into traditional workflows to improve operational efficiency, reduce labor costs, and enhance customer experience.</p> <p>Additionally, we actively participate in the Digital Container Shipping Association (DCSA) to establish standardized processes and accelerate the digital transformation of the industry.</p> <p>Recognizing our customers' growing concerns about greenhouse gas (GHG) emissions reduction, we continuously evaluate shipping technologies and regulatory requirements. In addition to managing the daily fuel consumption of our vessels, we are also planning to introduce new ships powered by lower-carbon alternative fuels. Furthermore, starting in 2024, our existing operational vessels have begun a phased transition to using biofuels. In 2024, the scope of ISO 14064-1 GHG verification was extended to include consolidated subsidiaries and complete inventory and verification of 2023.</p> <p>Yang Ming so far has obtained ISO9001, ISO14001, ISO27001, ISO45001, ISO14064-1, C- TPAT, AEO, ISM, and ISPS. The Company provides quality services and complies with international regulations and standards. Information about the Company's certifications is available on the corporate ESG website (<a href="https://esg.yangming.com/en/">https://esg.yangming.com/en/</a>)</p> <p>(9) Liability Insurance for directors and supervisors: The Company has purchased the Directors &amp; Officers Liability Insurance for all directors and the details thereof is reported to the Board every year.</p> | No Difference   |
|       | V              |  |   |

9. The Company discussed amendments following the latest results of the Corporate Governance Evaluation System from the Corporate Governance Center of TWSE.

(1) More than half of the Directors attend 2024 Shareholders' Meeting.

(2) Our board of directors now has female directors, and more than one-third of the seats are independent directors.

(3) 2024 Interim Financial Reports had all approved by Audit Committee and submitted to the Board of Directors for approval.

### 10. Advanced Education for Directors and Supervisors

The following table shows advanced education information of directors and independent directors in terms of hours, fields, organizers and others. Relevant information is disclosed according to the Directions for the Implementation of Advanced Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies.

| Advanced education for directors in 2024 |                |                       |  |   |       |
|--|----------------|-----------------------|--|---|-------|
| Title                                    | Name           | Date                  | Organizer  | Course  | Hours |
| Chairman                                 | Feng-Ming Tsai | 06.13.2024            | Securities and Futures Institution                           | Advanced Practical Seminar for Directors, Supervisors (including Independent Directors), and Corporate Governance Officers:Sustainable Supply Strategies Amid Escalating Global Risks | 3     |
|  |                | 10.04.2024            | Chinese National Association of Industry and Commerce        | Introduction to Corporate Law, Corporate Governance, and Tax Knowledge Essential for Senior Executives  | 3     |
|  |                | 10.08.2024            | Chinese National Association of Industry and Commerce        | NVIDIA's Trillion-Dollar Miracle: New Perspectives on the Semiconductor Revolution Behind Artificial Intelligence   | 3     |
|  |                | 10.23.2024            | Greater China Financial and Economic Development Association | How Can the Board Ensure Sustainable Business Operations—Starting from Talent Discovery and Development   | 3     |
| Director                                 | Hsien-Yi Lee   | 11.12.2024            | Taiwan Corporate Governance Association                      | In the AI Era, Enterprise Growth and Innovation Thinking  | 3     |
|  |                | 11.14.2024            | Greater China Financial and Economic Development Association | Global Political and Economic Analysis After the US Presidential Election   | 3     |
|  |                | 11.22.2024            | Taiwan Corporate Governance Association                      | An Introduction to Carbon Management and Energy Management from the Perspective of Sustainable Environment for Publicly Listed Companies  | 3     |
|  |                | 12.05.2024            | Greater China Financial and Economic Development Association | Global and Taiwan Economic Outlook  | 3     |
| Director                                 | Chien-Yi Chang | 08.13.2024            | Taiwan Independent Director Association                      | Latest Trends and Case Analysis in Anti-Money Laundering and Fraud Prevention (Including an Overview of U.S. BSA/AML Regulations and Penalty Cases)                                   | 3     |
|  |                | 08.29.2024            | Securities and Futures Institution                           | Board Performance Evaluation  | 3     |
| Director                                 | Wan-Chi Hsu    | 06.12.2024            | Greater China Financial and Economic Development Association | Risks and Considerations of Generative AI for Businesses  | 3     |
|  |                | 12.24.2024            | Taiwan Corporate Governance Association                      | The Net-Zero Path with Unlimited Business Opportunities—Analyzing Strategic Directions from an Industrial Perspective   | 3     |
| Director                                 | Fang-Yuan Chen | 06.25.2024-06.26.2024 | Securities and Futures Institution                           | Practical Training Program for Directors, Supervisors (Including Independent) and Corporate Governance Officers— Taipei Session   | 12    |
|  |                | 07.03.2024            | Taiwan Stock Exchange  | 2024 Cathay Sustainable Finance and Climate Change Summit   | 6     |
|  |                | 09.13.2024            | Taiwan Corporate Governance Association                      | Workshop on the Identification of Climate Risk and Seminar on the Net Zero Emissions  | 3     |
|  |                | 10.04.2024            | Chinese National Association of Industry and Commerce        | Introduction to Corporate Law, Corporate Governance, and Tax Knowledge Essential for Senior Executives  | 3     |
| Director                                 | Chun-Chun Chen | 07.03.2024            | Taiwan Stock Exchange  | 2024 Cathay Sustainable Finance and Climate Change Summit   | 3     |
|  |                | 09.24.2024-09.25.2024 | Securities and Futures Institution                           | 12-Hour Practical Training Program for First-Time Directors, Supervisors (Including Independent) and Corporate Governance Officers  | 12    |
| Director                                 | Chin-Yi Yang   | 09.30.2024            | Taiwan Academy of Banking and Finance                        | Fair Customer Treatment Principles and Financial Inclusive Services   | 3     |
|  |                | 09.30.2024            | Taiwan Academy of Banking and Finance                        | Trends in Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT)   | 3     |
|  |                | 10.31.2024            | Taiwan Academy of Banking and Finance                        | International Climate Change Trends and Challenges  | 3     |
|  |                | 12.13.2024            | Taiwan Corporate Governance Association                      | Corporate Governance Officer and the Proper Role of Corporate In-house Lawyers  | 3     |
| Director                                 | Fang-Guan Jan  | 10.22.2024            | Securities and Futures Institution                           | Intellectual Property Management: Focusing on Patent Rights and Trade Secrets   | 3     |
|  |                | 11.12.2024            | Securities and Futures Institution                           | Analysis of Employee and Director Compensation Issues - Starting from the Amendment of Article 14 of the Securities and Exchange Act  | 3     |
|  |                | 11.13.2024            | Securities and Futures Institution                           | Practical Operations of the Audit Committee   | 3     |

Advanced education for directors in 2024

| Title                | Name             | Date                  | Organizer   | Course   | Hours |
|----------------------|------------------|-----------------------|---|--|-------|
| Director             | Wen-Ching Liu    | 10.04.2024            | Securities and Futures Institution                    | 2024 Insider Trading Prevention Seminar  | 3     |
|                      |                  | 10.18.2024            | Taiwan Project Management Association                 | SDGs and ESG Sustainable Management  | 3     |
| Director             | Dzwo-Min Dai     | 06.27.2024            | Taiwan Corporate Governance Association               | The roles and responsibilities of the board of directors/senior managers in ESG governance   | 3     |
|                      |                  | 06.27.2024            | Taiwan Corporate Governance Association               | Based on TIPS—What an Enterprise should do to Prevent and Control Intellectual Property Risks                                      | 3     |
|                      |                  | 07.03.2024            | Taiwan Stock Exchange                                 | 2024 Cathay Sustainable Finance and Climate Change Summit  | 6     |
|                      |                  | 08.27.2024-08.28.2024 | Securities and Futures Institution                    | 12-Hour Practical Training Program for First-Time Directors, Supervisors (Including Independent) and Corporate Governance Officers | 12    |
| Independent Director | Huang-Chuan Chiu | 07.30.2024            | Securities and Futures Institution                    | Practical Analysis of Trade Secrets Law and Corporate Anti-Corruption Case Investigations  | 3     |
|                      |                  | 08.07.2024            | Securities and Futures Institution                    | Global Net-Zero Emissions Trends and Business Solutions  | 3     |
|                      |                  | 08.09.2024            | Taiwan Investor Relations Institute                   | Current ESG Industry Trends and Reporting Practices  | 3     |
| Independent Director | Tar-Shing Tang   | 10.16.2024            | Securities and Futures Institution                    | 2030/2050 Green Industrial Revolution  | 3     |
|                      |                  | 10.30.2024            | Taiwan Corporate Governance Association               | Directors and Supervisors Need to Know the Latest Trend of Corporate Governance Evaluation—Intellectual Property Management        | 3     |
| Independent Director | Jr-Tsung Huang   | 12.05.2024            | Securities and Futures Institution                    | Carbon Trading Mechanisms and Carbon Management Applications   | 3     |
|                      |                  | 12.06.2024            | Securities and Futures Institution                    | Financial Technology Crime and Anti- Money Laundering from a Corporate Perspective   | 3     |
| Independent Director | Zheng-Yi Shon    | 05.07.2024            | Chinese National Association of Industry and Commerce | Legal Tax Planning through Corporate and Family Governance   | 3     |
|                      |                  | 05.08.2024            | Importers and Exporters Association of Taipei         | Corporate Public Relations Crisis Management and Media Relations Strategies  | 3     |

### 11. Continuing education for president, executive vice president, audit directors, accounting and finance supervisor

#### Continuing education for president and executive vice president

| Continuing education for president and executive vice president in 2024 |  |            |  |       |
|---|--|------------|--|-------|
| Title   | Name   | Date       | Course   | Hours |
| President   | Kuen-Rong Pai                                    | 02.05.2024 | AEO and C-TPAT Certification Scope   | 0.5   |
|   |  | 02.19.2024 | Information about Cyber Security   | 0.7   |
|   |  | 03.29.2024 | Key Aspects of Contract Management and Related Functions of Contract Management Systems  | 0.3   |
|   |  | 04.01.2024 | Internal Material Information and Prevention of Insider Trading  | 0.5   |
|   |  | 05.06.2024 | Insider Equity Declaration and Inclusion of Rights Laws  | 0.5   |
|   |  | 05.09.2024 | Common Process Flaws, Issues, and Related Legal Liabilities in Tendering Operations  | 0.3   |
|   |  | 05.14.2024 | Criminal Offenses Commonly Committed by Employees  | 0.4   |
|   |  | 06.27.2024 | ISO 14064-1 Greenhouse Gas Inventory Standard  | 0.5   |
|   |  | 08.19.2024 | ISO 37001 Anti-Bribery Management System Operation Analysis and Training   | 2.0   |
|   |  | 09.02.2024 | The Codes of Ethical Conduct of Yang Ming Group and Ethical Corporate Management Best Practice Principles of Yang Ming Marine Transport Corporation & Procedures for Ethical Management and Guidelines for Conduct of Yang Ming Marine Transport Corporation | 0.5   |
|   |  | 10.16.2024 | Human Rights Policy  | 0.5   |
|   |  | 10.23.2024 | Insider Equity Declaration and Inclusion of Rights Laws(II)  | 0.5   |
|   |  | 11.19.2024 | Sexual Harassment Prevention Act   | 2.0   |
|   |  | 11.27.2024 | Gender Equality and Sexual Harassment Prevention   | 0.5   |
| Chief Marine Technology Officer & Executive Vice President              | Jeng-Shong Jeng                                  | 02.05.2024 | AEO and C-TPAT Certification Scope   | 0.5   |
|   |  | 02.19.2024 | Information about Cyber Security   | 0.7   |
|   |  | 03.22.2024 | How Should Directors Respond to the Responsibility of False Financial Statements? - Discussing Director Responsibilities and Corporate Governance  | 1.0   |
|   |  | 03.29.2024 | Key Aspects of Contract Management and Related Functions of Contract Management Systems  | 0.3   |
|   |  | 04.01.2024 | Internal Material Information and Prevention of Insider Trading  | 0.5   |
|   |  | 05.06.2024 | Insider Equity Declaration and Inclusion of Rights Laws  | 0.5   |
|   |  | 05.09.2024 | Common Process Flaws, Issues, and Related Legal Liabilities in Tendering Operations  | 0.3   |
|   |  | 05.14.2024 | Criminal Offenses Commonly Committed by Employees  | 0.4   |
|   |  | 06.27.2024 | ISO 14064-1 Greenhouse Gas Inventory Standard  | 0.5   |
|   |  | 08.19.2024 | ISO 37001 Anti-Bribery Management System Operation Analysis and Training   | 2.0   |
|   |  | 09.02.2024 | The Codes of Ethical Conduct of Yang Ming Group and Ethical Corporate Management Best Practice Principles of Yang Ming Marine Transport Corporation & Procedures for Ethical Management and Guidelines for Conduct of Yang Ming Marine Transport Corporation | 0.5   |
|   |  | 09.05.2024 | Competition Law  | 0.5   |
|   |  | 09.10.2024 | Yang Ming Marine Transport Corporation Internal Control Optimization Project   | 0.5   |
|   |  | 10.07.2024 | Personal Information Protection Act  | 0.5   |
|   |  | 10.16.2024 | Human Rights Policy  | 0.5   |
|   |  | 10.23.2024 | Insider Equity Declaration and Inclusion of Rights Laws(II)  | 0.5   |
| 11.27.2024  | Gender Equality and Sexual Harassment Prevention | 0.5        |  |       |

**Continuing education for president and executive vice president in 2024**

| Title  | Name  | Date       | Course   | Hours |
|--|---|------------|--|-------|
| Chief Taiwan Operations Officer & Executive Vice President | Ying-Tung Lin   | 02.05.2024 | AEO and C-TPAT Certification Scope   | 0.5   |
|  |   | 02.19.2024 | Information about Cyber Security   | 0.7   |
|  |   | 03.22.2024 | How Should Directors Respond to the Responsibility of False Financial Statements? - Discussing Director Responsibilities and Corporate Governance  | 1.0   |
|  |   | 03.29.2024 | Key Aspects of Contract Management and Related Functions of Contract Management Systems  | 0.3   |
|  |   | 04.01.2024 | Internal Material Information and Prevention of Insider Trading  | 0.5   |
|  |   | 05.06.2024 | Insider Equity Declaration and Inclusion of Rights Laws  | 0.5   |
|  |   | 05.09.2024 | Common Process Flaws, Issues, and Related Legal Liabilities in Tendering Operations  | 0.3   |
|  |   | 05.14.2024 | Criminal Offenses Commonly Committed by Employees  | 0.4   |
|  |   | 06.27.2024 | ISO 14064-1 Greenhouse Gas Inventory Standard  | 0.5   |
|  |   | 07.05.2024 | The Fair Trade Act and Corporate Compliance  | 2.5   |
|  |   | 08.19.2024 | ISO 37001 Anti-Bribery Management System Operation Analysis and Training   | 2.0   |
|  |   | 09.02.2024 | The Codes of Ethical Conduct of Yang Ming Group and Ethical Corporate Management Best Practice Principles of Yang Ming Marine Transport Corporation & Procedures for Ethical Management and Guidelines for Conduct of Yang Ming Marine Transport Corporation | 0.5   |
|  |   | 09.05.2024 | Competition Law  | 0.5   |
|  |   | 09.10.2024 | Yang Ming Marine Transport Corporation Internal Control Optimization Project   | 0.5   |
|  |   | 10.07.2024 | Personal Information Protection Act  | 0.5   |
|  |   | 10.16.2024 | Human Rights Policy  | 0.5   |
| 10.23.2024   | Insider Equity Declaration and Inclusion of Rights Laws(II) | 0.5        |  |       |
| 11.27.2024   | Gender Equality and Sexual Harassment Prevention            | 0.5        |  |       |
| Executive Vice President                                   | Mei-Chi Shih  | 04.01.2024 | Internal Material Information and Prevention of Insider Trading  | 0.5   |
|  |   | 05.06.2024 | Insider Equity Declaration and Inclusion of Rights Laws  | 0.5   |

### Continuing education for audit directors

| Continuing education for audit directors in 2024 |   |            |  |       |
|--|---|------------|--|-------|
| Title  | Name  | Date       | Course   | Hours |
| Vice President & Auditor Supervisor              | Shu-Chen Tsai   | 02.01.2024 | ESG Report Education and Training  | 2.5   |
|  |   | 02.05.2024 | AEO and C-TPAT Certification Scope   | 0.5   |
|  |   | 02.19.2024 | Information about Cyber Security   | 0.7   |
|  |   | 03.22.2024 | How Should Directors Respond to the Responsibility of False Financial Statements? - Discussing Director Responsibilities and Corporate Governance  | 1.0   |
|  |   | 03.29.2024 | Key Aspects of Contract Management and Related Functions of Contract Management Systems  | 0.3   |
|  |   | 04.01.2024 | Internal Material Information and Prevention of Insider Trading  | 0.5   |
|  |   | 05.09.2024 | Common Process Flaws, Issues, and Related Legal Liabilities in Tendering Operations  | 0.3   |
|  |   | 05.14.2024 | Criminal Offenses Commonly Committed by Employees  | 0.4   |
|  |   | 06.27.2024 | ISO 14064-1 Greenhouse Gas Inventory Standard  | 0.5   |
|  |   | 07.05.2024 | The Fair Trade Act and Corporate Compliance  | 2.5   |
|  |   | 08.19.2024 | ISO 37001 Anti-Bribery Management System Operation Analysis and Training   | 2.0   |
|  |   | 09.02.2024 | The Codes of Ethical Conduct of Yang Ming Group and Ethical Corporate Management Best Practice Principles of Yang Ming Marine Transport Corporation & Procedures for Ethical Management and Guidelines for Conduct of Yang Ming Marine Transport Corporation | 0.5   |
|  |   | 09.05.2024 | Competition Law  | 0.5   |
|  |   | 09.10.2024 | Yang Ming Marine Transport Corporation Internal Control Optimization Project   | 0.5   |
|  |   | 09.27.2024 | Corporate Anti-Corruption and Trade Secrets Law Investigation Cases  | 1.0   |
|  |   | 10.07.2024 | Personal Information Protection Act  | 0.5   |
|  |   | 10.16.2024 | Human Rights Policy  | 0.5   |
|  |   | 10.23.2024 | Insider Equity Declaration and Inclusion of Rights Laws(II)  | 0.5   |
|  |   | 11.27.2024 | Gender Equality and Sexual Harassment Prevention   | 0.5   |
|  |   | 12.10.2024 | Information Business Auditing Practices  | 6.0   |
| 12.18.2024                                       | Legal Risks in Business Management and How Internal Auditors Should Respond | 6.0        |  |       |

Continuing education for accounting and finance supervisor

| Continuing education for accounting and finance supervisor in 2024 |  |            |  |       |
|--|--|------------|--|-------|
| Title  | Name   | Date       | Course   | Hours |
| Vice President & Accounting Supervisor                             | Kuan-Sheng Fu  | 02.01.2024 | ESG Report Education and Training  | 2.5   |
|  |  | 02.19.2024 | Information about Cyber Security   | 0.7   |
|  |  | 03.08.2024 | Charter Party (Including IFRS 16) Case Handling  | 1.0   |
|  |  | 03.22.2024 | How Should Directors Respond to the Responsibility of False Financial Statements? - Discussing Director Responsibilities and Corporate Governance  | 1.0   |
|  |  | 03.29.2024 | Key Aspects of Contract Management and Related Functions of Contract Management Systems  | 0.3   |
|  |  | 04.01.2024 | Internal Material Information and Prevention of Insider Trading  | 0.5   |
|  |  | 04.10.2024 | Introduction to the Global Minimum Tax Regime Course   | 1.0   |
|  |  | 05.06.2024 | Insider Equity Declaration and Inclusion of Rights Laws  | 0.5   |
|  |  | 05.09.2024 | Introduction to IFRS16 Course  | 1.0   |
|  |  | 05.09.2024 | Common Process Flaws, Issues, and Related Legal Liabilities in Tendering Operations  | 0.3   |
|  |  | 05.14.2024 | Criminal Offenses Commonly Committed by Employees  | 0.4   |
|  |  | 06.27.2024 | ISO 14064-1 Greenhouse Gas Inventory Standard  | 0.5   |
|  |  | 08.19.2024 | ISO 37001 Anti-Bribery Management System Operation Analysis and Training   | 2.0   |
|  |  | 09.02.2024 | The Codes of Ethical Conduct of Yang Ming Group and Ethical Corporate Management Best Practice Principles of Yang Ming Marine Transport Corporation & Procedures for Ethical Management and Guidelines for Conduct of Yang Ming Marine Transport Corporation | 0.5   |
|  |  | 09.05.2024 | Competition Law  | 0.5   |
|  |  | 09.10.2024 | Yang Ming Marine Transport Corporation Internal Control Optimization Project   | 0.5   |
|  |  | 10.09.2024 | Substantial Investment and the Deduction of Undistributed Earnings   | 1.0   |
|  |  | 10.16.2024 | Human Rights Policy  | 0.5   |
|  |  | 10.23.2024 | Insider Equity Declaration and Inclusion of Rights Laws(II)  | 0.5   |
| 11.27.2024   | Gender Equality and Sexual Harassment Prevention   | 0.5        |  |       |
| 11.28.2024   | Continuing Education for Issuer, Securities Firms, and Stock Exchange Accounting Supervisors | 12.0       |  |       |
| Vice President & Finance Supervisor                                | Shu-Hui Ou   | 02.05.2024 | AEO and C-TPAT Certification Scope   | 0.5   |
|  |  | 02.19.2024 | Information about Cyber Security   | 0.7   |
|  |  | 03.29.2024 | Key Aspects of Contract Management and Related Functions of Contract Management Systems  | 0.3   |
|  |  | 04.01.2024 | Internal Material Information and Prevention of Insider Trading  | 0.5   |
|  |  | 05.06.2024 | Insider Equity Declaration and Inclusion of Rights Laws  | 0.5   |
|  |  | 05.09.2024 | Common Process Flaws, Issues, and Related Legal Liabilities in Tendering Operations  | 0.3   |
|  |  | 05.14.2024 | Criminal Offenses Commonly Committed by Employees  | 0.4   |
|  |  | 06.27.2024 | ISO 14064-1 Greenhouse Gas Inventory Standard  | 0.5   |
|  |  | 08.19.2024 | ISO 37001 Anti-Bribery Management System Operation Analysis and Training   | 2.0   |
|  |  | 09.02.2024 | The Codes of Ethical Conduct of Yang Ming Group and Ethical Corporate Management Best Practice Principles of Yang Ming Marine Transport Corporation & Procedures for Ethical Management and Guidelines for Conduct of Yang Ming Marine Transport Corporation | 0.5   |
|  |  | 09.05.2024 | Competition Law  | 0.5   |
|  |  | 09.10.2024 | Yang Ming Marine Transport Corporation Internal Control Optimization Project   | 0.5   |
|  |  | 10.07.2024 | Personal Information Protection Act  | 0.5   |
|  |  | 10.16.2024 | Human Rights Policy  | 0.5   |
|  |  | 10.23.2024 | Insider Equity Declaration and Inclusion of Rights Laws(II)  | 0.5   |
|  |  | 11.27.2024 | Gender Equality and Sexual Harassment Prevention   | 0.5   |

2.3.7 The Company's implementation of sustainable development and deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons

| Items  | Implementation |  | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|--|----------------|--|---|
|  | Yes            | No   |   |
| 1. Does the Company establish a governance structure for sustainable development and set up a unit to promote sustainable development, for instance, by the senior management authorized by the Board of Directors, and the supervision by the Board of Directors? | V              | <p>(1) Goals and Division of the Sustainable Operation Strategy Team Abiding by the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and taking into consideration the nature of the shipping industry, Yang Ming has formulated the Sustainable Development Best Practice Principles of Yang Ming Marine Transport Corporation for optimal management and they are to be followed by all the employees. In addition to controlling the risks and reducing the impact of overall operation on the economy, environment, and society, the Company also assumes the role of a corporate citizen. Through discussion and seeking consensus of the internal sustainable management team, the Company adopts the United Nations sustainable development goals as the basis for the internal sustainable development policy that exerts the greatest impact on the container transportation process and services. Accordingly, the Company is dedicated to providing "excellent transportation services and fulfilling commitments to customers", "energy saving and emission reduction to achieve environmental sustainability", "strengthening corporate governance and integrity management", "employee care and talent cultivation", "as well as enhancing social participation and giving back to the society". These are the Company's sustainable development strategies.</p> <p>(2) Execution and Frequency<br/>On May 12, 2021, the four divisions under the Sustainable Operation Strategy Team, namely Corporate Governance and Integrity Division, Environmental Sustainability Division, Customer Service Division, and Employee Care and Social Commitment Division were established. The sustainable development strategies were approved by the 357<sup>th</sup> Board of Directors meeting. The team to this end is chaired by the Chairman, with the President and the chief officers of groups serving as the supervisor of each division. The executive secretary of each division is responsible for convening division meetings on an annual basis. The Human Resources Department serving as the executive secretary for the Corporate Governance and Integrity Operations Group, and the Public Affairs Department serving as the executive secretary for the other groups. Division supervisors review the implementation and performance of the sustainability strategies and designate responsible units to set and carry out short-term, medium-term, and long-term goals that address stakeholders' concerns and related policies. The Board of Directors oversees the progress of sustainable development and reports annually to the Board for approval. The goals of corporate governance, environmental protection, and communal prosperity are reviewed every year, and different projects are gradually developed to promote sustainable operations.</p> | No Difference   |

| Items | Implementation |    | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons   |
|-------|----------------|----|---|
|       | Yes            | No |   |
|       |                |    | <p>(3) The short-term goals of the Sustainable Operation Strategy Team are linked to the performance of each relevant department and included in the annual performance evaluation, and submits the implementation results to the Board of Directors at least once a year. In 2024, the Sustainability Sustainable Operation Strategy Team submitted the following proposals to the Board of Directors.</p> <p>a. At the 390<sup>th</sup> Board meeting dated March 7, 2024, the 394<sup>th</sup> Board meeting dated June 21, 2024, the 397<sup>th</sup> Board meeting dated August 12, 2024, and the 400<sup>th</sup> Board meeting dated December 20, 2024, the progress of the GHG inventory and verification for the Company's consolidated subsidiaries was reported.</p> <p>b. At the 389<sup>th</sup> Board meeting dated January 31, 2024, the company's short-, medium-, and long-term sustainability objectives was reported. During the meeting, directors suggested that sustainability targets should align with international trends, domestic and international evaluation requirements, and investor expectations while also considering the Company's operational direction to achieve a balanced approach to corporate sustainability and governance. Additionally, directors recommended assessing the establishment of a dedicated sustainability unit and assessing the feasibility of forming a Sustainability Committee, in line with the latest corporate governance trends.</p> <p>c. At the 392<sup>th</sup> Board meeting dated May 10, 2024, the Company reported and approved a resolution to establish the Protecting Biodiversity and Zero Net Deforestation Commitment, as well as to amend the Supply Chain Management Policy.</p> <p>d. At the 394<sup>th</sup> Board meeting dated June 21, 2024, the Company submitted the 2023 Sustainability Report to the Board for approval. The proposals being reported included (a) results of implementing the sustainability objectives of 2023 and formulation of new ones for 2024; (b) identification of material issues concerning stakeholders and the status of communication channels, feedback methods and frequency; (c) the Company's governance of climate-related risks and opportunities under TCFD (Task Force on Climate- Related Financial Disclosures); (d) sustainable supply chain management; (e) environmental management performance; and (f) phased implementation of human rights due diligence per GRI standards. The directors approved the proposals and suggested setting more ambitious carbon reduction targets, improving green energy impact assessments, and preparing for emerging low-carbon business models.</p> <p>For detailed updates, please refer to the latest sustainability report and the corporate ESG website (<a href="https://esg.yangming.com/en/esg/sustainable_goal/1/">https://esg.yangming.com/en/esg/sustainable_goal/1/</a>).</p> |
|       | V              |    | No Difference   |

| Items  | Implementation   |   | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons |                  |                                |          |   |  |             |  |  |           |  |  |                  |  |                                      |                |  |                                   |               |
|--|--|---|---|------------------|--------------------------------|----------|---|--|-------------|--|--|-----------|--|--|------------------|--|--------------------------------------|----------------|--|-----------------------------------|---------------|
|  | Yes  | No  |   |                  |                                |          |   |  |             |  |  |           |  |  |                  |  |                                      |                |  |                                   |               |
| 2. Does the Company assess the risks of environment, sociality and company's governance related to the Company's operation according to the principle of significance and make related risk management policy or strategy? |  | <p>The Company annually assesses the potential risks its business operation has on the environment and society and accordingly formulates risk management strategies. The Company's risk assessment boundary, risk assessment process and scope are described as follows.</p> <p>To effectively prevent and control risks, and thereby maintain normal and sustainable operation, the Company has implemented comprehensive risk management measures involving the entire Yang Ming Group.</p> <p>The Company has established a risk management system and key areas of management. The risk management procedures and evaluation standards are regularly reviewed or adjusted so as to align with the market economy or the Group's operating policies. The Company conducts major risk evaluation every year. The evaluation includes the implementation results (residual risks) following improvement measures of high-risk projects evaluated in the past year, as well as the new risks due to the changes in the market economy or adjustments to the Group's operating policies. The above mentioned evaluation reports are submitted to the Board of Directors and tracked quarterly. The Company's risk management policy was reported to the Board of Directors in 2021. The latest Annual Group Risk Evaluation Report was reported to the 399<sup>th</sup> Board meeting on November 11, 2024.</p> <p>The Company's risk assessment are divided into five criteria, namely strategy, operational, financial, legal compliance, and climate change. The scope of each risk covers environmental, social, and corporate governance issues as follows.</p> <table border="1"> <thead> <tr> <th>Sources of risk</th> <th>Evaluation scope</th> <th>Possible impact or opportunity</th> </tr> </thead> <tbody> <tr> <td>Strategy</td> <td>Resource allocation, extension or reduction of company goals, market situation, public and investor relations, domestic and foreign policies, and political risks</td> <td></td> </tr> <tr> <td>Operational</td> <td>Marketing, supply chain, employee, technology, cyber-attack, computer facility damage, huge disaster, asset, uncontrollable factors (e.g., natural disaster, pandemic, terrorist attack)</td> <td>* Company assets and resources<br/>* Direct and indirect operating costs<br/>* Operational performance</td> </tr> <tr> <td>Financial</td> <td>Cash flow, credit, financial report, taxes, capital structure.</td> <td>* Intangible assets, such as goodwill and credit, work quality</td> </tr> <tr> <td>Legal compliance</td> <td>Corporate governance system, code of conduct and international laws and regulations.</td> <td>* Internal and external stakeholders</td> </tr> <tr> <td>Climate change</td> <td>Risks and opportunities attributed to climate change<br/>• Transition risks: policy, market and reputation, technology<br/>• Physical risks: Fleet navigation safety is included due to increasing instances of extreme weather such as typhoons and hurricanes.</td> <td>* Resource utilization efficiency</td> </tr> </tbody> </table> | Sources of risk   | Evaluation scope | Possible impact or opportunity | Strategy | Resource allocation, extension or reduction of company goals, market situation, public and investor relations, domestic and foreign policies, and political risks |  | Operational | Marketing, supply chain, employee, technology, cyber-attack, computer facility damage, huge disaster, asset, uncontrollable factors (e.g., natural disaster, pandemic, terrorist attack) | * Company assets and resources<br>* Direct and indirect operating costs<br>* Operational performance | Financial | Cash flow, credit, financial report, taxes, capital structure. | * Intangible assets, such as goodwill and credit, work quality | Legal compliance | Corporate governance system, code of conduct and international laws and regulations. | * Internal and external stakeholders | Climate change | Risks and opportunities attributed to climate change<br>• Transition risks: policy, market and reputation, technology<br>• Physical risks: Fleet navigation safety is included due to increasing instances of extreme weather such as typhoons and hurricanes. | * Resource utilization efficiency | No Difference |
| Sources of risk  | Evaluation scope   | Possible impact or opportunity  |   |                  |                                |          |   |  |             |  |  |           |  |  |                  |  |                                      |                |  |                                   |               |
| Strategy   | Resource allocation, extension or reduction of company goals, market situation, public and investor relations, domestic and foreign policies, and political risks  |   |   |                  |                                |          |   |  |             |  |  |           |  |  |                  |  |                                      |                |  |                                   |               |
| Operational  | Marketing, supply chain, employee, technology, cyber-attack, computer facility damage, huge disaster, asset, uncontrollable factors (e.g., natural disaster, pandemic, terrorist attack)   | * Company assets and resources<br>* Direct and indirect operating costs<br>* Operational performance  |   |                  |                                |          |   |  |             |  |  |           |  |  |                  |  |                                      |                |  |                                   |               |
| Financial  | Cash flow, credit, financial report, taxes, capital structure.   | * Intangible assets, such as goodwill and credit, work quality  |   |                  |                                |          |   |  |             |  |  |           |  |  |                  |  |                                      |                |  |                                   |               |
| Legal compliance   | Corporate governance system, code of conduct and international laws and regulations.   | * Internal and external stakeholders  |   |                  |                                |          |   |  |             |  |  |           |  |  |                  |  |                                      |                |  |                                   |               |
| Climate change   | Risks and opportunities attributed to climate change<br>• Transition risks: policy, market and reputation, technology<br>• Physical risks: Fleet navigation safety is included due to increasing instances of extreme weather such as typhoons and hurricanes. | * Resource utilization efficiency   |   |                  |                                |          |   |  |             |  |  |           |  |  |                  |  |                                      |                |  |                                   |               |

For details, please refer to "Risk Management" in YM's Sustainability Report.

| Items   | Implementation |    | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons  |
|---|----------------|----|--|
|   | Yes            | No |  |
| <p>3. Environmental issue</p> <p>(1) Does the Company establish a proper environment management system based on industry characteristics?</p> |                |    | <p>(1) In June 2004, the Company obtained the ISO 14001 Environment Management System (Version 1996). YM is the first carrier among domestic competitors to have obtained this certification which covers our local branch offices and fleet. In June 2018, the Company also obtained the ISO 14001 Environment Management System (Version 2015) and continued its validity. The latest certificate is valid from August 8, 2024, to August 7, 2027. Yang Ming has always been a champion of green shipping. In 2021, the Company introduced the ISO 14064-1 GHG inventory, which was third-party verified and Taiwan Accreditation Foundation (TAF)-certified. The Company's GHG emission reduction targets and measures were set on the basis of the inventory results. In 2024, the scope of ISO 14064-1 GHG verification was extended to include consolidated subsidiaries and complete inventory and verification of 2023. For more information, please refer to the corporate ESG website (<a href="https://esg.yangming.com/en/esg/decarbonization/1/">https://esg.yangming.com/en/esg/decarbonization/1/</a>) and YM's latest Sustainability Report (<a href="https://esg.yangming.com/en/esg/sustainability_report/1/">https://esg.yangming.com/en/esg/sustainability_report/1/</a>).</p>   |
| <p>(2) Does the Company try to utilize resources more efficiently and use renewable materials that have low impact on the environment?</p>    | V              |    | <p>(2) Yang Ming ensures that all newly built vessels, container equipment, and container terminals comply with international regulations. The ships and equipment are built with advanced and modern environmental- friendly design to effectively minimize water and air pollution while achieving greater energy efficiency. Yang Ming continuously monitors the technological maturity of alternative fuels for various types of vessels, (e.g., biofuel, methanol, hydrogen, ammonia, and LNG), as well as the integrity of vertically integrated supply chains and developments in international environmental regulations. Also, the Company has ordered five 15,500 TEU LNG dual-fuel container ships. The carbon emissions of LNG are about 20% less than those running on conventional fuels, LNG is a more mature alternative fuel. Compared to traditional fuels, LNG reduces carbon emissions by approximately 20% and is a relatively mature alternative fuel. By opting for cleaner LNG-powered dual-fuel vessels for new shipbuilding, the Company aims to lower carbon emissions while enhancing the overall operational competitiveness of our fleet. Additionally, the Company remains committed to exploring the application of renewable energy sources such as solar and wind power in container shipping. The Company continues to seek innovations and breakthroughs in energy-saving technologies to contribute to the realization of green shipping.</p> |



| Items   | Implementation |  | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons |
|---|----------------|--|---|
|   | Yes            | No   |   |
| (3) Does the Company assess the risks and chances of climate change and take actions on this issue?   |                | (3) YM has been dedicated to energy saving and carbon reduction since 2006. In 2007, the Company began publishing the annual environmental protection report. The environmental protection measures was published in the Corporate Social Responsibility Report (later renamed as Sustainability Report in 2022) in 2012. At the same time, specific measures for energy saving, emission reduction, and mitigating negative environmental impact included the establishment of an internal energy-saving and fuel-saving team in 2019. From route planning and design, shipping schedules, to speed control, as well as key equipment modification, the Company has put in much effort to significantly reduce fuel consumption. Compared to 2008, the carbon emission intensity in 2024 was reduced by 62.74% (verified by the third-party, same applies hereinafter), predating the time stipulated in the International Maritime Organization (IMO) regulations, which is 40% lower than 2008 by 2030.<br>With extreme weather events occurring much more frequently, enterprises should adopt measures to operate business more sustainably. To this end, Yang Ming has discussed in length the risks and opportunities of climate change in relation to corporate operation and integrated the issues in its operational planning and decision-making processes. Referencing the framework of the Task Force on Climate-related Financial Disclosures (TCFD), the Company has identified the opportunities and challenges brought by climate change and extreme weather events. And using the four core elements of governance, strategy, risk management as well as indicators and targets, the Company has formulated its climate change response plans to hopefully mitigate the impact of climate risks and strengthen corporate resilience. Detailed information on the climate change risk and opportunity analysis can be found in the Company's Sustainability Report.<br>For more information, please refer to the corporate ESG website ( <a href="https://esg.yangming.com/en/esg/decarbonization/1/">https://esg.yangming.com/en/esg/decarbonization/1/</a> ) and YM's latest Sustainability Report ( <a href="https://esg.yangming.com/en/esg/sustainability_report/1/">https://esg.yangming.com/en/esg/sustainability_report/1/</a> ). | No Difference   |
| (4) Does the Company monitor the emissions of greenhouse gas, water consumption and total weight of waste over the past two years, as well as establish company strategies for energy conservation and carbon reduction, greenhouse gas reduction, water use reduction or other waste management? | V              | (4) The Company began publishing its annual Environmental Performance Report in 2007. This report addresses overall environment protection projects and their effects. In 2015, the report was incorporated into the Corporate Social Responsibility Report (renamed as Sustainability Report). The Company has formulated a greenhouse gas policy ( <a href="https://esg.yangming.com/en/esg/information/certificates/250/">https://esg.yangming.com/en/esg/information/certificates/250/</a> ), and its Environmental Sustainability Division is in charge of Greenhouse Gas Management. To better monitor the group's GHG emissions, the scope of ISO 14064-1 GHG verification was extended in 2024 to include consolidated subsidiaries and complete inventory and verification of 2023. Among these, operational vessels accounted for 99.51% of Category 1 emissions. Over the years, YM's operational vessels have steadily reduced carbon intensity, with a carbon intensity reduction of 62.74% compared to the 2008 baseline year, also exceeding the goal set by the International Maritime Organization (IMO). With the goal   |   |

| Items   | Implementation                       |  | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |  |   |   |  |      |           |       |       |        |      |           |       |       |        |      |     |  |     |  |                        |                                  |                        |                                  |      |         |      |        |      |      |         |      |        |      |               |
|---|--------------------------------------|--|---|--|---|---|--|------|-----------|-------|-------|--------|------|-----------|-------|-------|--------|------|-----|--|-----|--|------------------------|----------------------------------|------------------------|----------------------------------|------|---------|------|--------|------|------|---------|------|--------|------|---------------|
|   | Yes                                  | No   |   |  |   |   |  |      |           |       |       |        |      |           |       |       |        |      |     |  |     |  |                        |                                  |                        |                                  |      |         |      |        |      |      |         |      |        |      |               |
| (4) Does the Company monitor the emissions of greenhouse gas, water consumption and total weight of waste over the past two years, as well as establish company strategies for energy conservation and carbon reduction, greenhouse gas reduction, water use reduction or other waste management? |                                      | <p>of achieving net-zero emissions by 2050, desulfurization towers have been installed and low-sulfur fuels have been used to cut average unit emissions of sulfur oxides (SOx) and reduce nitrogen oxides (NOx) emissions by 2.48% as compared to 2023. The Company continues to reduce greenhouse gas emissions through efficient resource utilization and energy conservation so as to meet domestic and international regulatory requirements and achieve the goal of sustainable operation and conservation.</p> <p>Waste Management Measures:</p> <p>a. The Company's sorting, collection, and handling of onboard waste comply with the regulations in Annex V to the International Convention for the Prevention of Pollution from Ships. Waste management plans have been formulated for the fleet's handling of onboard hazardous and solid waste. The plans cover 5 main procedures: collection, sorting, handling, storage, and recording.</p> <p>b. Waste sorting and recycling are performed to ensure proper waste disposal and improve the quality of recycled items. Employees are encouraged to bring their own cutlery and avoid using single-use products. Environmental education is available to increase conservation awareness. Employees are encouraged to use their own cups and eat an appropriate amount of food to avoid producing excess kitchen waste. Printing on both sides of the paper is also requested to reduce waste. Qualified disposal vendors are commissioned to dispose of general waste. Each operating premise should dispose of its waste in accordance with the environmental protection regulations of the respective county or city.</p> <p>Water resources measures:</p> <p>The Company complies with water resource use and discharge regulations prescribed by local competent authorities and the international regulatory bodies such as the IMO and MARPOL.</p> <p>Statistics for the past two years, reduction targets, and achievements are disclosed on the corporate ESG website (<a href="https://esg.yangming.com/en/">https://esg.yangming.com/en/</a>) and in the Sustainability Report (<a href="https://esg.yangming.com/en/esg/sustainability_report/1/">https://esg.yangming.com/en/esg/sustainability_report/1/</a>).</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Quantity of CO<sub>2</sub> emission</th> <th>Quantity of average CO<sub>2</sub> emission by g/ teu-km</th> <th>Quantity of average CO<sub>2</sub> emission reduction by g/ teu-km</th> <th>Percentage of average CO<sub>2</sub> emission reduction by g/teu-km</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>4,252,166</td> <td>37.03</td> <td>62.35</td> <td>62.74%</td> </tr> <tr> <td>2023</td> <td>4,074,283</td> <td>37.90</td> <td>61.48</td> <td>61.86%</td> </tr> </tbody> </table><br><table border="1"> <thead> <tr> <th rowspan="2">Year</th> <th colspan="2">NOx</th> <th colspan="2">SOx</th> </tr> <tr> <th>Total emissions (tons)</th> <th>Average emission rate (g/teu-km)</th> <th>Total emissions (tons)</th> <th>Average emission rate (g/teu-km)</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>117,301</td> <td>1.02</td> <td>12,946</td> <td>0.11</td> </tr> <tr> <td>2023</td> <td>112,538</td> <td>1.05</td> <td>12,134</td> <td>0.11</td> </tr> </tbody> </table> | Year  | Quantity of CO <sub>2</sub> emission                                 | Quantity of average CO <sub>2</sub> emission by g/ teu-km | Quantity of average CO <sub>2</sub> emission reduction by g/ teu-km | Percentage of average CO <sub>2</sub> emission reduction by g/teu-km | 2024 | 4,252,166 | 37.03 | 62.35 | 62.74% | 2023 | 4,074,283 | 37.90 | 61.48 | 61.86% | Year | NOx |  | SOx |  | Total emissions (tons) | Average emission rate (g/teu-km) | Total emissions (tons) | Average emission rate (g/teu-km) | 2024 | 117,301 | 1.02 | 12,946 | 0.11 | 2023 | 112,538 | 1.05 | 12,134 | 0.11 | No Difference |
| Year  | Quantity of CO <sub>2</sub> emission | Quantity of average CO <sub>2</sub> emission by g/ teu-km  | Quantity of average CO <sub>2</sub> emission reduction by g/ teu-km   | Percentage of average CO <sub>2</sub> emission reduction by g/teu-km |   |   |  |      |           |       |       |        |      |           |       |       |        |      |     |  |     |  |                        |                                  |                        |                                  |      |         |      |        |      |      |         |      |        |      |               |
| 2024  | 4,252,166                            | 37.03  | 62.35   | 62.74%   |   |   |  |      |           |       |       |        |      |           |       |       |        |      |     |  |     |  |                        |                                  |                        |                                  |      |         |      |        |      |      |         |      |        |      |               |
| 2023  | 4,074,283                            | 37.90  | 61.48   | 61.86%   |   |   |  |      |           |       |       |        |      |           |       |       |        |      |     |  |     |  |                        |                                  |                        |                                  |      |         |      |        |      |      |         |      |        |      |               |
| Year  | NOx                                  |  | SOx   |  |   |   |  |      |           |       |       |        |      |           |       |       |        |      |     |  |     |  |                        |                                  |                        |                                  |      |         |      |        |      |      |         |      |        |      |               |
|   | Total emissions (tons)               | Average emission rate (g/teu-km)   | Total emissions (tons)  | Average emission rate (g/teu-km)                                     |   |   |  |      |           |       |       |        |      |           |       |       |        |      |     |  |     |  |                        |                                  |                        |                                  |      |         |      |        |      |      |         |      |        |      |               |
| 2024  | 117,301                              | 1.02   | 12,946  | 0.11   |   |   |  |      |           |       |       |        |      |           |       |       |        |      |     |  |     |  |                        |                                  |                        |                                  |      |         |      |        |      |      |         |      |        |      |               |
| 2023  | 112,538                              | 1.05   | 12,134  | 0.11   |   |   |  |      |           |       |       |        |      |           |       |       |        |      |     |  |     |  |                        |                                  |                        |                                  |      |         |      |        |      |      |         |      |        |      |               |

| Items   | Implementation |  | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies and reasons |
|---|----------------|--|---|
|   | Yes            | No   |   |
| <p>4. Public issue</p> <p>(1) Does the Company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?</p> | V              | <p>(1) The Company abides by the Labor Standards Act and international labor standards on working conditions and is committed to establishing a fair and non-discriminatory employment policy. Activities related to employee rights are organized according to internal regulations and procedures. The Company is also committed to human rights and internationally-recognized human rights standards, which include the International Bill of Human Rights and the United Nation Global Compact and the International Labour Organization Declaration on Fundamental Principles at Work. The Company has formulated its human rights policy based on the above-mentioned documents. The Company publishes its policy implementation on corporate ESG website. <a href="https://esg.yangming.com/en/esg/information/corporategovernance/rulesand-regulations/">https://esg.yangming.com/en/esg/information/corporategovernance/rulesand-regulations/</a></p> <p>In addition, the Company in 2024 conducted online investigation on its human rights policy, with 1,493 onshore employees passing the test and a completion rate of 99.93%. In 2024, the Company launched a human rights due diligence project. The implementation results are as follows:</p> <ul style="list-style-type: none"> <li>a. Human Rights Survey and Analysis: In 2024, an online questionnaire was distributed to 1,490 onshore employees and 968 seafarers across 49 vessels. The overall response rate reached 88%, with 88% for onshore employees and 88% for seafarers.</li> <li>b. On-site Inspections: In addition to the online survey, on-site inspections were conducted at various locations, including offices (Qidu Headquarters and Keelung Branch), employee dormitory (Chaozhou Street, Taipei City), container yard (Keelung), and vessel (YM UPWARD).</li> <li>c. Employee Focus Group Interviews: Four focus group sessions were held for onshore employees and one session for seafarers to gather employee feedback and understand their expectations of the Company.</li> </ul> <p>Based on the information collected through the above methods, human rights issues and related feedback were compiled. A Human Rights Risk Identification Matrix was developed to assess the likelihood and impact of each issue. As a result, eight medium-risk issues were identified and will be monitored accordingly.</p> | No Difference   |

| Items   | Implementation |  | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|---|----------------|--|---|
|   | Yes            | No   |   |
| (2) Does the Company establish and execute measures of the employee welfares, including compensation, holidays and other benefits? Does individual performance appropriately reflect employee compensation? |                | (2) The overall salary scheme is based on equal pay for equal work. The annual paid leave is in line with the provisions of the Labor Standards Act, which stipulates as many as 5 days for sick and personal affairs. The Company compensates employees with 30% employee stock ownership trust, and 20% subsidy welfare savings trust, thereby encouraging employees to save for the long term, accumulate wealth, and ensure financial security. Moreover, the welfare benefits stand at a rate of 1.5/1000 of the operating income, and deductions are made on a monthly basis for 5/1000 of the payroll, which is handed over to the Employee Welfare Committee for various welfare services. In addition, to encourage employees to achieve their potential, improve the Company's overall operating performance, and create profits, bonuses are awarded according to individual performance.<br>The Company's defined benefit retirement plan is based on the pension system of the Labor Standards Act. The payment of retirement pensions is calculated based on the years of service and the average salary of the six months before retirement. The Company allocates 3% of the employee's total monthly salary to the employee's retirement fund, which is handed over to the Labor Retirement Reserve Fund Supervision Committee and deposited in the special retirement account of the Bank of Taiwan in the name of the committee. Before the end of the year, if the balance in the estimated special retirement account is insufficient to pay for the employees' pension to meet the retirement conditions by the end of next year, the insufficient amount will be allocated before the end of March of next year.<br>The pension system of the Labor Pension Act applicable to the Company is a defined contribution retirement plan managed by the government, and 6% of the employee's monthly salary is allocated to the individual account of the Labor Insurance Bureau. |   |
| (3) Does the Company provide a healthy and safe working environment and organize trainings on health and safety for its employees on a regular basis?   | V              | (3) a. In line with its Occupational Safety and Health Policy and to facilitate the implementation of occupational safety and promotion of employees physical and mental well-being, Yang Ming aims to achieve the following: commitment to zero accidents, creating a healthy workplace, and becoming an exemplary corporation in safety and health, both on board and on shore. By putting efforts in the above, the Company hopes to increase employees' mental and physical well-being and help them balance between life and work. There is continuous communication and cooperation with stakeholders to minimize occupational safety and health risks. Below are the implementation results.  | No Difference   |

| Items   | Implementation        |   | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |                       |                     |      |     |       |      |     |       |      |     |       |               |
|---|-----------------------|---|---|-----------------------|---------------------|------|-----|-------|------|-----|-------|------|-----|-------|---------------|
|   | Yes                   | No  |   |                       |                     |      |     |       |      |     |       |      |     |       |               |
| (3) Does the Company provide a healthy and safe working environment and organize trainings on health and safety for its employees on a regular basis? |                       | <p>i. The management and maintenance of all electromechanical and mechanical equipment such as power supplies and elevators comply with the provisions of the Occupational Safety Law and internal operating procedures, and ensure the implementation of daily inspections, regular inspections, overall inspections and other management measures. Lighting inspections is done every three years and carbon dioxide testing is done every six months. quarterly tests for water quality and E. coli, and keeps a water quality inspection record with regular updates.</p> <p>ii. In 2024, the Company did not suffer from any fire incident. The Company abides by the Fire Services Act and its Enforcement Rules. As such, professional manufacturers are required to report to the fire management authority, and various fire management services are carried out in accordance with the protection plan to significantly lower the risk of disasters. Semiannual fire drills are conducted so that both employees and contractors are well-prepared for emergency. The Company has more first aid personnel than legally required and they undergo training every three years. Also, all of the onshore worksites are equipped with AED (Automated External Defibrillator) for immediate first-aid purposes.</p> <p>iii. The Company offers frequent and comprehensive physical check-ups and provides one-day pay leave for employees. Employees who are over 40 years old can undergo a physical check-up once a year, while others get once every two years. Qualified physicians and nurses provide medical consultations and healthcare services, with service frequency exceeding what is legally required. According to the results of the physician's health assessment, employee cannot adapt to the original work, and the relevant unit is notified to consider changing his workplace, changing his job, or shortening his working hours. The results of annual health examinations are statistically analyzed and compared, and health management and health promotion measures are taken to achieve early detection of diseases and early treatment.</p> <p>iv. Regular safety and health training courses are mandatory for all employees, including occupational safety and hygiene personnel, as well as on-site staff. The Company also offer safety and health training courses for its contractors.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Frequency of training</th> <th>Number of employees</th> </tr> </thead> <tbody> <tr> <td>2024</td> <td>110</td> <td>3,804</td> </tr> <tr> <td>2023</td> <td>109</td> <td>5,933</td> </tr> <tr> <td>2022</td> <td>152</td> <td>3,831</td> </tr> </tbody> </table> <p>b. All of the onshore offices have obtained ISO45001 and TOSHMS certifications, which are valid from October 25, 2023 to October 24, 2026. Certifications are publicly disclosed on the corporate ESG website (<a href="https://esg.yangmng.com/en/esg/information/certificates/248/">https://esg.yangmng.com/en/esg/information/certificates/248/</a>)</p> | Year  | Frequency of training | Number of employees | 2024 | 110 | 3,804 | 2023 | 109 | 5,933 | 2022 | 152 | 3,831 | No Difference |
| Year  | Frequency of training | Number of employees   |   |                       |                     |      |     |       |      |     |       |      |     |       |               |
| 2024  | 110                   | 3,804   |   |                       |                     |      |     |       |      |     |       |      |     |       |               |
| 2023  | 109                   | 5,933   |   |                       |                     |      |     |       |      |     |       |      |     |       |               |
| 2022  | 152                   | 3,831   |   |                       |                     |      |     |       |      |     |       |      |     |       |               |

| Items   | Implementation |  | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|---|----------------|--|---|
|   | Yes            | No   |   |
|   |                | <p>c. In 2024, the Company had a total of 3 occupational accidents involving 3 individuals, 1 collision, 1 fall and 1 marine crew accidentally sprained his ankle at the operation area. Disabling Injury Frequency Rate is 0.91. The incident rate relative to the total employees is 0.2%. The company has included cases in course content and strengthened training.</p> <p>d. In order to protect the working environment of crew on board, meet safety standards and maintain physical and mental health, each ship in the fleet has passed regular audits by country of registration and classification society, and obtained ISM Code and MLC certificates to ensure personnel safety, vessel safety, and cargo safety. The company pays attention to the physical and mental health of crews and provides health examination subsidies for them that are better than those prescribed by law. Due to the restrictions in the offshore operating environment, in addition to telemedicine, by July 2014, all fleets were equipped with automatic external electrocardiograms (AED) and 12-lead electrocardiograms (12 LEAD EKG) to enhance maritime medical diagnosis and first aid capabilities. The pre-service training for maritime personnel includes education and training on metabolic syndrome prevention and chronic disease care, how maritime personnel and their families use employee assistance programs (EAPs), and prevention of illegal violations in the workplace.</p> <p>e. One vessel fire incident was recorded in 2024, which fortunately resulted in no casualties. Such hazardous cargo has been completely prohibited following the accident.</p> |   |
| (4) Does the Company provide its employees with career development and training sessions?   | V              | <p>(4) To strengthen employees' professionalism, the Company provides diverse learning resources to encourage self-learning, step up performance, and explore potentials. The Company is attentive to employees' feedback and accordingly designs courses that address competency and management training. There are learning goals which employees can use to gauge their progress, thereby enabling the overall growth of the organization. The Company provides series of training courses for employees of different levels and invites external tutors to conduct internal training on important know-how and technical skills. Subsidies are available to employee foreign language, professional courses, for-credit classes, and degrees.</p>  | No Difference   |
| (5) Does the Company with regard to customer health and safety of products and services, customer privacy, advertise and labels according to relevant regulations and international standards and establish any customer protection mechanisms and appealing procedure? |                | <p>(5) The services provided by the Company adhere to relevant regulations and international standards, say, Taiwan's Personal Data Protection Act, the EU's General Data Protection Regulation (GDPR), the Fair Trade Act, competition laws, antitrust laws, and sanction laws. These services are adjusted to comply with relevant regulations. Recognized for quality service, the Company has held the ISO 9001 Quality Management System certification since 1996. There are also established procedures for lines planning, procurement, service, customer privacy, and handling customer complaints. These procedures include Personal Data Protection Operating Procedures, Privacy Policy, and Legal Compliance Guideline of Yang Ming Group. The Company will continue to improve operation and obtain certification and validation through external audit.</p>  |   |



| Items  | Implementation |  | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|--|----------------|--|---|
|  | Yes            | No   |   |
| (6) Does the Company have a supplier management policy that requires suppliers to comply with relevant laws and regulations on environmental protection, occupational health and safety or labor rights, and implement these based on the procedure. |                | <p>(6) In 2022, the Company incorporated the requirements for supplier management to the Sustainable Development Practices Guidelines. When partnering with major suppliers, the contract therefor may include adherence to sustainable development policies by both parties. The Company reserves the right to terminate or rescind the contract at any time if a supplier is found to be in violation of the aforementioned policies and causes significant damages to the environment and the supply-source community.</p> <p>The Company's Supply Chain Management Policy and Supplier Code of Conduct stipulates a sustainable procurement framework for procurement processes and implementation of internal procurement management regulations. The suppliers' selection mechanism also includes the criteria of sustainability and more information is available on the Yang Ming corporate ESG website. Suppliers are required to comply with relevant laws and regulations on environmental protection, occupational health and safety, and labor rights. Before engaging in business transactions, the Company is entitled to assess whether suppliers have a record of negatively impacting the environment and society in order to avoid conducting business with those running counter to the Company's sustainable development policy. Yang Ming promises to facilitate communication with different supply-chain partners about environmental protection, human rights and labor management, ethics and integrity, public welfare, and other issues, create comprehensive management mechanisms, and continue improvement and optimization efforts.</p> <p>On the basis of the above communication, the Company has set up a management mechanism. At the same time, the Supplier Code of Conduct has been formulated in accordance with UN Global Compact, International Labour Organization (ILO) and other norms, which include five major parts. The suppliers must respect and abide by the Company's common values and standards, and they are always encouraged to continue optimizing their respective services.</p> <p>a. Human Rights and Labor: The Company is devoted to creating and maintaining a positive working environment where employees are treated reasonably and with respect. Our suppliers are requested to adopt the same or similar standards in their working environments to ensure that the human rights of their employees are not affected and infringed.</p> <p>b. Occupational safety and health: The Company attaches importance to the safety and health of its employees, and strives to enhance their knowledge in safety and health. The Company establishes a safe working environment to prevent work-related injuries, and to improve the quality and stability of services.</p> | No Difference   |

| Items | Implementation |   | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|-------|----------------|---|---|
|       | Yes            | No  |   |
|       |                | <p>c. Environment: Environmental protection is a responsibility that should be shared by all enterprises. The Company follows ISO 14001, international industry-related regulations, and relevant laws and regulations at its operating locations to enforce environmental protection and minimize the impact of operations on the community, the natural environment, and resources. We also expect our suppliers to consider environmental factors in the course of operations, carry out improvements and maintenance based on these impact factors, so that we can work together to mitigate the impact on the environment.</p> <p>d. Business Ethics and Business Integrity: Suppliers shall observe the highest ethical standards in the course of operations, expand relevant business activities, and establish relevant policies for internal promotion to enhance their employees' understanding of corporate ethical management policies.</p> <p>e. Management System: Suppliers shall establish management standards that comply with relevant laws and regulations and the requirements of Supplier Code of Conduct, and engage in continuous improvement of the requirements listed in the Supplier Code of Conduct.</p> <p>The Company's Supply Chain Management Policy and Supplier Code of Conduct can be accessed on Yang Ming's corporate ESG website. For more information, click the link below <a href="https://esg.yangming.com/en/esg/information/supplychain/procurement/">https://esg.yangming.com/en/esg/information/supplychain/procurement/</a></p> <p>With dedicated efforts to sustainable governance, the Company has implemented the project of sustainable supply chain management and analyzed annual procurement activity data to classify 2,298 suppliers. Based on procurement items and service characteristics, procurement activities can be divided into eight categories: General Affairs and Labor, Professional Services, Marine fuel, Vessels, Safe operation of vessels, Container/Chassis/Genset, Container yard machinery, and Shipping-related services. The Company then analyzed the purchase amount of each category and the transaction frequency of each supplier to identify 159 tier 1 suppliers and to conduct ESG due diligence on all of the tier 1 suppliers. The scope of investigation will continue to be expanded. The Company invited tier 1 suppliers to produce the Sustainability Management Self-Assessment Questionnaire on aspects such as sustainable governance, society, and environmental management. The questionnaire enables the Company to better understand the current status of sustainable governance in the supply chain and conduct sustainable written audits of 99 tier 1 suppliers. After analyzing the Self-Assessment Questionnaire results, the Company conducted five on-site audits to observe the management status of suppliers, identify relevant risks, and better understand supplier operations. In all, these audits allow insight into the status of implementing sustainable measures and enable suppliers to gradually increase their sustainability awareness.</p> | No Difference   |

| Items  | Implementation |   | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|--|----------------|---|---|
|  | Yes            | No  |   |
| 5. Whether Company comply with any international standard or guidelines to compose the non-financial data in the Sustainability Report (And whether said report is assured by the 3 <sup>rd</sup> party?)  |                | <p>YM's Sustainability Report was prepared in accordance with the GRI Universal Standards 2021 published by Global Reporting Initiative (GRI). The Marine Transportation Sustainability Accounting Standards 2023 was created according to the International Sustainability Standards Board (ISSB). Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, and the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). YM's Sustainability Report has been verified by DNV, using the UK's AccountAbility (AA)'s Type 1 AA1000 Assurance Standard v3 with a Moderate level of assurance as the verification standard and level in accordance with the GRI Universal Standards 2021, ISSB Standards, and TCFD Standards. Accordingly, the content of this report is in line with the requirements of the GRI Universal Standards 2021, SASB Standards, and the framework of TCFD.</p> | No Difference   |
| 6. If the Company has established corporate social responsibility principles based on the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies for sustainability, please describe any discrepancy between the principles and their implementation.<br>Yang Ming has established its Corporate Social Responsibility Best Practice Principles and relevant working procedures have been carried out based on these principles. There is no discrepancy between principles and their implementation.   |                |   |   |
| 7. Other important information to facilitate better understanding of the sustainable development practices is as follows.<br>(1) Activities for public welfare and community participation<br>Yang Ming actively engages with local communities, upholding the principle of "giving back to society." While developing core business, we continuously support talented young athletes and contribute to sports development through event organization and sponsorship. To date, we have sponsored 66 promising athletes, demonstrating our dedication to the growth of the sports industry and the promotion of sports for all. In addition, to protect the environment, we have mobilized employees worldwide to participate in environmental cleanup initiatives, such as beach and river cleanups. For the first time, we invited our long-term suppliers to join forces in contributing to marine conservation. In 2024, a total of 461 participants collectively removed 2.4 metric tons of waste. In response to the global trend of sustainability efforts, we have launched the "Biodiversity Protection and Zero Deforestation Commitment." Taking concrete action to protect ecosystems, we collaborated with the Society of Wilderness to conduct invasive species removal efforts at Wugu Wetland in New Taipei and Yuanzhonggang Wetland in Kaohsiung. A total of 101 employees took part, successfully removing 92 kg of Mikania micrantha and 200 Leucaena trees, contributing to the preservation of local biodiversity and navigating toward a sustainable future.<br>The Yang Ming Cultural Foundation (YMCF) has been dedicated to promoting sustainable ocean and environmental issues through exhibitions, as well as cultural and educational activities. In 2024, YMCF strengthened alliances with professional teams across various sectors, including industry, government, and academia. Notably, it has forged in-depth partnerships with Hon Hai Technology Group, the National Palace Museum, and the National Taiwan Ocean University. A total of 6,169 individuals participated in the Foundation's activities, while 25,876 people attended the exhibition. To further expand its social impact, the foundation published Taiwan's first ship sustainability action picture book, distributing it to schools, and launched high-quality educational initiatives aligned with the United Nations' SDGs13 (climate mitigation), SDGs14 (marine ecology protection), and SDGs17 (diverse partnerships), with the aim of encouraging broader public engagement in sustainable development issues. The Foundation continues to foster collaboration with society, advocating for environmentally friendly practices and fulfilling its corporate social responsibilities through creative exhibitions and advocacy campaigns. |                |   |   |

| Items | Implementation   |    | Deviations from the Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies and reasons |
|-------|--|----|---|
|       | Yes  | No |   |
|       | Description of operation   |    |   |
|       | <p>(2) In May 2020, Yang Ming's newly-built 2.8 K vessel was awarded the ABS Smart Ship Notation. In addition, two other newly-built vessels of the same specification, 10 x 2,800, received the Smart Ship Notation from ABS, as well as certifications from BV, DNV, CR upon delivery. In terms of energy-saving management, Yang Ming has taken significant measures to reduce fuel consumption and CO<sub>2</sub> emission. Starting in 2024, the Company has adopted biofuel (specifically biodiesel B24-B30) to reduce carbon emissions. Moving forward, the proportion of biofuel in the fleet's annual fuel consumption will gradually increase, supporting the Company's goal to reduce the carbon intensity of its fleet operations. Yang Ming has successfully reduced its fleet's average CO<sub>2</sub> emission per TEU kilometer by as much as 62.74% compared to 2008 levels, exceed the IMO's target of a 40% reduction by 2030 as compared to 2008.</p> <p>(3) Yang Ming has also joined the Digital Container Shipping Association (DCSA) to drive digitalization and standardization in the container shipping industry, improve operational procedures for both upstream and downstream stakeholders and facilitating efficient information exchange. In collaboration with other DCSA members, Yang Ming is working to provide interface services for standards such as Track &amp; Trace V.1 Interface 2.1, Operational Vessel Schedule Interface 1.0, ust in Time Port call Interface 1.0, and Bill of Lading Interface 1.0.</p> <p>(4) In terms of e-service, Yang Ming was the first carrier to introduce the e-Delivery Order service in December 2019, followed by e-Voucher service in June 2020. These services are designed to enhance customer efficiency, save time and minimize carbon footprints. Both the e-Delivery Order service and e-Voucher service were granted an invention patent titled "Information System for Processing Delivery Order and Method and Servicing Method Thereof" (I741895), on October 1, 2021. In addition, the Company's invention patent application titled "Information System for Container Yard Pick-Up Method, Calculator, and Delivery Pick-Up" has been approved by the Intellectual Property Office, Ministry of Economic Affairs, R.O.C. Moreover, Yang Ming aims to enhance vessel supervision inspections by establishing a modular process that accurately indicates the location of inspected equipment on the ship and utilizing satellite broadband networks for real-time synchronization of inspection data between the ship shore. To this end, Yang Ming was granted two patents in 2024: "Method, Client Computer, and Computer-Readable Medium for Superintending Vessel Operations" (June 11, 2024) and "Method and Servicing Method, Client Computer, Server, and Computer-Readable Medium for Auditing Vessel Operation and Enhancements in Auditing" (September 1<sup>st</sup>, 2024).</p> <p>(5) Yang Ming actively participates in various international organizations such as the Silk Alliance, the Getting to Zero Coalition, and the Society for Gas as a Marine Fuel (SGMF) to collaborate with industry stakeholders in the maritime industry value chain in developing and promoting sustainable practices. The Company also engages with the Ship Recycling Transparency Initiative (SRTI) to continuously implement the principles of marine environmental sustainability. Furthermore, Yang Ming adheres to anti-corruption and integrity policies through its involvement with the Maritime Anti-Corruption Network (MACN) platform.</p> <p>(6) To ensure a resilient supply chain and secure delivery of goods, the Company has adopted the International Ship and Port Facility Security Code (ISPS) and Customs-Trade Partnership Against Terrorism (C-TPAT) frameworks, which provides enhanced security measures against terrorism. All Yang Ming ships are certified with ISPS and ISSC certifications and have been C-TPAT members since March 2003. The Company also obtained the ISO27001:2013 Information Security Management System certification and has integrated IT infrastructure into its risk management framework, strengthening the Group's corporate governance and global information service. Yang Ming was the first carrier in Taiwan to receive an Authorized Economic Operator (AEO) certificate, awarded in June 2012. Additional information is available at Yang Ming's website, corporate ESG website and Sustainability Report.</p> |    |   |



8. Climate Related Implementation

| Item   | Implementation   |   |   |
|--|--|---|---|
|  | Period   | Risk  | Impact  |
| <p>1. Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities.</p> <p>2. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term).</p> | <p>Short-term</p> <p>Tightening carbon emission regulations and energy efficiency requirements</p> | <p>1. Carbon fees and carbon taxes: As of 2024, major carriers have implemented ETS surcharges, and other international carbon pricing systems are becoming increasingly clear. The amount of carbon fees or carbon taxes paid may increase. In addition, due to the impact of international wars, longer voyages are used as a hedging policy to stay away from high-risk areas. This will directly lead to an increase in carbon emissions and a higher-than-expected carbon tax.</p> <p>2. Tightening environmental regulations: Enterprises need to gradually replace existing ships and build new ships that use alternative fuels or are equipped with energy-efficient equipment and exhaust scrubber devices. If the Company's existing ships fail to comply with relevant standards, this will increase the pressure on the delivery schedule of new ships, thereby affecting decision-making, damaging the Company's reputation, and leading to related penalties.</p> <p>3. Impacts on sailing schedules: To cut carbon emissions, ship speed is reduced, resulting in extended sailing schedules and affecting sailing scheduling and planning.</p> | <p>1. SEEMP implementation: Early response to the IMO's carbon intensity requirements for international shipping.</p> <p>2. Main engine derating and speed reduction: Since 2023, we have derated the main engines of the vessels in the existing fleet and reduced their speed for the purpose of reducing fuel consumption and carbon emissions.</p> <p>3. Replacement of old, energy-consuming ships with new, eco-friendly, and energy-efficient ships: The Company has purchased new, eco-friendly, and energy-efficient ships to replace those that are old and energy-consuming. The Company has delivered 10 2,800 TEU and 14 11,000 TEU long-term chartered new energy-efficient ships to reduce the overall fuel consumption and carbon emissions of the Company's fleet.</p> <p>4. Retrofitting of ship-side shore power facilities: The Company will continue to monitor the progress and regulations of each country for the construction of shore power facilities at ports and plan the retrofiting of ship-side shore power facilities to reduce the fuel consumption and GHG emissions of port calls.</p> <p>5. Tracking of trends in domestic and foreign regulations: Relevant units regularly provide, track, and update information on the regulations and rules governing environmental protection and carbon tax and related changes in the EU and other countries for operational units to make timely response.</p>  |
|  |  |   | <p>Response Strategies</p>  |
|  |  |   | <p>Implementation</p> <p>1. Yang Ming's Board of Directors serves as the highest governing body overseeing climate change matters. The Board is responsible for the review and decision-making process regarding the Company's climate-related governance. It evaluates climate-related risks and opportunities and incorporates them into strategic proposals. Moreover, the Board allocates capital expenditures to facilitate corporate adaptation to and mitigation of climate-related impacts while also supporting the development of climate-adaptive services.</p> <p>2. The Corporate Governance and Integrity Division, under the Sustainable Operation Strategy Team, is responsible for the promotion and implementation of the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. The divisions within the team assess mitigation strategies for identified climate risks and opportunities. Annual training sessions and educational programs are conducted to raise employee awareness of climate change trends and improve their ability to assess and manage risks across different climate scenarios. Senior management, including the Chairman and President are actively involved in identifying risks and opportunities, reinforcing organizational resilience and strategic planning.</p> <p>3. Yang Ming has established the Risk Management Policy. The Risk Control Office and Sustainable Operation Strategy Team identify and assess climate-related risks. The assessments are reported to the Risk Management Committee and the Board of Directors, with high-risk items tracked quarterly. Progress and mitigation outcomes are regularly submitted to the Committee and the Board.</p> <p>4. To develop a robust climate-related risk management mechanism, the Company designs strategic responses aimed at reducing, transferring, accepting, controlling, or managing identified high-risk and high-opportunity factors. These are assessed for their potential financial impacts, and appropriate mitigation strategies are formulated to minimize costs and maximize benefits.</p> <p>5. Yang Ming has established four climate change scenarios, based on operational characteristics and location factors, to assess climate-related risks and opportunities. This includes assessments of climate impacts on the operational environment and key stakeholders. Risks and opportunities are identified using standardized forms. This is followed by the development of matrices to evaluate climate change risks and opportunities. As a result, risks and opportunities on the basis of "likelihood" and "impact of the risks or opportunities" and three high-risk factors and three high-opportunity factors were identified for 2024.</p> <p>(1) Three high risks are summarized as follows</p> |

| Item | Implementation   |  |  | Response Strategies   |
|------|--|--|--|---|
|      | Period   | Risk   | Impact   |   |
|      | Medium-term  | Substituting existing products and services with low-carbon alternatives       | <p>1. Rising fuel oil costs: The switch from traditional fuel oil to low-carbon fuels may lead to higher operating costs as the prices of low-carbon fuels are higher than those of traditional fuel oil before they become widespread.</p> <p>2. Technical transformation and maintenance costs: In the initial stage, low-carbon vessel operators require guidance from external management companies and external assistance in technical operations, and the repair and maintenance expenses paid to repairers and shipyards are higher than those for conventional equipment, which will increase relevant operating costs.</p> <p>3. Equipment cost of new ships: In order to comply with international regulations and keep up with the latest technology applications, new ships need to be equipped with low-carbon equipment, resulting in increased construction costs.</p> <p>4. Loss of existing customers: To reflect the increase in fuel oil costs and the adoption of new technologies, the selling price of products and services is increased, which may cause the loss of the Company's existing customers.</p>  | <p>1. Strategic procurement of low-carbon products and new ships: Yang Ming negotiates or contracts with low-carbon product suppliers for long-term contract prices, and procures ships using low-carbon fuels through open bidding processes to reduce expenditure and costs.</p> <p>2. Discussion at regular meetings: The use of low-carbon fuels is included in the regular meeting report of the energy saving team to facilitate cross-departmental coordination to jointly reduce operating costs.</p>   |
|      | Short-term/<br>medium-term                             | Increase in the severity of typhoons, floods and other extreme weather events. | <p>1. Damage to ships/containers: Navigation in severe weather conditions may cause containers to be lost at sea and damaged, vessel securing equipment to be damaged, and cargo damaged, resulting in additional costs.</p> <p>2. Disruption or halt of port operations: Extreme weather may cause port closure, delayed schedule, port omission, and blank sailings. The recent lack of rainfall in Panama has led to a significant decrease in the number of ships allowed to pass, resulting in longer waiting times to cross the river. This has increased related toll costs, and prolonged sailing schedules may lead to customer attrition and even affect customer operations.</p> <p>3. Increase in fuel oil consumption to catch up with sailing schedules: Extreme weather leads to delays in ships. To ensure that containers arrive on time, additional sailings or speeding up will consume more fuel oil and increase fuel oil costs.</p> <p>4. Strong winds leading to higher chance of collision: The intensification of seasonal strong winds and the trend of larger ships have led to a significant increase in the probability of collision while in port.</p> | <p>1. Adoption of optimal routing services with precise weather forecast information: The fleet follows weather routing plans to increase or decrease navigation speed to avoid areas of severe weather or sea conditions. The Company has used the and services provided by Weathernews Inc. to monitor the Company's ships' navigation and fuel consumption and to keep track of improvements in case of performance abnormalities.</p> <p>2. Enhancement of seafarers' risk awareness: The Company increases the risk awareness of seafarers by providing case studies as a reference for the fleet.</p> |
|      | (2) Three high opportunities are summarized as follows |  |  |   |
|      | Short-term/<br>medium-term                             | Adoption of new technologies to raise operational efficiency                   | <p>1. Highly-efficient on-site terminal operations: Introducing service generation processes with higher efficiency (such as optimized operating procedures, improved operational efficiency, and timely and adaptive workplace monitoring and process change, etc.) can effectively enhance the service efficiency of yards, reduce unit energy consumption, increase equipment availability, and raise turnover.</p> <p>2. Enhancing energy efficiency: Adopting low-carbon and energy-efficient equipment to improve energy efficiency while reducing carbon emissions and potential carbon costs.</p>  | <p>Update of terminal equipment: Low-carbon emission/electronic stackers and LED lighting equipment are used to replace outdated stackers using diesel fuel and electricity-consuming lighting equipment.</p>   |



| Item   | Implementation   |   |  |  |
|--|--|---|--|--|
| Period   | Opportunity  | Impact  | Response Strategies  |  |
| Short-term/<br>medium-term   | Adoption of transportation methods with higher efficiency  | <p>1. Enhancement of energy efficiency: Regularly cleaning hulls, monitoring main engine torque, and making energy-efficient modifications to propellers and bulbous bows can allow ships to sail under low resistance to effectively improve the energy efficiency.</p> <p>2. Compliance with the requirements of international organizations and regulations: The Taiwanese government will start implementing a carbon fee in 2025. The EU's Fit-55 carbon trading platform and FuelEU are also launched to manage the shipping industry. Adopting more efficient transportation methods and improving fuel oil efficiency can help adapt to changes in environmental regulations.</p> | <p>1. Reduction of ships' fuel consumption:<br/>Adopting management measures, such as regularly cleaning ships and making energy-efficient modifications to propellers and bulbous bows, can reduce sailing resistance and prevent outer panels from marine organisms, cutting fuel oil consumption.</p> <p>2. Low-carbon fuel/zero-carbon fuel ships:<br/>In addition to new-generation energy-efficient engines and other energy-efficient optimized designs, the Company considers using dual-fuel configurations, such as methanol and liquefied natural gas (LNG) when deploying new ships in order to cope with future regulatory changes and reduce the overall GHG emissions throughout the fleet's life cycle. In 2023, Yang Ming and HD Hyundai Heavy Industries signed a contract for 5 new 15,500 TEU LNG dual fuel container ships, and these ships are expected to be delivered in 2026.</p> <p>3. Giving priority to energy-efficient ships:<br/>For the acquisition of short-term ships, the Company will consider energy-efficient ships if the spot market conditions permit and route operations will not be affected.</p> <p>4. Route planning and ship speed optimization:<br/>The Company uses weather routing to plan the optimal shipping route and ship speed according to the arrival time of ships so as to improve ship energy efficiency, reduce carbon emissions, and optimize the Carbon Intensity Indicator (CII) rating.</p> <p>5. Strengthening personnel education and training:<br/>Education and training on new concepts are provided for seafarers and fleet supervision personnel. Instead of maintaining ship equipment with the minimum safety standards, the Company plans a maintenance cycle from the perspective of energy efficiency.</p> |  |
| Long-term  | Use of low-carbon energy   | <p>1. Responding to the needs of stakeholders: To meet the 2030/2050 carbon reduction goals of IMO, it is necessary to budget for a certain percentage of biofuel for the fleet and use LNG/methanol and other low-carbon fuels in new ships to win customer recognition and support.</p> <p>2. Enhancement of low-carbon image: As more and more customers set Scope 3 reduction targets, carbon emissions from transportation will affect the carrier's environmental performance. By introducing renewable energy, the Company can enhance the low-carbon image and attract customers who value environmental protection.</p>  | <p>1. Adoption of dual-fuel ships:<br/>Dual-fuel ships using low-carbon fuels and traditional fuel are used as new ships to promote the energy transformation of ships. The Company has signed a contract for 5 15,500 TEU LNG dual-fuel container ships, and they are expected to be delivered in 2026.</p> <p>2. Active establishment of low-carbon energy-related networks:<br/>The Company joins low-carbon organizations (such as the Silk Alliance) to share experience and achieve mutually beneficial results. At the same time, the Company also actively develops new energy suppliers to improve the stable use of low-carbon energy.</p>   |  |
| 3. Describe the financial impact of extreme weather events and transformative actions. | <p>1. The financial implications of extreme weather conditions and transformational shifts, such as stricter carbon regulations and rising energy efficiency requirements, are detailed in the above scenario analyses.</p> <p>2. Yang Ming's fleet adheres to weather routing plans that adjust sailing speed routes to avoid adverse weather or sea conditions. Since 2022, the Company has utilized systems from Weathernews Inc. to monitor vessel navigation and fuel consumption and performance anomalies.</p> <p>3. As global greenhouse gas (GHG) tighten, associated compliance costs continue to rise. The imposition of carbon taxes and fees on GHG emissions may further increase operating costs. To address this, the Company has invested in new eco-friendly, energy-efficient vessels to replace old and energy-consuming ones, initiated shore power retrofitting projects, and adopted biofuel blends (biodiesel B24-B30) to lower fuel consumption and emissions. Fleet efficiency and energy consumption reduction remain top priorities.</p> |   |  |  |

| Item  | Implementation  |   |                         |                      |                 |   |   |               |   |  |
|---|---|---|-------------------------|----------------------|-----------------|---|---|---------------|---|--|
| <p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p>  | <p>1. In 2022, the Company established the Risk Management Committee under the Board of Directors to oversee internal risk management policies, structures, systems and regulations, and response measures for material risks. The Company's Risk Management Policy serves as the overarching standard for risk management practices. Climate-related risk assessments conducted by the Risk Control Office and the Sustainability Responsibility Team are submitted to the Risk Management Committee and the Board of Directors. High-risk projects are reviewed quarterly, with updates and mitigation results reported accordingly.</p> <p>2. Yang Ming's Risk Management Procedures are as follows.</p>   |   |                         |                      |                 |   |   |               |   |  |
|   | <p><b>Management Procedures</b></p> <p><b>Description</b></p> <p><b>Risk Identification</b><br/>Based on past practical experiences and external information, all departments identify and list possible risk factors by assessing the impact of factors on internal and external stakeholders through internal control cycle analysis and scenario simulation analysis.</p> <p><b>Risk Analysis</b><br/>The identified risk factors are analyzed thoroughly for frequency and range of loss through practical experiences, scenario simulation analysis, statistical data analysis, external risk case studies, as well as data and information.</p> <p><b>Risk Assessment and Response</b><br/>Risk assessment involves grading the frequency and range of loss analyzed during risk analysis, deriving the level of risk, and lastly, positioning the risk factors in a risk matrix according to the level of risk. Countermeasures against risks include risk retention and risk transfer. Risk avoidance and risk prevention are taken into account for risk decision-making.</p> <p><b>Risk Monitoring</b><br/>All responsible departments are required to implement risk management and control, cooperate in internal and external audits for the purpose of monitoring, and submit the Group's annual risk assessment report and results to the Board of Directors.</p>  |   |                         |                      |                 |   |   |               |   |  |
| <p>5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.</p>           | <p>1. Yang Ming has set up four climate change scenarios according to the operational status and location to assess climate-related risks and opportunities. The effect and impact of climate change on the operational environment and stakeholders is assessed. The risk and opportunity forms are used to identify climate related risks and opportunities. The risk and opportunity matrixes are developed to determine climate change risks and opportunities.</p> <p>2. Below is the Company's analysis of climate-related financial impacts under different scenarios.</p> <table border="1" data-bbox="730 262 986 1809"> <thead> <tr> <th data-bbox="730 1527 885 1809">Type of Climate-related Risks and Opportunities</th> <th data-bbox="730 1211 885 1527">Climate Change Scenario</th> <th data-bbox="730 262 885 1211">Scenario Description</th> </tr> </thead> <tbody> <tr> <td data-bbox="821 1527 885 1809">Transition risk</td> <td data-bbox="790 1211 885 1527">                     1. Net Zero Emissions by 2050 Scenario (NZE)<br/>                     2. The Republic of China's NDC scenario                 </td> <td data-bbox="790 262 885 1211">                     1. Assess the goal achievement of the 1.5°C goal and other sustainable development goals related to energy based on the NZE scenario released by IEA in 2021.<br/>                     2. Taiwan aims to achieve a 50% reduction in BAU (business as usual) GHG emissions by 2030 through the reduction efforts of relevant domestic segments nationwide.                 </td> </tr> <tr> <td data-bbox="922 1527 986 1809">Physical risk</td> <td data-bbox="890 1211 986 1527">                     1. Intermediate emissions scenario (SSP2-4.5)<br/>                     2. Very high emissions scenario (SSP5-8.5)                 </td> <td data-bbox="890 262 986 1211">                     1. CO<sub>2</sub> emissions remaining around current levels until the middle of the century.<br/>                     2. A high emissions scenario with nearly no climate policies where CO<sub>2</sub> emissions roughly double from the current level in 2015 by 2050.                 </td> </tr> </tbody> </table> | Type of Climate-related Risks and Opportunities   | Climate Change Scenario | Scenario Description | Transition risk | 1. Net Zero Emissions by 2050 Scenario (NZE)<br>2. The Republic of China's NDC scenario | 1. Assess the goal achievement of the 1.5°C goal and other sustainable development goals related to energy based on the NZE scenario released by IEA in 2021.<br>2. Taiwan aims to achieve a 50% reduction in BAU (business as usual) GHG emissions by 2030 through the reduction efforts of relevant domestic segments nationwide. | Physical risk | 1. Intermediate emissions scenario (SSP2-4.5)<br>2. Very high emissions scenario (SSP5-8.5) | 1. CO <sub>2</sub> emissions remaining around current levels until the middle of the century.<br>2. A high emissions scenario with nearly no climate policies where CO <sub>2</sub> emissions roughly double from the current level in 2015 by 2050. |
| Type of Climate-related Risks and Opportunities   | Climate Change Scenario   | Scenario Description  |                         |                      |                 |   |   |               |   |  |
| Transition risk   | 1. Net Zero Emissions by 2050 Scenario (NZE)<br>2. The Republic of China's NDC scenario   | 1. Assess the goal achievement of the 1.5°C goal and other sustainable development goals related to energy based on the NZE scenario released by IEA in 2021.<br>2. Taiwan aims to achieve a 50% reduction in BAU (business as usual) GHG emissions by 2030 through the reduction efforts of relevant domestic segments nationwide. |                         |                      |                 |   |   |               |   |  |
| Physical risk   | 1. Intermediate emissions scenario (SSP2-4.5)<br>2. Very high emissions scenario (SSP5-8.5)   | 1. CO <sub>2</sub> emissions remaining around current levels until the middle of the century.<br>2. A high emissions scenario with nearly no climate policies where CO <sub>2</sub> emissions roughly double from the current level in 2015 by 2050.  |                         |                      |                 |   |   |               |   |  |
| <p>6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.</p> | <p>Climate change risks are formally incorporate into the Yang Ming's risk management framework. The Risk Control Office and Sustainable Operation Strategy Team regularly assess and report these risks and opportunities. Reports are submitted to the Risk Management Committee and the Board of Directors after the risk assessment procedure for the Group is completed. High-risk items are reviewed on a quarterly basis and reported to the Committee and the Board. The Company also continues climate-related financial disclosure (TCFD) and carbon disclosure program (CDP) projects, and is committed to R&amp;D in low-carbon technologies and investment planning. The climate change risks and opportunities in the Company's operations are reviewed regularly.</p>  |   |                         |                      |                 |   |   |               |   |  |
| <p>7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated.</p>  | <p>None</p>   |   |                         |                      |                 |   |   |               |   |  |



| Item   | Implementation  |
|--|---|
| 8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs to be offset should be specified. | <p>1. In terms of green shipping, Yang Ming in 2022 introduced the ISO 14064-1 GHG inventory and obtained third-party verification. Based on these results, the Company has promoted the GHG reduction targets and action plans. For a more comprehensive GHG monitoring framework, the scope of ISO 14064-1 GHG verification was extended in 2023 to include consolidated subsidiaries.</p> <p>2. The Company consistently exceeds international regulatory requirements through initiatives such as hull optimization, deployment of new eco-friendly vessels, speed optimization, installation of smart monitoring systems, and retrofitting of existing ships. As of 2024, the CO<sub>2</sub> emission intensity of the fleet has been reduced by 62.74% compared to 2008, significantly surpassing the IMO's 2030 target of a 40% reduction by 2030 and progressing towards the 2050 target of a 70% reduction.</p> <p>3. Yang Ming actively promotes the procurement of renewable energy. In alignment with our renewable energy policy, our headquarter building in Qidu, along with the northern, central, and southern regional offices, purchased 658,000 kWh of renewable energy and 658 renewable energy certificates (RECs) in 2024.</p> |
| 9. Greenhouse gas inventory and assurance status (separately fill out in point 8-1 and 8-2 below).   | Please find below Greenhouse Gas Inventory and Assurance Status.  |

**8-1 Status of Yang Ming's GHG Inventory and Assurance over the Past Two Year**

**8-1-1 GHG Inventory**

**Describe the emission volume (metric tons CO<sub>2</sub>e), intensity (metric tons CO<sub>2</sub>e/million NT\$) and data head range of greenhouse gases in the past two years.**

For the greenhouse gas inventory of the years 2022 and 2023, the organizational boundaries are defined based on operational management control. In 2022 the covered sites include YMHQ in Cidu, Keelung Sinyi Building, Keelung Container Terminal, Taiwan Business Department, Kaohsiung Branch, Taichung Branch (Wuqi Office), and operational ships. Starting from 2023, the covered sites have been expanded to include all locations of the consolidated subsidiaries for scope 1 and 2. Greenhouse gas emission intensity is calculated per unit of operating revenue, and the operating revenue for the year 2022 is 261,012.906 (NT\$, million). However, due to the inclusion of consolidated subsidiaries within the reporting boundary, the consolidated financial statements reported an operating revenue of 140,623.713 (NT\$, million) in 2023.

| Category | 2022<br>(metric tons CO <sub>2</sub> e) | 2022 Carbon Intensity<br>(metric tons CO <sub>2</sub> e/ million NT\$) | 2023<br>(metric tons CO <sub>2</sub> e) | 2023 Carbon Intensity<br>(metric tons CO <sub>2</sub> e/ million NT\$) |
|----------|---|--|---|--|
| Scope 1  | 4,034,299.5445                          | 15.4563  | 4,214,595.4986                          | 29.9707  |
| Scope 2  | 11,200.4093                             | 0.0429   | 18,136.9886                             | 0.1290   |
| Scope 3  | 648,041.4959                            | 2.4828   | 1,509,563.5484                          | 10.7348  |

### 8-1-2 GHG Assurance

Describe the confidence situation in the last two years as of the publication date of the annual report, including the scope of the confidence, the organization of the confidence, the criteria for the confidence and the opinion of the confidence.

The Company's greenhouse gas information for the year 2023 was verified by DNV Business Assurance Co. (DNV), covering the seven company sites of Headquarter, operational vessels and 37 entity locations of its consolidated subsidiaries. The verification was performed on the basis of ISO 14064-3 as well as criteria given to provide for consistent GHG emission identification, calculation, monitoring and reporting. The verification opinions support a reasonable level of assurance. The greenhouse gas information for 2024 will be disclosed in the Sustainability Report.

### 8-2 The Goals, Strategies, and Specific Action Plans for GHG Reduction

Describe the greenhouse gas reduction base year and its data, reduction targets, strategies, specific action plans and achievement of reduction targets.

In 2023, the Company implemented the ISO 14064-1 Greenhouse Gas Inventory Standard, covering YM Taiwan offices, the Keelung container terminal, operational vessels, and consolidated subsidiaries. The implementation obtained a third-party verification. In the inventory, operational vessels were found to contribute to the highest proportion of Category 1 and Category 2 GHG emissions. As to GHG reduction, the Company adheres the IMO's specifications for carbon intensity of operational vessels. The Company has taken proactive management measures such as hull optimization, launch of new environmentally-friendly vessels, optimal speed control, intelligent monitoring systems, and retrofitting of energy-saving devices on existing vessels.

In 2024, the Company's carbon intensity of operational vessel emissions was reduced by 62.74% compared to 2008. This exceeds the IMO's set target of 40% reduction by 2030. The Company will continue to move towards the goal of a 70% reduction in carbon intensity by the year 2050. The Company will also reduce the overall greenhouse gas emissions, with a target of net-zero emissions by 2050. In accordance with TWSE's regulations, the Company will complete the GHG inventory of its consolidated subsidiaries for the fiscal year 2024 by 2025. The base year for setting Group-wide reduction target will be determined based on the year in which the GHG inventory is completed. Following its completion, a Group-wide reduction target will be established.

**2.3.8 The Company's Implementation of Ethical Corporate Management and Deviations from the Ethical Corporate Management Best Practice Principles**  
**Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons**

| Items  | Implementation |   | Corporate Management Best Practice Principles for TWSE/GTSM Listed |
|--|----------------|---|--|
|  | Yes            | No  |  |
| <p>1. Establishment of ethical corporate management policies and programs</p> <p>(1) Does the Company approve ethical corporate management policies by the Board of Directors? And is its ethical corporate management policies and procedures declared in its guidelines and external documents, as well as the commitment of its Board to implement the policies?</p> <p>(2) Does the Company establish the risk assessment mechanism against potentially unethical conduct by regular analysis and assessment on listed activities stated in Article 2, Paragraph 7 of the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies?</p> <p>(3) Does the Company establish policies to prevent unethical conduct by issuing clear statements regarding relevant procedures, business conduct guidelines, punishment for violations, appeal rules, and commitment to implement policies above as well as review on pre-disclosure plans?</p> | V              | <p>(1) The amendment to Yang Ming's Ethical Corporate Management Best Practice Principles was approved at the 20<sup>th</sup> Board meeting (23<sup>rd</sup> session) on Dec. 16, 2022. The Company's integrity policy is clearly stated in its corporate codes, annual reports, official website, and other publications. Accordingly, when engaging in commercial activities, directors, supervisors, managers, employees, and mandataries, as well as individuals with substantial control, are prohibited from directly or indirectly offering, promising to offer, requesting or accepting any improper benefits, or engaging in unethical conduct, including breaches of ethics, illegal acts, or breaches of fiduciary duty for purpose of acquiring or maintaining benefits. The ethics-related terms and conditions are incorporated into supplier's contracts or requiring signing of ethical affidavits. In 2024, a total of 1,529 individuals submitted ethical affidavits.</p> <p>(2) To prevent unethical operational conduct, precautionary measures such as periodic staff rotation and enhanced supervision have been implemented. The Risk Control Office conducts risk assessment and proposes appropriate countermeasures against unethical behavior. Consequently, with the approval of the Procedures for Ethical Management and Guidelines for Conduct of Yang Ming Marine Transport Corporation being approved, the Company is positioned to maintain a sound and ethical management framework.</p> <p>(3) Ethical corporate management policies are enforced in accordance with applicable laws and industry standards. At the 20<sup>th</sup> Board meeting (23<sup>rd</sup> session) held on Dec. 16, 2022, the Board approved the Procedures for Ethical Management and Guidelines for Conduct of Yang Ming Marine Transport Corporation, which are publicly available in the Company's codes and on its official website. In addition, the Codes of Ethical Conduct of Yang Ming Group, work rules, and the Personnel Reward and Punishment Procedures are developed based on relevant confidentiality regulations and aimed at preventing conflicts of interest. Disciplinary actions are enforced based on the severity of any identified unethical conduct.</p> | No Difference  |
| <p>2. Fulfillment of operation integrity policy</p> <p>(1) Does the Company evaluate business partners' ethical records and include ethics clauses in business contracts?</p>  | V              | <p>(1) All departments and divisions are required to either include ethics clauses in their business contracts, or sign ethical affidavits. Any significant violations identified shall be documented, and the business partnership terminated accordingly.</p>   | No Difference  |

| Items  | Implementation |    | Corporate Management Best Practice Principles for TWSE/GTSM Listed   |
|--|----------------|----|--|
|  | Yes            | No |  |
| (2) Does the Company establish dedicated unit that is periodically in charge of corporate integrity report to the Board about its supervision and implementation?  |                |    | (2) To ensure effective implementation of ethical management, the Corporate Governance and Integrity Division under the Sustainable Operation Strategy Team is tasked with formulating and supervising the implementation of ethical corporate management policies and prevention programs. The dedicated division is headed by the President and composed of representatives from the Audit Dept., Legal Compliance Office, Risk Control Office, Public Affairs Dept., and Human Resources Dept. The division must report to the Board of Directors at least once a year. On June 21, 2024, the Corporate Governance and Integrity Division reported on its implementation efforts and the associated measures at the 21 <sup>st</sup> Board meeting (2 <sup>nd</sup> session). The division's responsibilities include the following. <ul style="list-style-type: none"> <li>Assisting in the integration of ethical regulations into the Company's business strategies and adopting preventive measures against corruption and malfeasance to ensure ethical management and legal compliance.</li> <li>Regularly analyzing and assessing the risk of unethical conduct across the business, developing preventive programs, and formulating standard operating procedures and conduct guidelines.</li> <li>Planning internal organizational structure, allocating responsibilities, and establishing internal checks and balances for high-risk business operations.</li> <li>Promoting ethical awareness and organizing ethics policy education programs.</li> <li>Developing an effective whistleblowing.</li> <li>Assisting the Board and management in auditing and assessing the effectiveness of ethical management measures and preparing for regular assessment reports on ethical compliance in operating procedures.</li> </ul> |
| (3) Does the Company establish policies to prevent conflicts of interest, while providing and implementing appropriate communication channels?   | V              |    | (3) The Company abides by Article 19 of its Ethical Corporate Management Best Practice Principles, which stipulates the prevention of conflicts of interest. Independent director e-mail (ymtarzantang88@hibox.biz) and independent e-mail (conduct@yangming.com) for whistleblowing system are provided as part of the whistleblowing system.   |
| (4) Has the Company established effective systems for both accounting and internal control? And has the internal audit unit drawn up the relevant audit plans in accordance with the results of risk assessment, thus auditing the operating status to prevent unethical conducts? Or has company entrusted CPAs for its auditing? |                |    | (4) The Company ensures compliance with ethical corporate management policies by conducting regular internal audits, accounting reviews, and internal control. Yang Ming has established an effective accounting and internal control system for business activities that may pose a risk of unethical conduct. The Company also conducts reviews regularly to ensure that the design and enforcement of the systems continue to show good results. The Company audits the ethical operations of the management department, provides the audit report to independent directors, and incorporates these findings into the internal audit report submitted to the Board.   |
| (5) Does the Company hold internal and external educational trainings on operational integrity regularly?  |                |    | (5) From September 2 to December 20, 2024, the Company conducted an online training on the Codes of Ethical Conduct, Ethical Corporate Management Best Practice Principles, and Procedures for Ethical Management and Guidelines for Conduct. A total of 1,470 onshore employees completed the training, achieving a 100% completion rate.   |



| Items   | Implementation |    | Corporate Management Best Practice Principles for TWSE/GTSM Listed  |
|---|----------------|----|---|
|   | Yes            | No |   |
| <p>3. A whistleblowing system operations</p> <p>(1) Does the Company establish a reward/punishment system and channels for whistleblowers? Can the defendant be reached by an appropriate person for follow-up?</p> |                |    | <p>(1) To foster a corporate culture of integrity and transparency that supports sound business operations, the Board of Directors approved of the following policies: the Regulations Governing the Audit Committee's Handling of Stakeholder Suggestions and Complaints, the Regulations Governing the Audit Committee's Handling of whistleblowing cases for Yang Ming Group Members, and the Procedures of whistleblowing cases for Yang Ming Group Members. An independent email and a mailing address are available for reporting whistleblowing cases and are accessible via the Company's official website. These contact methods are also provided to YM's global subsidiaries and key suppliers, allowing employees or third parties to report violation of laws, internal protocols, or unethical conduct by any member of the YM Group. Use the following information to report a violation.</p> <p>a. Mail submission: YMHQ (Address: No.271, Mingde 1<sup>st</sup> Rd., Qidu Dist., Keelung City 206006, Taiwan, R.O.C.) (Recipient: the Audit Committee or Chief Audit Executive.)</p> <p>b. Electronic submission:</p> <ul style="list-style-type: none"> <li>i. Independent director email: ymtarzantang88@hibox.biz (Recipient: the Audit Committee)</li> <li>ii. Independent Whistleblowing email: conduct@yangming.com (Recipient: Chief Audit Executive)</li> </ul> <p>(2) The Procedures of whistleblowing cases for Yang Ming Group Members outlines the criteria for accepting cases, investigation procedures, post-investigation actions, and whistleblower protections.</p> <p>a. Whistleblowing cases will not be accepted in the following conditions.</p> <ul style="list-style-type: none"> <li>i. The complaint does not meet the prescribed criteria for acceptance or lacks sufficient evidence.</li> <li>ii. The complainant fails to amend the submission within the specified time after being notified to do so.</li> <li>iii. The case is identified as a malicious attack, fabricated, irrelevant to the Group, or inconsistent with facts, experience, or logic.</li> <li>iv. The case is already under investigation or adjudication by judicial authorities or has received a legal resolution (e.g., non-prosecution, deferred prosecution).</li> <li>v. The case is resubmitted without new evidence after being previously rejected or closed by the case-handling office (or the Audit Committee). However, re-submission may be allowed if the whistleblower can provide new evidence warranting a re-investigation.</li> </ul> |
| <p>(2) Does the Company establish standard operating procedures of whistleblowing cases subject to investigation and related confidentiality mechanism?</p>   | V              |    | No Difference   |

| Items   | Implementation |    | Corporate Management Best Practice Principles for TWSE/GTSM Listed  |
|---|----------------|----|---|
|   | Yes            | No |   |
| (3) Does the Company provide proper protection for whistleblowers?  | V              |    | <p>b. Investigation procedures:</p> <p>i. Investigations should be conducted impartially and in accordance with relevant legal standards. Identities of the parties involved and witnesses should be kept confidential and all investigation materials and reports must be kept confidential. The persons involved in handling, investigation, review, and approval should keep the relevant documents in strict confidentiality.</p> <p>ii. Investigations and the report thereof must be completed within three months of acceptance, with extensions permitted upon Board or Chairman approval.</p> <p>iii. The investigation report must include cause of action, investigation procedures, handling recommendations and an evaluation of the accused's job position and the severity of the violation, to be reviewed by the Chairman or Board.</p> <p>c. All involved personnel must maintain confidentiality of whistleblower letters, investigation reports, and other documents. Whistleblowers or those involved in the investigation will be appropriately protected and may receive leniency in any disciplinary actions to prevent retaliation.</p> <p>(3) Whistleblower protection and complaints received:</p> <p>a. The Company has instituted comprehensive regulations and procedures applicable to the YM Group complaints. Under its whistleblower protection system, whistleblowers and cooperating individuals shall not be subjected to adverse actions, which includes but is not limited to dismissal, demotion, or salary reduction that violates their legal rights or employment agreements.</p> <p>b. In 2024, the Company received 12 complaints (21 in 2023) through its independent email system, including submissions from subsidiaries. Of these, two cases (two in 2023) were substantiated and addressed per the disciplinary regulations of the Company and subsidiaries. In response, internal controls were strengthened and the relevant procedures amended.</p> |
| 4. Strengthening information disclosure<br>Does the Company disclose its ethical corporate management policies and regulations as well as their implementation on its website and the Market Observation Post System (MOPS)?  | V              |    | <p>The Company's Ethical Corporate Management Best Practice Principles and relevant information as well as the status of implementation are available on the official website.<br/> <a href="https://esg.yangming.com/en/esg/information/corporategovernance/rulesand-regulations/">https://esg.yangming.com/en/esg/information/corporategovernance/rulesand-regulations/</a><br/> <a href="https://esg.yangming.com/en/esg/information/corporategovernance/148/">https://esg.yangming.com/en/esg/information/corporategovernance/148/</a></p>  |
| 5. If the Company has established its corporate social responsibility principles based on the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, please describe any discrepancy between the principles and their implementation: There is no discrepancy between the internal conduct and the regulations stipulated in the Code of Ethical Management of Yang Ming Marine Transport Corporation. The Company faithfully adheres to these principles in its daily operations and corporate governance practices.              |                |    | No Difference   |
| 6. Other important information to facilitate better understanding of the Company's ethical corporate management policies (such as review and revision of regulations). Yang Ming strictly complies with the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, as well as other applicable laws and regulations pertaining to commercial activities, public listing, and over-the-counter transaction. Legal compliance forms the cornerstone of the Company's ethical management framework. |                |    | No Difference   |

### **2.3.9 Other significant information that facilitates better understanding of the status of the Company's implementation of corporate governance may also be disclosed:**

1. Important financial information is published under the “Stakeholder Engagement” section of the Company’s ESG website. Additional business-related information is available on the official website.
2. The Company has established both the Internal Control System and the Internal Audit System. Based on identified risk items, an annual audit plan is developed and implemented according to Board-approved regulations. This plan is also submitted to the Financial Supervisory Commission (FSC) in accordance with relevant laws. In addition, the Company prepares summary reports on the self-assessment of the Internal Control System and submits an Internal Control System Statement to the Board for approval before its submission to the FSC.
3. Yang Ming has established and periodically updated key internal financial regulations, including the Regulations Governing the Acquisition and Disposal of Assets, Regulations Governing Lending of Funds and Making Endorsements/Guarantees, and Regulations Governing Lending of Funds. All revisions are submitted to the Board for approval.
4. The Company has implemented the Procedures for Handling Material Inside Information to inform all directors, managerial officers, and employees. To prevent insider trading, the Company holds relevant training sessions annually.

### 2.3.10 Internal control system statement

#### 1. Statement of Internal Control System

Yang Ming Marine Transport Corp.  
Internal Control System Statement

Date : 12 March, 2025

The Company states the following with regard to its internal control system during fiscal year 2024, based on the findings of a self-assessment:

1. The Company is fully aware that establishing, operating, and maintaining an internal control system are the responsibility of its Board of Directors and management. The Company has established such a system aimed at providing reasonable assurance of the achievement of objectives in the effectiveness and efficiency of operations (including profits, performance, and safeguard of asset security), reliability, timeliness, transparency, and regulatory compliance of reporting, and compliance with applicable laws, regulations, and bylaws.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing the three goals mentioned above. Furthermore, the effectiveness of an internal control system may change along with changes in environment or circumstances. The internal control system of the Company contains self-monitoring mechanisms, however, and the Company takes corrective actions as soon as a deficiency is identified.
3. The Company judges the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (hereinbelow, the "Regulations"). The internal control system judgment criteria adopted by the Regulations divide internal control into five elements based on the process of management control: 1. control environment 2. risk assessment 3. control activities 4. information and communications 5. monitoring activities. Each element further contains several items. Please refer to the Regulations for details.
4. The Company has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
5. Based on the findings of the assessment mentioned in the preceding paragraph, the Company believes that as of 31 December, 2024, its internal control system (including its supervision and management of subsidiaries), encompassing internal controls for knowledge of the degree of achievement of operational effectiveness and efficiency objectives, reliability, timeliness, transparency, and regulatory compliance of reporting, and compliance with applicable laws, regulations, and bylaws, is effectively designed and operating, and reasonably assures the achievement of the above-stated objectives.
6. This Statement will become a major part of the content of the Company's Annual Report and Prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This Statement has been passed by the Board of Directors Meeting of the Company held on 12 March, 2025, where none of the 14 attending directors expressed dissenting opinions, and the remainder all affirmed the content of this Statement.

Yang Ming Marine Transport Corp.

Chairman: Tsai, Feng-Ming  (signature)

President: Pai, Kuen-Rong  (signature)

2. If CPAs were appointed to conduct a Special Audit of the Internal Control System and provide an Audit Report: None.

### 2.3.11 Shareholders' and Board resolutions during the most recent year and up to the date of publication of this Annual Report

#### 1. Shareholders' Meeting

The 2024 annual shareholders' meeting was held on May 24, 2024. Shareholders attending in person or by proxy approved the following resolutions. Implementation status are as follows:

| Resolution  | Implementation   |
|---|--|
| Adoption of 2023 business report and financial statements   | Implemented in accordance with the resolutions.  |
| Adoption of 2023 surplus earnings distribution proposal   | Implemented in accordance with the resolutions and authorized the Chairman to set the Ex-dividend date as July 15, 2024 and the cash dividend was distributed on July 31, 2024. (Cash dividend per share was TW\$ 2) |
| The 21 <sup>th</sup> election of directors (including independent directors)  | The Ministry of Economic Affairs approved the registration on July 2, 2024, which Yang Ming later announced on its official website  |
| Releasing the prohibition on directors (including independent directors) from participation in competitive business | Implemented in accordance with the resolutions   |

#### 2. Board meetings

Apart from the disclosed relevant motions as above, other important motions approved by the Board are as follows:

| Board Meeting                                     | Important Bills  |
|---|--|
| The 389 <sup>th</sup> Meeting<br>January 31, 2024 | <ol style="list-style-type: none"> <li>1. Signing Letter of Intent (LOI) of collaboration program</li> <li>2. Donation to the Yang Ming Culture Foundation</li> <li>3. Credit term and derivatives trading quota negotiation with financial institutions</li> <li>4. Signing Letter of Intent (LOI) of collaboration program</li> </ol>  |
| The 390 <sup>th</sup> Meeting<br>March 07, 2024   | <ol style="list-style-type: none"> <li>1. 2023 business report</li> <li>2. Election of 21<sup>st</sup> directors and independent directors in 2024 shareholders' meeting</li> <li>3. Related issues of 2024 shareholders' meeting</li> <li>4. The procedure of shareholders' proposal and nomination of director and independent director candidates in 2024 shareholders' meeting</li> <li>5. Credit term and derivatives trading quota negotiation with financial institutions</li> <li>6. Signing Memorandum of Understanding (MOU) of collaboration program</li> </ol>   |
| The 391 <sup>st</sup> Meeting<br>April 12, 2024   | <ol style="list-style-type: none"> <li>1. 2023 earnings distribution</li> <li>2. Nomination and reviewing the list of candidates of 21<sup>st</sup> directors and independent directors</li> <li>3. Releasing the prohibition on directors and independent directors from participation in competitive business</li> <li>4. Adjustment of agenda and related issues of 2024 shareholders' meeting</li> <li>5. Credit term and derivatives trading quota negotiation with financial institutions</li> <li>6. Donation to Chinese Taipei Badminton Association</li> <li>7. Signing Memorandum of Understanding (MOU) of collaboration program</li> </ol> |
| The 392 <sup>nd</sup> Meeting<br>May 10, 2024     | <ol style="list-style-type: none"> <li>1. Establishment of Biodiversity Conservation and Deforestation-Free Commitment and amendment to Supply Chain Management Policy</li> </ol>  |
| The 393 <sup>rd</sup> Meeting<br>May 24, 2024     | <ol style="list-style-type: none"> <li>1. Mutual election of Chairman</li> <li>2. Appointment of members for the 6<sup>th</sup> Compensation Committee</li> <li>3. Appointment of members for the 2<sup>nd</sup> Risk Management Committee</li> </ol>  |

| Board Meeting                                      | Important Bills  |
|--|--|
| The 394 <sup>th</sup> Meeting<br>June 21, 2024     | <ol style="list-style-type: none"> <li>1. Donation to National Chengchi University</li> <li>2. Donation to National Taiwan Ocean University</li> <li>3. Credit term and derivatives trading quota negotiation with financial institutions</li> <li>4. 2023 Sustainability Report</li> </ol>  |
| The 395 <sup>th</sup> Meeting<br>July 26, 2024     | <ol style="list-style-type: none"> <li>1. Election of Chairman</li> <li>2. President personnel case</li> </ol>   |
| The 396 <sup>th</sup> Meeting<br>July 31, 2024     | <ol style="list-style-type: none"> <li>1. President's appointment</li> <li>2. Appointment and discharge of managerial officers</li> </ol>  |
| The 397 <sup>th</sup> Meeting<br>August 12, 2024   | <ol style="list-style-type: none"> <li>1. Appointment and discharge of managerial officers</li> <li>2. Donation to Chinese Taipei Basketball Association</li> </ol>  |
| The 399 <sup>th</sup> Meeting<br>November 11, 2024 | <ol style="list-style-type: none"> <li>1. Donation to National Taiwan Ocean University</li> <li>2. Credit term and derivatives trading quota negotiation with financial institutions</li> </ol>  |
| The 400 <sup>th</sup> Meeting<br>December 20, 2024 | <ol style="list-style-type: none"> <li>1. 2025 business plan and budget</li> <li>2. 2025 internal audit plan</li> <li>3. Donation to the Yang Ming Culture Foundation</li> <li>4. Donation to Kaohsiung Museum of Fine Arts</li> <li>5. Amendment to the division chart of authorities and responsibilities of the Company</li> <li>6. Establishment of Nominating Committee and Charter of Nominating Committee</li> <li>7. Appointment of members for the 1<sup>st</sup> Nominating Committee</li> <li>8. Amendment to Rules of Procedure for Board of Directors Meetings</li> <li>9. Amendment to Audit Committee Charter</li> <li>10. Credit term and derivatives trading quota negotiation with financial institutions</li> <li>11. Release the prohibition on executive officers from participation in competitive business</li> </ol>   |
| The 401 <sup>st</sup> Meeting<br>March 12, 2025    | <ol style="list-style-type: none"> <li>1. 2024 business report</li> <li>2. 2024 financial statements</li> <li>3. 2024 earnings distribution</li> <li>4. 2024 compensation distribution of employees and directors</li> <li>5. By-election of one independent director in 2025 shareholders' meeting</li> <li>6. Related issues of 2025 shareholders' meeting</li> <li>7. The procedure of shareholders' proposals and nomination of one independent director candidate in 2025 shareholders' meeting</li> <li>8. Nomination and reviewing the list of candidates of independent director for the 21<sup>st</sup> board</li> <li>9. Releasing the prohibition on directors from participation in competitive business</li> <li>10. Amendment to the Articles of Incorporation</li> <li>11. Amendment to the Handling Procedures for Acquisition and Disposal of Assets</li> <li>12. 2024 self-assessment audit report and statement of internal control system</li> <li>13. Deployment of seven 14,000/15,000 TEU full container vessels</li> <li>14. Deployment of six 8,000 TEU new-generation full container vessels</li> <li>15. Amendment to New Vessel Construction Procedures</li> <li>16. Amendment to Rules Governing Financial and Business Matters Between the Corporation and its Affiliated Enterprises</li> <li>17. Credit term and derivatives trading quota negotiation with financial institutions</li> <li>18. Adjustment of executive officers for branch offices</li> </ol> |

**2.3.12 During the most recent fiscal year or during the current fiscal year up to the date of the publication of Annual Report, where directors or supervisors express dissent from material resolutions approved by the Board were as following:**

| Board meeting                                    | Motion   | Board resolution   |
|--|--|--|
| The 391 <sup>th</sup> Meeting<br>April 12, 2024  | Establishing of Rules of Compensation Distribution for Employees | Director Keh-Her Shi abstained from voting. Reviewed and approved by other directors in attendance.  |
| The 392 <sup>nd</sup> Meeting<br>May 10, 2024    | Review and adjustment of the managerial officers system          | Except for director Keh-Her Shi expressed objection, the motion was reviewed and approved to suspend the managerial officers system by other directors in attendance.  |
| The 394 <sup>th</sup> Meeting<br>June 21, 2024   | Donation to National Chengchi University                         | Independent Director Jr-Tsung Huang recused from discussion and voting to avoid conflict of interest of himself, Director Shao-Liang Chen abstained from voting. Reviewed and approved by other directors in attendance. |
| The 397 <sup>th</sup> Meeting<br>August 12, 2024 | Chairman's remunerations   | Chairman Feng-Ming Tsai recused from discussion and voting to avoid conflict of interest of himself, Director Shao-Liang Chen abstained from voting. Reviewed and approved by other directors in attendance.             |
|  | Appointment and discharge of managerial officers                 | Director Shao-Liang Chen abstained from voting. Reviewed and approved by other directors in attendance.  |

### 2.4 Information on CPA Professional Fees

Unit: NT\$Thousand

| CPA firm                      | Name of accountants                 | Period covered by CPA's audit | Audit fees | Non-audit fees | Total | Remark  |
|-------------------------------|-------------------------------------|-------------------------------|------------|----------------|-------|---|
| Deloitte Touche Tohmatsu Ltd. | Chin-Tsung Cheng and Chen-Hsiu Yang | 01.01.2024<br>~<br>12.31.2024 | 9,000      | 0              | 9,000 | None  |
|                               | Huei-Ming Chen                      | 01.01.2024<br>~<br>12.31.2024 | 0          | 3,605          | 3,605 | The non-audit fees is for consultation of taxation, audit for Direct Deduction Method of Valued-added tax, audit for Profit-seeking enterprise Income tax, and audit for Transfer Pricing report and change registration. |

1. Change of CPA firm and less audit fee in that given year compared to the previous year: None.
2. The audit fee is reduced by more than 10% compared to that of the previous year; the reduction in the amount of audit fee, reduction percentage, and reasons shall be disclosed: None.

## 2.5 Alternation of CPA

### 2.5.1 About the former CPA

|  |  |        |     |
|--|--|--------|-----|
| <b>Replacement date</b>  | Adopted by the Board on 01.31.2024   |        |     |
| <b>Replacement reasons and explanations</b>  | Due to internal rotation of Deloitte Touche Tohmatsu Ltd., the financial statement was originally audited and certified by Chen-Hsiu Yang and Yu-Mei Hung, from the Q1 of 2024, and replaced by Chin-Tsung Cheng and Chen-Hsiu Yang. |        |     |
| <b>Describe whether the Company terminated appointment or the CPA did not accept the appointment</b> | Status   | Client | CPA |
|  | Appointment terminated automatically   |        | -   |
|  | Appointment rejected (discontinued)  |        | -   |
| <b>Other issues (except for qualified issue) in the audit report within the last year</b>            | None   |        |     |
| <b>Difference with the Company</b>   | None   |        |     |
| <b>Other revealed matters (Disclosure specified in Article 10.6.1.4~7 of the standards)</b>          | None   |        |     |

### 2.5.2 About the Successor CPA

|   |                                    |
|---|------------------------------------|
| <b>CPA firm</b>   | Deloitte Touche Tohmatsu Ltd.      |
| <b>Name of accountants</b>  | Chin-Tsung Cheng, Chen-Hsiu Yang   |
| <b>Date of appointment</b>  | Adopted by the Board on 01.31.2024 |
| <b>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</b> | None                               |
| <b>Succeeding CPA's written opinion of disagreement toward the former CPA</b>   | None                               |

### 2.5.3 Reply of the former CPA found on Articles 10.6.1 and 10.6.2.3: None.

**2.6 The Director, President, and financial or accounting manager of the Company who had worked for the independent auditor or the related party in the most recent years: None.**

**2.7 The evaluation on the independence of the CPA**

The Company’s Audit Committee evaluates the independence and suitability of the affiliated signing accountants every year. In addition to requesting the signing accountants to provide a Statement of Independence and Audit Quality Indicators (AQIs), the Committee conducts its evaluation on the criteria and 13 AQI indicators in Note 1 and Note 2. After confirming that the accountant has no other financial interests or business relationships with the Company other than those related to signing and taxation matters, and that the accountant’s family members do not violate the independence requirement, the evaluation result for the most recent fiscal year was discussed and approved by the independent director on December 12, 2024. The evaluation was also submitted to and approved by the Board of Directors on December 20, 2024.

Note 1: Evaluation of the independence and suitability of the accountant.

| Item | Evaluation criteria   | Result |    |
|------|---|--------|----|
|      |   | Yes    | No |
| 1    | The account is affiliated with the accounting firm approved by the Financial Supervisory Commission to carry out the audit certification business for the financial reports of publicly traded companies.                       | V      |    |
| 2    | Two or more practicing accountants, who are joint or corporate accountants as defined in Article 15 of the Certified Public Accountant Act, and who jointly conduct the audit certification.                                    | V      |    |
| 3    | The practicing accountant has not been subject to any disciplinary action specified by the Certified Public Accountant Act, Securities and Exchange Act, or other laws and regulations and has not yet completed the execution. | V      |    |
| 4    | The accounting firm participates in the peer review held regularly by the CPA Associations of the R.O.C.  | V      |    |
| 5    | The practicing accountant currently has no major violations of laws or ethical norms of the accounting profession.  | V      |    |
| 6    | There is no direct or significant, indirect financial relationship between the accounting firm and the Company.   | V      |    |
| 7    | There is no financing or guarantee relationship between the accounting firm and the Company or directors.   | V      |    |
| 8    | There is no confidential business relationship or potential employment relationship between the accounting firm and the Company.  | V      |    |
| 9    | The accounting firm’s non-audit services provided to the Company do not have significant items that will directly affect the audit case.  | V      |    |
| 10   | The members of the audit service team currently or within the past two years have not served as directors, managers, or positions with significant influence on the audit case of the Company.                                  | V      |    |
| 11   | The accounting firm does not promote or mediate the Company’s issuance of stocks or other securities.   | V      |    |
| 12   | The accounting firm does not serve as the defender of the Company or represent the Company in coordinating conflicts with third parties.  | V      |    |

| Item | Evaluation criteria   | Result |    |
|------|---|--------|----|
|      |   | Yes    | No |
| 13   | There is no family relationship between the accounting firm and the Company's directors, managers, or personnel with significant influence on the audit case.                                       | V      |    |
| 14   | The practicing accountant who has resigned from the accounting firm within one year does not serve as a director, manager, or position with significant influence on the audit case of the Company. | V      |    |
| 15   | The accounting firm has not received significant gifts or gifts from the Company, directors, or managers.   | V      |    |
| 16   | The accounting firm does not have any government expenses related to the audit case.  | V      |    |
| 17   | The term of the practicing accountant complies with the corporate governance regulations for listed or OTC companies.   | V      |    |

Note 2: Evaluation of AQI indicators

| Dimension       | No. | AQI  | Evaluation criteria  | Result |    |
|-----------------|-----|--|--|--------|----|
|                 |     |  |  | Yes    | No |
| Profession      | 1   | Audit Experience   | Whether auditors possess enough audit experience.  | V      |    |
|                 | 2   | Training Hours   | Whether auditors receive enough training.  | V      |    |
|                 | 3   | Attrition Rate   | Whether the firm maintains sufficient human resources.   | V      |    |
|                 | 4   | Professional Support                                       | Whether the firm is equipped with sufficient experts, including CAAT specialists and financial appraisers. | V      |    |
| Quality Control | 5   | Workload   | Whether partners are loaded with excessive engagements or work overtime.                                   |        | V  |
|                 | 6   | Involvement  | Whether the involvement of audit team in each audit phase is appropriate.                                  | V      |    |
|                 | 7   | EQCR   | Whether EQC reviewers spend sufficient time on engagement.   | V      |    |
|                 | 8   | Quality Supporting Capacity                                | Whether the firm is equipped with sufficient resources to support audit teams.                             | V      |    |
| Independence    | 9   | Non Audit Service (NAS)                                    | Whether the proportion of NAS affects the firm's independence.   |        | V  |
|                 | 10  | Familiarity  | Whether audit firm tenure affects the firm's independence.   |        | V  |
| Monitoring      | 11  | External Inspection Results & Enforcement                  | Whether the firm's compliance with quality control system and engagement is satisfactory.                  | V      |    |
|                 | 12  | Number of Official Improvement Letters Issued by Authority |  |        |    |
| Innovation      | 13  | Innovative Planning or Initiatives                         | Whether the firm has undertaken appropriate planning or initiatives to improve audit quality.              | V      |    |

## 2.8 Information on the change or transfer of equity interests and/or pledge of or change in equity interests by the Directors, Supervisors, managers or shareholders with a share of more than 10% during the most recent or the current fiscal year up to the date of publication of the Annual Report

### 2.8.1 Changes of Directors, Supervisors, Managerial Officers, and Shareholders holding greater than 10% in the Company

Unit: Share

| Title                           | Name  | Year 2024                      |                                 | Current year up to 03.31.2025  |                                 |
|---------------------------------|---|--------------------------------|---------------------------------|--------------------------------|---------------------------------|
|                                 |   | Shareholding increase/decrease | Pledge shares increase/decrease | Shareholding increase/decrease | Pledge shares increase/decrease |
| Chairman<br>(Major Shareholder) | Representatives of the MOTC: Feng-Ming Tsai, Chin-Yi Yang, Dzwo-Min Dai, Chun-Chun Chen | 0                              | 0                               | 0                              | 0                               |
| Director<br>(Major Shareholder) | Representatives of the NDF: Fang-Guan Jan, Chien-Yi Chang, Fang-Yuan Chen, Wan-Chi Hsu  | 0                              | 0                               | 0                              | 0                               |
| Director                        | Representative of the TIPC: Hsien-Yi Lee  | 0                              | 0                               | 0                              | 0                               |
| Director                        | Representatives of the TNC: Wen-Ching Liu   | (70,000)                       | 0                               | 0                              | 0                               |
| Independent Director            | Tar-Shing Tang  | 0                              | 0                               | 0                              | 0                               |
| Independent Director            | Huang-Chuan Chiu  | 0                              | 0                               | 0                              | 0                               |
| Independent Director            | Jr-Tsung Huang  | 0                              | 0                               | 0                              | 0                               |
| Independent Director            | Zheng-Yi Shon   | 0                              | 0                               | 0                              | 0                               |
| Chairman                        | Feng-Ming Tsai  | 0                              | 0                               | 0                              | 0                               |
| President                       | Kuen-Rong Pai   | 0                              | 0                               | 0                              | 0                               |
| Managerial Officers             | Jeng-Shong Jeng   | (45,000)                       | 0                               | 0                              | 0                               |
|                                 | Ying-Tung Lin   | (6,000)                        | 0                               | 0                              | 0                               |
|                                 | Ming-Hui Lee  | 0                              | 0                               | 0                              | 0                               |
|                                 | Tseng-Yu Chiu   | 0                              | 0                               | 0                              | 0                               |
|                                 | Yi-Ta Wu  | 0                              | 0                               | 0                              | 0                               |
|                                 | Chia-Wen Chiang   | 0                              | 0                               | 0                              | 0                               |
|                                 | Yu-Wen Su<br>(Removed August 1, 2024,<br>Joined March 1, 2025)                          | 0                              | 0                               | 0                              | 0                               |
|                                 | Der-Shi Tsao  | 0                              | 0                               | 0                              | 0                               |
|                                 | Shyi-Chang Chang  | 0                              | 0                               | 0                              | 0                               |
|                                 | Mei-Chi Shih  | 0                              | 0                               | 0                              | 0                               |
|                                 | Cheng-Hsing Yang  | (1,000)                        | 0                               | 0                              | 0                               |
|                                 | Shih-Nan Huang  | 0                              | 0                               | 0                              | 0                               |
|                                 | Ping- Jen Tseng   | 0                              | 0                               | 0                              | 0                               |
|                                 | Leng-Hui Wang   | 2,283                          | 0                               | 0                              | 0                               |
|                                 | Pao-Lin Lee   | 0                              | 0                               | 0                              | 0                               |
|                                 | Men-Huo Tsai  | 0                              | 0                               | 0                              | 0                               |
|                                 | Li-Wen Liu  | 0                              | 0                               | 0                              | 0                               |
| Mei-Ling Chung                  | 0   | 0                              | 0                               | 0                              |                                 |
| Lung-Fu Chen                    | 0   | 0                              | 0                               | 0                              |                                 |

| Title               | Name                                      | Year 2024                      |                                 | Current year up to 03.31.2025  |                                 |
|---------------------|---|--------------------------------|---------------------------------|--------------------------------|---------------------------------|
|                     |   | Shareholding increase/decrease | Pledge shares increase/decrease | Shareholding increase/decrease | Pledge shares increase/decrease |
| Managerial Officers | Ting-Yu Lu                                | 0                              | 0                               | 0                              | 0                               |
|                     | Kuan-Sheng Fu                             | 0                              | 0                               | 0                              | 0                               |
|                     | Hung-Chung Chien                          | 0                              | 0                               | 0                              | 0                               |
|                     | Chin-Jung Lee                             | 0                              | 0                               | 0                              | 0                               |
|                     | Chen-To Lin                               | 0                              | 0                               | 0                              | 0                               |
|                     | Yi-Jia Su                                 | 0                              | 0                               | 0                              | 0                               |
|                     | Chia- Feng Lee                            | 0                              | 0                               | 0                              | 0                               |
|                     | Yen-Pang Chen                             | 0                              | 0                               | 0                              | 0                               |
|                     | Hsin-Wen Chang                            | 0                              | 0                               | 0                              | 0                               |
|                     | Chao Hung Chen                            | 0                              | 0                               | 0                              | 0                               |
|                     | Shu-Hui Ou                                | 0                              | 0                               | 0                              | 0                               |
|                     | Chia-Ju Lin                               | 0                              | 0                               | 0                              | 0                               |
|                     | Jan-Tsung Lu                              | 0                              | 0                               | 0                              | 0                               |
|                     | Chih-Cheng Chang                          | 0                              | 0                               | 0                              | 0                               |
|                     | Hsieh-Wen Liu                             | 0                              | 0                               | 0                              | 0                               |
|                     | Hung-Lung Chen                            | 0                              | 0                               | 0                              | 0                               |
|                     | Chieh-Chih Lin                            | 0                              | 0                               | 0                              | 0                               |
|                     | Shu-Chen Tsai                             | (16,000)                       | 0                               | 0                              | 0                               |
|                     | Ching-Tang Hsu                            | 0                              | 0                               | 0                              | 0                               |
|                     | Mei-Ying Yang<br>(Joined January 1, 2024) | Inapplicable                   | Inapplicable                    | 0                              | 0                               |
|                     | Ching-Yi Pan<br>(Joined January 1, 2024)  | Inapplicable                   | Inapplicable                    | 0                              | 0                               |
|                     | Te-Hua Yi<br>(Joined February 28, 2024)   | Inapplicable                   | Inapplicable                    | 0                              | 0                               |
|                     | Yi-Wen Chen<br>(Joined February 28, 2024) | Inapplicable                   | Inapplicable                    | 0                              | 0                               |
|                     | Shan-Chung Chan<br>(Joined March 1, 2024) | Inapplicable                   | Inapplicable                    | 0                              | 0                               |
|                     | Cheng-Chih Hsu<br>(Joined March 1,2024)   | Inapplicable                   | Inapplicable                    | 0                              | 0                               |

2.8.2 Equity transfer or equity pledge:

| Name          | Reason for transfer | Date of transaction | Counterparty | Relationship between the counterparty and the Company, directors, supervisors, managerial officers, and major shareholders | No. of shares | Transaction price |
|---------------|---------------------|---------------------|--------------|--|---------------|-------------------|
| Shu-Chen Tsai | gift                | 08.15.2024          | Dong-Ru Wu   | first degree of kinship  | 16,000        | 60.80             |

## 2.9 The relationship between top-ten shareholders

The most recent book closure date up to the publication of the Annual Report: 03.31.2025

| Name   | Shareholding |       | Spouse & minor current shareholding |   | Current shareholding in the name of others |   | Relationship among the top ten shareholders, anyone who is the related party, spouse, or second-degree kinship of another: name and relationship |  | Remarks |
|--|--------------|-------|-------------------------------------|---|--|---|--|--|---------|
|  | Shares       | %     | Shares                              | % | Shares                                     | % | Name   | Relation                                     |         |
| The MOTC   | 467,682,372  | 13.39 | 0                                   | 0 | 0  | 0 | The TNC<br>The TIPC<br>The NDF   | Director or both are Government Institutions | None    |
| Representative: Shih-kai Chen  | 0            | 0     | 0                                   | 0 | 0  | 0 | None   | None   | None    |
| The NDF  | 460,000,000  | 13.17 | 0                                   | 0 | 0  | 0 | The MOTC   | Both are Government Institutions             | None    |
| Representative: Chin-Ching Liu   | 0            | 0     | 0                                   | 0 | 0  | 0 | None   | None   | None    |
| The TIPC   | 160,438,579  | 4.59  | 0                                   | 0 | 0  | 0 | The MOTC   | The MOTC is the Director                     | None    |
| Representative: Hsien-Yi Lee   | 0            | 0     | 0                                   | 0 | 0  | 0 | None   | None   | None    |
| Yuanta Taiwan Dividend Plus ETF  | 141,099,376  | 4.04  | 0                                   | 0 | 0  | 0 | None   | None   | None    |
| Labor Pension Fund(The New Fund)   | 54,412,900   | 1.56  | 0                                   | 0 | 0  | 0 | None   | None   | None    |
| The TNC  | 37,220,858   | 1.07  | 0                                   | 0 | 0  | 0 | The MOTC   | The MOTC is the Director                     | None    |
| Representative: Wen-Ching Liu  | 0            | 0     | 0                                   | 0 | 0  | 0 | None   | None   | None    |
| J.P. Morgan Securities PLC   | 34,788,008   | 1     | 0                                   | 0 | 0  | 0 | None   | None   | None    |
| Norges Bank  | 22,215,876   | 0.64  | 0                                   | 0 | 0  | 0 | None   | None   | None    |
| Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.- Equity Trading Division (Proprietary Trading Desk) For Tri-Party SBL Trading | 21,204,00    | 0.61  | 0                                   | 0 | 0  | 0 | None   | None   | None    |
| T3EX Global Holdings Corp.   | 20,425,577   | 0.58  | 0                                   | 0 | 0  | 0 | None   | None   | None    |
| Representative: Li-Chiu Chang  | 0            | 0     | 0                                   | 0 | 0  | 0 | None   | None   | None    |

**2.10 The total number of shares and total equity stake held in any single enterprise by the Company, the Company’s Directors, Supervisors, Managers, and any companies controlled by the Company either directly or indirectly**

12.31.2024 Unit: share; %

| Re-Investment corporate (Note1)              | The Company’s investment |        | Directors, supervisors, managerial officers, and any controlled directly or indirectly by the Company |            |       | Recognized investment |        |
|--|--------------------------|--------|---|------------|-------|-----------------------|--------|
|  | Share                    | %      | Related Party Name  | Share      | %     | Share                 | %      |
| All Oceans Transportation Inc.               | 1,000                    | 100.00 | None  | 0          | 0     | 1,000                 | 100.00 |
| Kuang Ming Shipping Corp.                    | 98,882,111               | 98.88  | None  | 0          | 0     | 98,882,111            | 98.88  |
| Hong Ming Terminal & Stevedoring Co., Ltd.   | 10,000,000               | 100.00 | None  | 0          | 0     | 10,000,000            | 100.00 |
| Jing Ming Transportation Co., Ltd.           | 8,615,923                | 50.98  | None  | 0          | 0     | 8,615,923             | 50.98  |
| YES Logistics Corp.                          | 115,630,977              | 96.36  | Kuan-Sheng Fu   | 3,900      | 0.003 | 115,634,877           | 96.36  |
| Yang Ming Line (Singapore) Pte. Ltd.         | 2,603,793,000            | 100.00 | None  | 0          | 0     | 2,603,793,000         | 100.00 |
| Yang Ming (Singapore) Pte. Ltd.              | 799,342,500              | 100.00 | None  | 0          | 0     | 799,342,500           | 100.00 |
| Yang Ming Line (B.V.I.) Holding Co., Ltd.    | 1,757                    | 100.00 | None  | 0          | 0     | 1,757                 | 100.00 |
| Yang Ming Line Holding Co.                   | 13,500                   | 100.00 | None  | 0          | 0     | 13,500                | 100.00 |
| Yunn Wang Investment Co., Ltd.               | 5,211,474                | 49.75  | Taiwan Navigation Co., Ltd.   | 5,211,474  | 49.75 | 10,422,948            | 99.50  |
| Kao Ming Container Terminal Corp.            | 323,000,000              | 47.50  | None  | 0          | 0     | 323,000,000           | 47.50  |
| Taiwan Foundation Internatioanl Pte. Ltd.    | 3,400,000                | 34.00  | None  | 0          | 0     | 3,400,000             | 34.00  |
| Yang Ming Line B.V.                          | 2,500                    | 100.00 | None  | 0          | 0     | 2,500                 | 100.00 |
| Taiwan Navigation Co., Ltd.                  | 70,793,243               | 16.96  | The MOTC  | 110,436,37 | 26.46 | 181,229,622           | 43.42  |
| SinoTrans PFS Cold Chain Logistics Co., Ltd. | Note 2                   | 6.67   | YES Logistics Corp.   | Note 2     | 13.33 | Note 2                | 20.00  |

Note 1: Equity method is used in the Company’s long-term investment.

Note 2: Unissued shares.



## Capital and Shares Overview

### 3.1 Capital and Shares

#### 3.1.1 Source of capital stock

##### 1. Shares issued

| Date      | Par value (NT\$) | Authorized capital |                | Actual capital received |                | Notes  |  |   |
|-----------|------------------|--------------------|----------------|-------------------------|----------------|--|--|---|
|           |                  | Shares             | Amounts (NT\$) | Shares                  | Amounts (NT\$) | Sources of capital   | Deducting shares from property other than cash | Other                                       |
| Jan. 2005 | 10               | 2,400,000,000      | 24,000,000,000 | 2,268,754,549           | 22,687,545,490 | Convertible bonds transformation<br>22,016,416 shares                | -  | 01.21. 2005<br>MOEA grant<br>No.09401008230 |
| May 2005  | 10               | 2,400,000,000      | 24,000,000,000 | 2,276,103,048           | 22,761,030,480 | Convertible bonds transformation<br>7,348,499 shares                 | -  | 05.30. 2005<br>MOEA grant<br>No.09401094490 |
| Aug. 2005 | 10               | 2,400,000,000      | 24,000,000,000 | 2,289,127,926           | 22,891,279,260 | Convertible bonds transformation<br>13,024,878 shares                | -  | 08.10. 2005<br>MOEA grant<br>No.09401153980 |
| Nov. 2005 | 10               | 2,400,000,000      | 24,000,000,000 | 2,289,816,718           | 22,898,167,180 | Convertible bonds transformation<br>688,792 shares                   | -  | 11.14. 2005<br>MOEA grant<br>No.09401226910 |
| May 2006  | 10               | 2,400,000,000      | 24,000,000,000 | 2,289,834,417           | 22,898,344,170 | Convertible bonds transformation<br>17,699 shares                    | -  | 05.26.2006<br>MOEA grant<br>No.09501096220  |
| May 2007  | 10               | 2,400,000,000      | 24,000,000,000 | 2,294,211,277           | 22,942,112,770 | 2007Q1<br>Convertible bonds transformation<br>4,376,860 shares       | -  | 06.01.2007<br>MOEA grant<br>No.09601121010  |
| July 2007 | 10               | 2,400,000,000      | 24,000,000,000 | 2,299,005,213           | 22,990,052,130 | 2007 Q2<br>Convertible bonds transformation<br>4,793,936 shares      | -  | 07.19.2007<br>MOEA grant<br>No.09601165460  |
| Oct. 2007 | 10               | 2,400,000,000      | 24,000,000,000 | 2,317,397,254           | 23,173,972,540 | 2006<br>Recapitalization<br>new issuance of<br>18,392,041<br>shares  | -  | 10.23.2007<br>MOEA grant<br>No.09601260280  |
| Nov. 2007 | 10               | 2,400,000,000      | 24,000,000,000 | 2,320,743,953           | 23,207,439,530 | 2007 Q3<br>Convertible bonds transformation<br>3,346,699 shares      | -  | 11.07.2007<br>MOEA grant<br>No.09601269630  |
| Jan. 2008 | 10               | 2,400,000,000      | 24,000,000,000 | 2,328,698,193           | 23,286,981,930 | 2007 Q4<br>Convertible bonds transformation<br>7,954,240 shares      | -  | 01.29.2008<br>MOEA grant<br>No.09701022310  |
| May 2008  | 10               | 2,400,000,000      | 24,000,000,000 | 2,328,962,146           | 23,289,621,460 | 2008 Q1<br>Convertible bonds transformation<br>263,953 shares        | -  | 05.26.2008<br>MOEA grant<br>No.09701122050  |
| Aug. 2008 | 10               | 2,400,000,000      | 24,000,000,000 | 2,329,561,125           | 23,295,611,250 | 2008 Q2<br>Convertible bonds transformation<br>598,979 shares        | -  | 08.04.2008<br>MOEA grant<br>No.09701191790  |
| Sep. 2008 | 10               | 3,000,000,000      | 30,000,000,000 | 2,562,466,476           | 25,624,664,760 | 2007<br>Recapitalization<br>new issuance of<br>232,905,351<br>shares | -  | 09.23.2008<br>MOEA grant<br>No.09701246760  |

### III. Capital and Shares Overview

| Date      | Par value (NT\$) | Authorized capital |                | Actual capital received |                | Notes   |  |                                       |
|-----------|------------------|--------------------|----------------|-------------------------|----------------|---|--|---------------------------------------|
|           |                  | Shares             | Amounts (NT\$) | Shares                  | Amounts (NT\$) | Sources of capital  | Deducting shares from property other than cash | Other                                 |
| Oct. 2011 | 10               | 3,000,000,000      | 30,000,000,000 | 2,818,713,123           | 28,187,131,230 | 2010 Recapitalization new issuance of 256,246,647 shares                                | -  | 10.06.20115 MOEA grant No.10001227670 |
| Feb. 2015 | 10               | 3,600,000,000      | 36,000,000,000 | 2,856,379,965           | 28,563,799,650 | 2014 Q4 Convertible bonds transformation 37,666,842 shares                              | -  | 02.04.2015 MOEA grant No.10401021610  |
| May 2015  | 10               | 3,600,000,000      | 36,000,000,000 | 2,997,918,707           | 29,979,187,070 | 2015 Q1 Convertible bonds transformation 141,538,742 shares                             | -  | 05.19.2015 MOEA grant No.10401094490  |
| Aug. 2015 | 10               | 3,600,000,000      | 36,000,000,000 | 3,004,440,135           | 30,044,401,350 | 2015 Q2 Convertible bonds transformation 6,521,428 shares                               | -  | 08.27.2015 MOEA grant No.10401179670  |
| Mar. 2017 | 10               | 3,600,000,000      | 36,000,000,000 | 1,565,271,349           | 15,652,713,490 | 2017 Q1 Capital Reduction 1,600,498,786 Shares and Private Placement 161,330,000 shares | -  | 03.16.2017 MOEA grant No.10601027640  |
| Dec. 2017 | 10               | 3,600,000,000      | 36,000,000,000 | 2,065,271,349           | 20,652,713,490 | 2017 the capital increase by cash 500,000,000 shares                                    | -  | 12.12.2017 MOEA grant No.10601165890  |
| Dec. 2017 | 10               | 3,600,000,000      | 36,000,000,000 | 2,323,024,791           | 23,230,247,910 | 2017 2 <sup>nd</sup> Private Placement 257,753,442 shares                               | -  | 12.12.2017 MOEA grant No.10601171890  |
| Sep. 2019 | 10               | 4,500,000,000      | 45,000,000,000 | 2,601,335,728           | 26,013,357,280 | 2019.6.27 Convertible bonds transformation 278,310,937 shares                           | -  | 09.10.2019 MOEA grant No.10801118980  |
| Dec. 2020 | 10               | 4,500,000,000      | 45,000,000,000 | 2,622,624,180           | 26,226,241,800 | 2020 Q3 Convertible bonds transformation 21,288,452 shares                              | -  | 12.14.2020 MOEA grant No.10901226070  |
| Feb. 2021 | 10               | 4,500,000,000      | 45,000,000,000 | 3,167,662,197           | 31,676,621,970 | 2020 Q4 Convertible bonds transformation 545,038,017 shares                             | -  | 02.23.2021 MOEA grant No. 11001028210 |
| Jun. 2021 | 10               | 4,500,000,000      | 45,000,000,000 | 3,332,104,270           | 33,321,042,700 | 2021 Q1 Convertible bonds transformation 164,442,073 shares                             | -  | 06.01.2021 MOEA grant No.11001088340  |
| Aug. 2021 | 10               | 4,500,000,000      | 45,000,000,000 | 3,492,104,270           | 34,921,042,700 | 2021 Cash capital increase 160,000,000 shares   | -  | 08.13.2021 MOEA grant No.11001134760  |

## 2. Type of stock

| Shares category | Authorized capital |                  |               | Remark               |
|-----------------|--------------------|------------------|---------------|----------------------|
|                 | Shares Issued      | Un-issued shares | Total Shares  |                      |
| Common stock    | 3,492,104,270      | 1,007,895,730    | 4,500,000,000 | Listed company stock |

Note 1: The number of listed issued shares as of March 31, 2025.

## 3. General declaration system : None.

### 3.1.2 Major shareholders

1. The following list includes the shareholders with a stake of 5 percent or greater and the names of the top ten shareholders. The number of shares and stake held by each shareholder are specified.

As of the date of publication, the last time to stop the transfer: 03.31.2025

| Name of Major Shareholders   | Shares | Shareholding | Percentage(%) |
|--|--------|--------------|---------------|
| Ministry of Transportation and Communications  |        | 467,682,372  | 13.39         |
| National Development Fund, Executive Yuan  |        | 460,000,000  | 13.17         |
| Taiwan International Ports Corporation, Ltd.   |        | 160,438,579  | 4.59          |
| Yuanta Taiwan Dividend Plus ETF  |        | 141,099,376  | 4.04          |
| Labor Pension Fund(The New Fund)   |        | 54,412,900   | 1.56          |
| Taiwan Navigation Co., Ltd.  |        | 37,220,858   | 1.07          |
| J.P. MORGAN SECURITIES PLC   |        | 34,788,008   | 1.00          |
| Norges Bank  |        | 22,215,876   | 0.64          |
| MITSUBISHI UFJ MORGAN STANLEY SECURITIES CO., LTD.-<br>EQUITY TRADING DIVISION (PROPRIETARY TRADING DESK) FOR<br>TRI-PARTY SBL TRADING |        | 21,204,000   | 0.61          |
| T3EX Global Holdings Corp.   |        | 20,425,577   | 0.58          |

## 2. Shareholder list of Major Shareholders being Juridical Persons

| Name of Juridical Persons  | Main Shareholder of Juridical Persons   |
|--|---|
| Ministry of Transportation and Communications  | Government of the Republic of China   |
| National Development Fund, Executive Yuan  | Government of the Republic of China   |
| Taiwan International Ports Corporation, Ltd.   | Ministry of Transportation and Communications   |
| Yuanta Taiwan Dividend Plus ETF  | N.A.  |
| Labor Pension Fund(The New Fund)   | N.A.  |
| Taiwan Navigation Co., Ltd.  | Ministry of Transportation and Communications(MOTC), Yang Ming Marine Transport Corp., Yunn Wang Investment Co. Ltd., Central Taiwan Science Park Logistics Co., LTD., HSBC Bank (Taiwan) in Custody for Mitsubishi UFJ Morgan Stanley PLC, Chen, Chang-Hong, TransGlobe Life Insurance Inc., Global Growing International Co., Ltd., Standard Chartered Bank (Taiwan) Limited in custody for Mizuho Securities Co., Ltd. Investment Fund, J.P. Morgan Securities PLC |
| J.P. MORGAN SECURITIES PLC   | N.A.  |
| Norges Bank  | N.A.  |
| MITSUBISHI UFJ MORGAN STANLEY SECURITIES CO., LTD.-<br>EQUITY TRADING DIVISION<br>(PROPRIETARY TRADING DESK)<br>FOR TRI- PARTY SBL TRADING | N.A.  |

| Name of Juridical Persons  | Main Shareholder of Juridical Persons   |
|----------------------------|---|
| T3EX Global Holdings Corp. | WPG HOLDINGS, PIN GUAN Investment Ltd., Jin-Hua Investment Ltd, Investment account of J.P. Morgan Funds managed by HSBC, YI-WEI Investment Ltd., Dynamic Ocean Group Limited, Jack Lai, Chase escrow JP Morgan investment account, Yijue Investment Co., CHANG-JIE International Ltd. |

#### 3.1.3 Company dividend policy and implementation status

##### 1. Dividend policy

The annual net profits after tax of final accounts of the Company shall make up for loss carried over from previous years first, secondly appropriate reserve in accordance with laws and regulation and make or reverse a special reserve for increasing the equipment of transportation and improving financial structure, to distribute dividend for preferred shares. While there are surpluses, the common stock dividends shall be allocated at least 25% of the current year's distributable earnings. The board of directors could include the undistributed earnings at the beginning of the period to contemplate company's long-term financial planning, industry competition, capital expenditure, working capital requirements and shareholders' interests into account, to draft an earnings distribution proposal to resolved by the shareholders' meeting. The common stock dividends could be distributed by cash dividends or stock dividends and the cash dividends shall account for no less than 20% of the total dividends.

##### 2. The proposed dividend distribution to be discussed at the shareholders' meeting :

The proposal for the dividend distribution of 2024 was passed at the meeting of the Board of Directors on March 12, 2025. The proposed cash dividends NT\$ 7.5 per share will be recognized at the annual shareholders' meeting.

#### 3.1.4 The impact of the proposed free share allotment on the Company's operating performance and earnings per share: None.

#### 3.1.5 Employee compensation and directors' compensation

##### 1. Compensation for employees and directors is specified in the Company's articles of association.

For the appropriation of year-end net profit, 1-5% shall go to employees' compensation and no more than 2% to the directors. If there is an accumulated loss, the said net profit shall be appropriated to make up for the loss. The employees' compensation shall be distributed in stocks or cash.

##### 2. Consult the accountant if the estimated basis for the compensation of employees, directors and supervisors is different from the actual distribution amount.

(1) The employees' and directors' compensations during the year are estimated according to the Company's Articles of Incorporation.

(2) The difference between the amount of actual compensation payable and the estimated one can be expensed as it is incurred.

##### 3. The Board of Directors shall publicize employee and director compensations.

Pursuant to the resolution adopted at the 401<sup>st</sup> Board meeting, 1% of net profit was appropriated as employee compensation and distributed in cash, totaling NT\$ 794,449,604, NT\$ 30,000,000 was appropriated as directors' remuneration.

##### 4. The actual distribution of compensation for employees and remuneration for directors and supervisors in the previous year (including the number of shares, amount and share price), and the reward differences between the recognition of employees, directors and supervisors should be presented, as well as the relevant reasons and circumstances.

The Company's 2023 employee compensation and director remuneration stood at NT\$ 103,483,211 and NT\$ 12,000,000, respectively. The actual distribution was the same as the estimation.

#### 3.1.6 The Company buying back its shares: None.

### 3.2 Corporate Bonds (including Overseas Corporate Bonds)

#### 3.2.1 Conditions of issuance of corporate bond

03.31.2025

|  |   |      |
|--|---|------|
| <b>Bond Category</b>   | Nineteenth Debenture Bonds Guaranteed   |      |
| <b>Date of Issuance</b>  | April 28, 2021  |      |
| <b>Par Value</b>   | NT\$ 10 million   |      |
| <b>Place of Issuance and Exchange</b>  | R.O.C.  |      |
| <b>Issuance Price</b>  | 100% of par value   |      |
| <b>Total Amount</b>  | NT\$ 5,900 million  |      |
| <b>Interest Rate</b>   | 5 years, 0.45%<br>7 years, 0.49%  |      |
| <b>Terms of Reimbursement</b>  | 5 years, Date of maturity: April 28,2026<br>7 years, Date of maturity: April 28,2028  |      |
| <b>Guarantor</b>   | A: Taiwan Cooperative Bank<br>B: Taishin International Bank<br>C: Hua Nan Bank<br>D: Changhua Commercial Bank<br>E: First Commercial Bank<br>F & H: Bank of Taiwan<br>G: Shanghai Commercial and Savings Bank |      |
| <b>Trustee</b>   | Mega International Commercial Bank  |      |
| <b>Underwriter</b>   | Capital Securities Corporation.   |      |
| <b>Audit Lawyer</b>  | Attorney at Law Zhi-Cheng Li  |      |
| <b>Audit Accountant</b>  | Deloitte & Touche   |      |
| <b>Way of Reimbursement</b>  | Maturity: 5years-For 4,5years, 50%. 50% due respectively<br>Maturity: 7years-For 6,7years, 50%. 50% due respectively  |      |
| <b>Unreimbursed Amount</b>   | NT\$ 5,900 million  |      |
| <b>Conditions of Recall or Recall in Advance</b>   | N.A.  |      |
| <b>Conditions of Restriction</b>   | N.A.  |      |
| <b>Credit Rating Agency, Rating Date, Rating</b>   | Taiwan Ratings Corp,<br>A: Jan 2024 twAAA<br>B: Oct 2024 twAA-<br>C: May 2024 twAA+<br>D: Oct 2024 twAA+<br>E: Aug 2024 twAA+<br>F&H: Sep 2024 twAAA<br>G: Dec 2024 twAA                                      |      |
| <b>Other Rights</b>  | <b>Amount of Converted Common Stock, GDR or other valuable securities</b>   | N.A. |
|  | <b>Issuance and conversion (exchange or subscription) methods</b>   | N.A. |
| <b>Issuance and conversion, exchange or subscription method, issuing condition dilution, and impact on existing shareholders' equity</b> |   | N.A. |
| <b>Exchange target custody agency</b>  |   | N.A. |

#### 3.2.2 Convert corporate bond information: None.

**3.3 Preferred Shares: None.**

**3.4 Global Depository Receipts (GDRs) Issuance: None.**

**3.5 Employees Shares Option Certificates and Limit on Employee New Bonus Share: None.**

**3.6 Merger and Acquisitions or Stock Shares Transferred with New Stock Share Issued: None.**

**3.7 Capital Implementation Plan and Allocation Status:**

- (1) As of the first quarter of the annual report, the previous issuance or private placement of securities has not been completed or completed in the last three years and the project benefits have not yet appeared: None.
- (2) For the purpose of each plan in the preceding paragraph, the analysis per item is conducted during the first quarter before the printing date of this annual report. Implementation and comparison with the original expected benefits: None.

## IV Overview of Business Operation

### 4.1 Business Activities

#### 4.1.1 Business profile

1. The Company's main businesses include the following

- (1) Domestic and overseas shipping services
- (2) Domestic and overseas passenger services
- (3) Operations of warehouses, piers, tugboats, barges, container freight stations, and terminal
- (4) Maintenance and repairs, chartering, sales, and purchase of ships
- (5) Maintenance and repairs, lease, sales, and purchase of containers and chassis
- (6) Shipping agency services
- (7) G402011 Ocean freight forwarding services
- (8) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval

2. Structure of liner services for the last two years

Unit: NT\$ thousands

| Sales & Volume<br>Items  | 2024        |              | 2023        |              |
|--------------------------|-------------|--------------|-------------|--------------|
|                          | Amount      | Volume (TEU) | Amount      | Volume (TEU) |
| Cargo revenue: deep sea  | 179,298,522 | 3,207,000    | 101,102,721 | 3,236,354    |
| Cargo revenue: short sea | 20,225,158  | 1,511,288    | 16,682,933  | 1,472,500    |
| Cargo revenue: others    | 5,829,536   | —            | 4,801,853   | —            |
| Rental revenue on vessel | 2,283,922   | —            | 2,031,190   | —            |
| Slottage revenue         | 3,747,509   | —            | 3,193,068   | —            |
| Other operating revenue  | 11,321,302  | —            | 12,811,948  | —            |
| Total                    | 222,705,949 | 4,718,288    | 140,623,713 | 4,708,854    |

3. The Company's active fleet and business operation

As of December 31, 2024, the Company had in operation 98 full-container vessels (with a capacity of more than 717,000 TEU), amounting to a total of 8.13 million D.W.T. The Company's container liner service routes in 2024 mainly included Asia/US East Coast, Asia/US West Coast, Asia/WCSA, Asia/ECSA, Asia/Northwestern Europe, Asia/Mediterranean, Asia/Red Sea, Asia/ISC, Asia/Middle East, Asia/Australia, US East Coast/Northwestern Europe, and US East Coast/Mediterranean, Indian subcontinent/Northwestern Europe and Mediterranean, as well as Intra-Europe and Intra-Asia regional trades.

4. Development of New Products/Services

In February 2025, the Company will begin operation of 21 east-west service routes (including 3 pendulum service routes) with Premier Alliance partners, Ocean Network Express (ONE) and HMM Co., Ltd (HMM). This will require deployment of 206 state-of-the-art vessels. The routes will cover more than 65 ports in Asia, Southern Asia, Northwestern Europe, the Mediterranean, North America, and the Middle East. The routes and loop structure with Premier Alliance arrangement are as follows.

- (1) Seven Asia/Northwestern Europe service routes (including two Europe-Asia-America pendulum service routes) will continue to offer direct export services for Northeastern Asia, China, Taiwan, Southeastern Asia, and India as the existing structure. Among these seven service routes, FE5 and FE6 are under a slot swap agreement with Mediterranean Shipping Company (MSC), offering expedited service to Belgium and Northern France; ISE is a slot charter agreement with ONE, providing West India to Northwestern Europe connection.

- (2) Five Asia/Mediterranean service routes will continue to offer direct shipping services for Spain, Italy, Israel, and Turkey. With ports in Greece, Turkey and Egypt directly connecting to the European regional routes, the Company is able to expand the services coverage. Among these five routes MD3, MD4, MD5 also operate under a slot swap agreement with MSC. These additional service routes strengthen service offerings in the Turkey, Italy and Spain markets.
- (3) Eight Asia/Southwestern US service routes (including two Europe-Asia-America pendulum service routes) will continue to strengthen the network between Southwestern US and Asian regions, such as Japan, Korea, Taiwan, Southern China, Central China, Northern China, and Southeastern Asia. These service routes also include a CEN service with slot exchanged with COSCO and a PS7 service with slot purchased from ONE outside Premier Alliance, further enhance service connectivity between Vietnam, Korea, Taiwan and Southwestern US.
- (4) Four Asia/Northwestern US service routes will continue to rationalize the port schedule and improve punctuality and reliability.
- (5) Four Asia/US East Coast service routes will continue to serve the main US East Coast gate ports, taking advantage of the US Gulf service and enabling the Company to expand its liner services to Mexico, Central and South America, Caribbean Sea, and other emerging markets via hub ports at Panama.
- (6) Four Transatlantic service routes will continue to cover vast regions between the US's East and West Coast, Canada, and important ports in Northwestern Europe and the Mediterranean, thereby optimizing the existing port of rotation and focusing marketing strategies on main ports along both sides of the Northern Atlantic.
- (7) Two Asia/Middle East service routes will continue to link main ports in Korea, China, Taiwan, and Southeast Asia regions to Jebel Ali, Umm Qasr, Hamad, Dammam, and Jubail.
- (8) An Asia/Red Sea service route will continue to link main ports in Korea, China, and Southeastern Asian regions to Jeddah, Sokhna, and Aqaba. However, due to the ongoing Red Sea tensions for the sake of safety, the situation will be closely monitored before the service is launched.

### 4.1.2 Industry overview

#### 1. Current Status and Future Development

Looking back at 2024, the container shipping industry experienced rising freight rates driven by factors such as the Red Sea crisis, port congestion, and labor strikes. However, it also benefited from the steady recovery of the global trade market, overcoming the downturns in container shipping. According to Alphaliner's latest forecast, container shipping demand in 2024 increased by 4.5% while supply grew by 10.3%. The delivery of newly built containerships reached a recent peak. Yet, rerouting due to the Red Sea crisis- requiring detours around the Cape of Good Hope-absorbed approximately 59% (over 1.76 million TEU) of the additional capacity (3 million TEU) in 2024, alleviating excess supply. Additionally, the spillover effects of the Red Sea crisis such as port congestion, container shortages, and industrial actions fueled by failed negotiations further impacted supply dynamics.

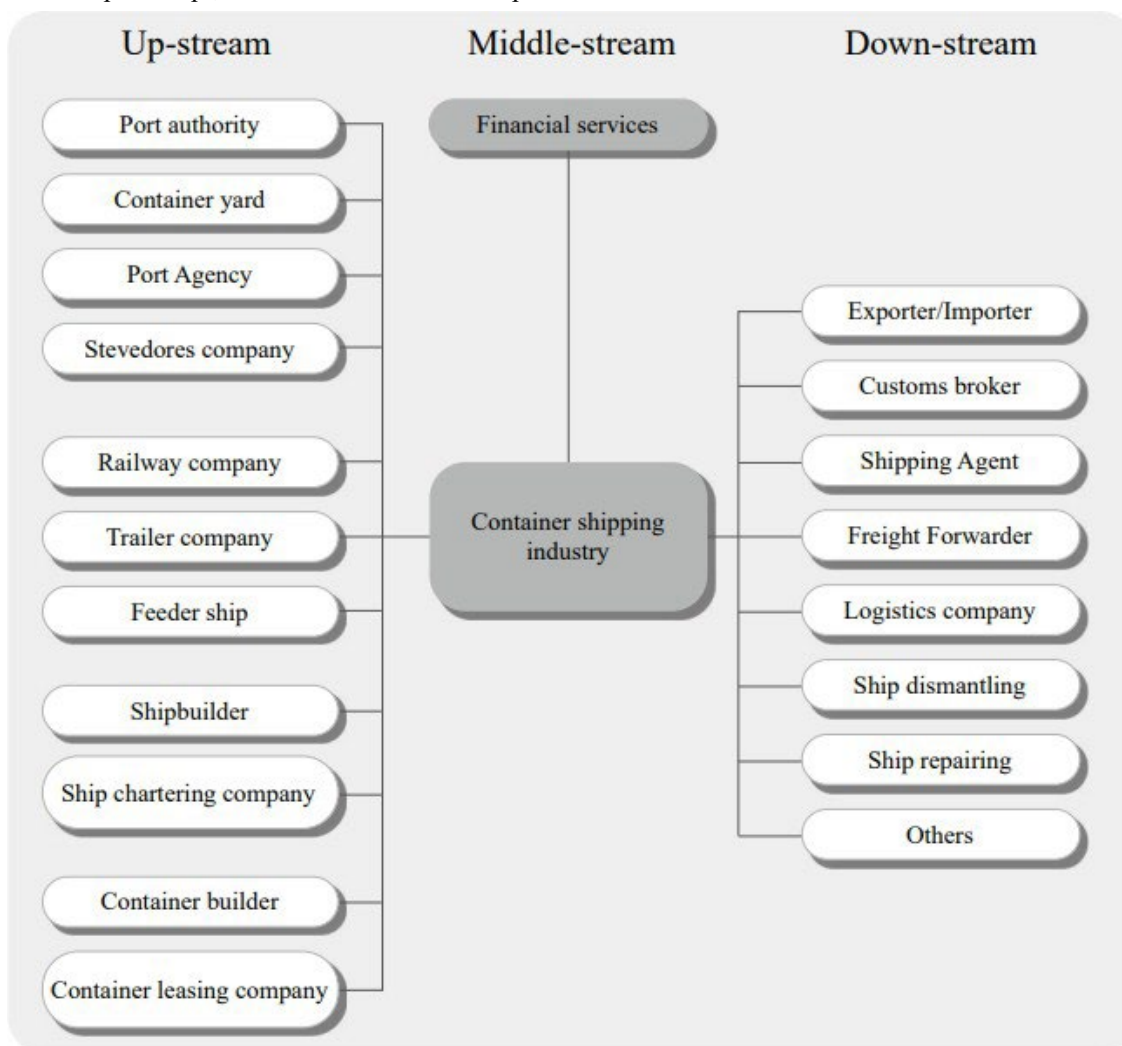
Looking ahead to 2025, inflationary pressures are expected to ease, with economic growth stabilizing. However, significant risks persist, including trade conflicts, protectionist policies, geopolitical tensions, and a slowdown in China's growth, contributing to ongoing global uncertainty. Alphaliner forecasts container shipping demand to grow by 2.5%, while supply is projected to increase by 5.7%, narrowing the gap between supply and demand. A phased ceasefire agreement between Israel and Hamas was reached

in early 2025, but uncertainty remains regarding a permanent resolution, which may impact shipping company’s service configurations. Environmental concerns and increasing regulatory scrutiny from major governments, including the EU and the U.S. Federal Maritime Commission, continue to pose challenges to the shipping industry.

In the dry bulk market, the Baltic Dry Index (BDI) in 2024 averaged 1,755 points, up 27% from 2023. According to Clarksons’ latest Dry Bulk Trade Outlook (January 2025), the demand growth rate of bulk shipping in 2024 rose by 5.0%, while the supply growth rate was 3.0%. For 2025, demand and supply are projected to grow by 0.9% and 3.0%, respectively. The dry bulk market faces challenges from U.S. tariff policies and uncertainties surrounding China’s demand for major imports, contributing to a potentially weaker outlook due to a supply surplus.

In the container terminal market, according to Drewry Container Forecaster Q4 2024, global loaded container traffic grew by 6.9% in 2024. However, a slow growth rate of 2.2% is projected for 2025—a decrease of 4.7 percentage points. Drewry expects global port throughput growth to decelerate. With the inauguration of President Trump and the resumption of tariff policies, trade conflicts and protectionism may intensify, creating significant further uncertainty in the global economic and trade landscape.

2. Relationship with up-, mid- and downstream companies



### 3. Shipbuilding trends and competition

#### (1) Shipbuilding trends

##### A. Larger vessels

According to Alphaliner's latest statistics as of January 1, 2025, vessels of 7,500 to 9,999 TEU accounted for 15% of the total capacity, while large vessels of 10,000 TEU or above accounted for 44%. For new vessels scheduled for delivery in 2025, 82% are in the 10,000+ TEU class. Similarly, 80% of vessels on order are of the same size category, indicating large containerships remain the mainstream in global shipbuilding.

##### B. Fleet renewal

According to Alphaliner's latest statistics as of January 1, 2025, container vessels older than 20 years accounted for only 13.9% of the global fleet, and those over 15 years accounted for 21.6%. These figures suggest a relatively young fleet age. Mid-age and older vessels are being regularly phased out and replaced to meet evolving environmental requirements of the market.

#### (2) Competition

##### A. Concentration and augmenting carrier scale

According to Alphaliner's latest data, global container shipping capacity is approximately 31,014,145 TEU. The top five carriers account for 64.9% of total capacity, the top ten account for 84.4%, and the top twenty hold a combined share of 91.2% (see the chart below).

| Rank | Operator                         | Teu       | Share | Existing fleet | Orderbook |
|------|----------------------------------|-----------|-------|----------------|-----------|
| 1    | Mediterranean Shg Co             | 6,386,433 | 20.2% |                |           |
| 2    | Maersk                           | 4,518,829 | 14.3% |                |           |
| 3    | CMA CGM Group                    | 3,874,042 | 12.3% |                |           |
| 4    | COSCO Group                      | 3,335,569 | 10.6% |                |           |
| 5    | Hapag-Lloyd                      | 2,352,733 | 7.5%  |                |           |
| 6    | ONE (Ocean Network Express)      | 1,969,127 | 6.2%  |                |           |
| 7    | Evergreen Line                   | 1,777,096 | 5.6%  |                |           |
| 8    | HMM Co Ltd                       | 906,167   | 2.9%  |                |           |
| 9    | Zim                              | 781,026   | 2.5%  |                |           |
| 10   | Yang Ming Marine Transport Corp. | 711,393   | 2.3%  |                |           |
| 11   | Wan Hai Lines                    | 513,059   | 1.6%  |                |           |
| 12   | PIL (Pacific Int. Line)          | 389,380   | 1.2%  |                |           |
| 13   | Sea Lead Shipping                | 203,440   | 0.6%  |                |           |
| 14   | SITC                             | 184,506   | 0.6%  |                |           |
| 15   | X-Press Feeders Group            | 179,081   | 0.6%  |                |           |
| 16   | KMTC                             | 150,912   | 0.5%  |                |           |
| 17   | UniFeeder                        | 148,250   | 0.5%  |                |           |
| 18   | IRISL Group                      | 143,472   | 0.5%  |                |           |
| 19   | Sinokor Merchant Marine          | 142,021   | 0.4%  |                |           |
| 20   | TS Lines                         | 106,575   | 0.3%  |                |           |
| 21   | RCL (Regional Container L.)      | 106,114   | 0.3%  |                |           |
| 22   | Emirates Shipping Line           | 98,509    | 0.3%  |                |           |
| 23   | Ningbo Ocean Shg Co              | 81,069    | 0.3%  |                |           |
| 24   | Global Feeder Shipping LLC       | 78,841    | 0.2%  |                |           |
| 25   | Antong Holdings (QASC)           | 75,627    | 0.2%  |                |           |
| 26   | Tangshan Port Hede Shipping      | 75,442    | 0.2%  |                |           |
| 27   | Matson                           | 71,471    | 0.2%  |                |           |
| 28   | SM Line Corp.                    | 70,158    | 0.2%  |                |           |
| 29   | Zhonggu Logistics Corp.          | 68,346    | 0.2%  |                |           |
| 30   | Interasia Line                   | 66,759    | 0.2%  |                |           |

Source: Alphaliner Top 100 February 18, 2025

## B. Three major shipping alliances

According to Alphaliner's latest statistics as of February 18, 2025, the three major alliances held a combined market share of 83.4%, with the 2M accounting for 35.2%, the OCEAN Alliance 29.0%, and THE Alliance 19.2%. On the main east-west trade routes, the three alliances commanded an even higher share of 89.3%, with the OCEAN Alliance leading at 31.9%, followed by the 2M Alliance at 31.8% and THE Alliance at 25.6%.

Note : Beginning in February 2025, the three major shipping alliances experienced significant restructuring. Mediterranean Shipping Company S.A. (MSC), formerly a member of the 2M alliance, no longer participated in any shipping alliance. Instead, MSC collaborated with other carriers through vessel-sharing agreements. Meanwhile, Maersk formed a new alliance—the Gemini Alliance—in partnership with Hapag-Lloyd. The former THE Alliance was renamed the Premier Alliance, while the OCEAN Alliance maintained its existing structure. During the transition period between old and new alliances, capacity share calculations remained based on the membership of the original alliance.

### 4.1.3 Technology and R&D overview

In 2024, the Company invested NT\$790 million in R&D on the following projects.

#### 1. Vessels

- (1) Optimization of low Earth Orbit satellite broadband for ships and planning of a 5G work environment.
- (2) Completion of SPECTEC system testing and related acceptance.
- (3) First year of the third phase of the Smart Ship Center.

A. Fleet Deficiency Tracking and Improvement Management (QC) System.

- (4) Optimization of the EAM system.

A. Ship Planned Maintenance System (PMS).

B. Dry Docking.

C. Fleet Supervision/Audit.

D. Crew Handover.

E. Development of Evaluation System.

#### 2. Engineering

As part of its effort to achieve the net-zero carbon emission goal in 2050, the Company has purchased five 15,500 TEU LNG dual-fuel container ships from HD Hyundai Heavy Industries Co., Ltd. in South Korea. These ships feature high-pressure dual-fuel main engines using both LNG and low-sulfur oil and are equipped with a ballast water treatment system and related energy-saving equipment. This is in line with the latest international environmental protection and carbon reduction regulations.

Following the Energy Efficiency Existing Ship Index (EEXI) environmental regulations that took effect in 2023, Yang Ming has taken inventory of its existing fleet and will set a limit on the engine's maximum output horsepower (Engine Power Limit, EPL), meaning that the maximum ship speed is to be reduced to achieve the EEXI regulatory objectives.

To align with Company's plan and in response to international decarbonization trends. In 2024, total of 6 vessels were retrofitted SOx scrubbers and total of 9 vessels were retrofitted AMP shore power supply systems.

As part of the fleet's scheduled dry-docking maintenance, the hulls of 26 vessels were sprayed with energy-saving and low-friction paint in 2024.

### 3. Information

| Upgraded system features                         | System features   |
|--|---|
| Enhancing Customer Service                       | <ol style="list-style-type: none"> <li>1. Completed the development and upgrade of DCSA OVS 3.0, EBL 3.0 (Final), BK 2.0 (Final), and Track &amp; trace.</li> <li>2. Launched electronic Cargo Release Order and QR Code to realize innovative digital processes for cargo release, improving customer convenience and friendliness.</li> <li>3. The new version of the official website has been upgraded and launched.</li> </ol>   |
| ESG and Information Security                     | <ol style="list-style-type: none"> <li>1. Completed the construction of the Carbon Footprint Verification System.</li> <li>2. Upgraded the host storage equipment.</li> <li>3. Completed the planning and procurement of a zero-trust security architecture.</li> <li>4. Improved the power usage effectiveness (PUE) of the data center, contributing to a more sustainable environment and reducing the carbon footprint.</li> <li>5. Complete green data center planning and procurement.</li> </ol> |
| AI Technology Application and Process Automation | <ol style="list-style-type: none"> <li>1. Completed internal AI training for 100+ person-times and deployed generative AI.</li> <li>2. Completed container condition photography and automatic license plate and container number recognition at Keelung Yangming Container Terminal, improving work efficiency and operational performance.</li> <li>3. Completed the Keelung Yangming Container Terminal Reefer container Wifi IOT and monitoring system.</li> </ol>                                  |

#### 4.1.4 Long and short-term development

##### 1. Long-Term and Short-Term Plans for Ocean-Going Shipping Services

###### (1) Long-term business plans

The Company's medium- and long-term business objective is to achieve stability and sustainability. This objective is pursued through the development and operational mechanisms of the Premier Alliance, the initiation of services, and the adjustment of service deployments. The ship replacement and renewal plan is being implemented to continuously enhance service quality. Moreover, the expansion of key East-West mainline services aims to deliver greater stability, capacity, and integrity, thereby strengthening the Company's overall competitiveness. Looking ahead to 2025, with the anticipated de-escalation of the Israel-Palestine conflict, it is expected that shipping routes through the Red Sea will gradually resume. In addition, prospective changes in U.S. tariff policies may result in a reconfiguration of global trade flows. Consequently, the liner industry is likely to face new challenges in balancing global supply and demand. In response, the Company is

proactively formulating strategies such as optimizing the alliance network, enhancing schedule reliability, and constructing new ships to accommodate gradually increasing demand. In addition to existing liner services covering Asia/US, Asia/Mediterranean, Asia/Europe, Europe/US, Mediterranean/US, Asia/Middle East, Asia/Red Sea, and Europe/Mediterranean routes, the Company is also evaluating the establishment of new regional services in areas such as East Mediterranean/Black Sea, Mediterranean/Adriatic Sea, and Northwestern Europe/Scandinavia. Furthermore, the Company recognizes significant potential in developing niche markets in regions including Northern Africa and Central and South America.

## (2) Short-term business plans

In the short term, the Company aims to enhance service quality, maintain sustainable capacity and service frequency, and ensure punctuality. Yang Ming remains committed to delivering comprehensive and competitive global transportation services that effectively meet customer requirements.

## 2. Long and short-term plans for near-sea shipping services

### (1) Long-term business plans

The Company is committed to developing a comprehensive transportation network for the near-sea services, aligned with the organic growth of the market. The medium- and long-term strategies for the near-sea lines are based on existing routes and focus on expanding into high-potential markets in emerging countries such as China and the ASEAN region, while also targeting developed markets like Japan and Korea. The Company will continue to expand its service network by adding new routes, including the Southeast Asian route, the North-South route in Northeast Asia/Southeast Asia, the Far East/India and Pakistan route, the Far East/Australia route, and the Far East/South American East Coast/West Coast route. Moreover, initiatives are underway to optimize the rationalization of routes and ports, upgrade vessels to reduce unit costs, and operate routes with increased efficiency through the integration of shipping resources. These efforts are aimed at reinforcing niche marketing strategies and competitiveness. Ultimately, Yang Ming's line services are expected to be both flexible and profitable.

### (2) Short-term business plans

In response to the rapid evolving Asian market and the opportunities presented by the ASEAN region, the Company is proactively strengthening its service network linking Northeast Asia and ASEAN region. To consolidate its service framework, the Company will continue to pursue sloat exchange cooperation opportunities to optimize delivery services and bolster overall competitiveness.

## 4.2 Analysis of Existing Markets and Service Lines/Routes

### 4.2.1 Market analysis

#### ◆ Operating plan for 2025

1. Asia-US Southwest coast service: Seventeen full-container ships are deployed in collaboration with Premier Alliance, supplemented by non-alliance services, to provide eight liner services per week between Asia and the US Southwest Coast. This includes two Northwestern Europe-Asia-US Southwest pendulum routes.
2. Asia-US Northwest coast service: Thirteen full-container ships are deployed, in collaboration with Premier Alliance, to provide four liner services per week between Asia and the US Northwest Coast.
3. Asia-US East coast service: One full-container ship is deployed, in collaboration with Premier Alliance, to provide four liner services per week between Asia and the US East Coast.
4. Asia-Northwestern Europe service: Eight full-container ships are deployed, in partnership with Premier Alliance and through a slot swap agreement with MSC, to provide six liner services per week between Asia and Northwestern Europe, including two Northwestern Europe-Asia-US West pendulum routes.
5. Asia-Mediterranean service: Eighteen full-container ships are deployed, in collaboration with Premier Alliance and through a slot swap agreement with MSC, to provide five liner services per week between Asia and the Mediterranean, including one Mediterranean-Asia-US West pendulum route.
6. Northwestern Europe-Mediterranean trade: Two full-container ships are deployed, in partnership with ONE and Italia Maritima S.p.A. (ITS), a subsidiary of EMC, to provide two weekly services between Northwestern Europe and the Mediterranean.
7. Intra-Northwestern Europe regional service: One full-container ship is deployed to provide a liner service between Hamburg and Poland/Lithuania (IE2), with plans to expand European regional coverage through potential slot exchange agreements.
8. Intra-Mediterranean regional service: One full-container ship is deployed to provide a weekly service between Turkey and Romania/Bulgaria (IBX), while also expanding the intra-European service network through slot exchanges with potential partners.
9. Transatlantic service: In partnership with ONE and Ocean Alliance, the Company will secure space on three service routes between Northwestern Europe and US and one service route between Mediterranean and US. These four liner services maintain the same coverage as the former THE Alliance network in the transatlantic market.
10. Intra-Asia routes
  - (1) Taiwan-China Express service (TCX): Two full-container ships are deployed to provide one weekly liner service between Northern and Central China and Taiwan.
  - (2) China-Taiwan-Indonesia service (CTI): One full-container ship is deployed and jointly operated with COSCO, GSL, and OOCL to provide one weekly liner service between Central China, Taiwan, and Indonesia.
  - (3) China-Thailand Service (CTS): One full-container ship is deployed and jointly operated with OOCL and GSL to provide one weekly liner service between Central China, Vietnam, Thailand, and Hong Kong.

- (4) China-Thailand-Cambodia Express service (CTK): One full-container ship is deployed and jointly operated with WHL and MAERSK A/S to provide one weekly liner service between Central China, Thailand, and Cambodia.
- (5) China-Thailand-Express service (CTE): One full-container ship is deployed and jointly operated with OOCL to provide one weekly liner service between Central and Southern China and Thailand.
- (6) China-Ho Chi Minh Express service (CHX): One full-container ship is deployed and jointly operated with OOCL and RCL to provide one weekly liner service between Northern and Southern China, Vietnam, and Korea.
- (7) Pan Asia Service (PAS): One full-container ship is deployed and jointly operated with TSL and IAL to provide one weekly liner service between Japan (Kyushu), Korea, Taiwan, Hong Kong, Southern China, and Vietnam.
- (8) Japan-Taiwan-South China Express service (JTS): Four full-container ships are deployed to provide one weekly liner service between Japan (Kanto region), Taiwan, Southern China, Singapore, and Malaysia.
- (9) Japan-Taiwan-Bangkok service (JTC): Four full-container ships are deployed to provide one weekly liner service between Japan, Taiwan, Hong Kong, Thailand, and Vietnam.
- (10) Japan Kansai Service (JKX): One full-container ship is deployed and jointly operated with TSL and IAL to provide one weekly liner service between Japan (Kansai), Taiwan, Southern China, Vietnam and Hong Kong.
- (11) Korea-Taiwan-Hong Kong service (KTH): One full-container ship is deployed and jointly operated with TSL and KMTC to provide one weekly liner service between Taiwan, Hong Kong, and Korea.
- (12) Taiwan Philippines Express service (TPE): One full-container ship is deployed to provide one weekly liner service between Taiwan and the Philippines.
- (13) Taiwan-Ho Chi Minh service (THX): One full-container ship is deployed and jointly operated with EMC and OOCL to provide one weekly liner service between Taiwan, Hong Kong and Vietnam.
- (14) Taiwan-South East Asia service (TSE): Four full-container ships are deployed to provide one weekly liner service between Taiwan, Hong Kong, Vietnam, Singapore, and Malaysia.
- (15) Thailand Indonesia Express service (ITS): One full-container ship is deployed and jointly operated with OOCL and GSL to provide one weekly liner service between Singapore, Malaysia, Indonesia, and Thailand.
- (16) Korea-China-Southeast Asia Express service (KCX): One full-container ship is deployed and jointly operated with SITC, ONE, and KMTC to provide one weekly liner service between Korea, Central China, Southern China, Singapore, Malaysia, and Thailand.
- (17) Pan Asia service I (PA1): Container space is exchanged with NGS to provide one weekly liner service between China, Singapore, and Malaysia.
- (18) North China-Thailand service (NCT): Container space is exchanged with COSCO to provide one weekly liner service between Northern China, Hong Kong, Southern China, and Thailand.

- (19) Japan-Chinese-Vietnam service (JCV): Container space is exchanged with PanAsia to provide one weekly liner service between China and Japan.
- (20) Japan-Taiwan-Hong Kong service (JTH): Container space is exchanged with EMC to provide one weekly liner service between Taiwan and Japan (Kansai region).
- (21) Taiwan Philippines Manila South Port service (TPS): Container space is exchanged with WHL to provide one weekly liner service between Taiwan and the Philippines.
- (22) Taiwan-Indonesia service (TPI): Container space is exchanged with EMC to provide one weekly liner service between Taiwan and Indonesia.
- (23) Taiwan-Hong Kong service (PR5): Container space is exchanged with KANWAY to provide one weekly liner service between Taiwan and Hong Kong.
- (24) Ningbo-Shanghai-Kaohsiung service (NSK): Container space is exchanged with SITC to provide one weekly liner service between Central China and Taiwan..
- (25) Ningbo-Shanghai-Kaohsiung service (SK2): Container space is exchanged with SITC to provide one weekly liner service between Central China and Taiwan.

### 11. Asia feeder service

- (1) South East Asia service VIII (SE8): Two full-container ships are deployed to provide one weekly feeder service between Singapore, Malaysia, and Vietnam.
- (2) Sihanoukville dedicated service (RCX): Container space is exchanged with RCL to provide one weekly feeder service between Singapore and Sihanoukville.
- (3) Singapore-Yangon dedicated service (SYM): Container space is exchanged with RCL to provide one weekly feeder service between Singapore and Yangon.
- (4) Singapore-Surabaya service (RSU): Container space is leased from RCL to provide one weekly feeder service between Singapore and Surabaya.
- (5) Bohai Express III service-Dalian (BH3): Container space is leased from XPF to provide one weekly feeder service between Northern China (Dalian) and Korea.
- (6) Bohai Express II service-Xingang (BH2): Container space is leased from XPF to provide one weekly feeder service between Northern China (Xingang) and Korea.
- (7) Thailand-Singapore service (TSS): Container space is leased from XPF to provide one weekly feeder service from Bangkok to Singapore.
- (8) Singapore-Jakarta service (IHX): Container space is leased from Samudera to provide one weekly feeder service between Singapore and Indonesia (Jakarta).
- (9) Singapore-Yangon service (SMM): Container space is leased from Samudera to provide one weekly feeder service between Singapore and Myanmar (Yangon).
- (10) Kaohsiung-Cebu service (KMC): Container space is leased from BTL to provide one weekly feeder service between Taiwan and the Philippines (Cebu).

(11) Singapore-Malaysia service (MSX): Container slots are leased from Samudera to provide one weekly feeder service between Singapore and Malaysia.

(12) Kaohsiung-Fuzhou/Jiangyin Express service (FOC): Container slots are exchanged with SPS to provide one weekly feeder service between Kaohsiung and Fuzhou.

#### 12. Asia-Australia trade

(1) China-Australia-Taiwan service (CAT): Two full-container ships are deployed and jointly operated with EMC, SINOTRANS, TSL, and HLC to provide service between Central China, Taiwan, and Australia.

(2) China-Australia service (CA2): One full-container ship is deployed and jointly operated with TSL, PIL, and SEALEAD to provide one service between Northern- Central-Southern China and Australia through slot exchange with PIL.

(3) Asia Australia alliance service 1 (AA1): Liner service is provided between Thailand, Singapore, and Australia through slot exchange with PIL.

(4) Asia Australia alliance service 2 (AA2): Liner service is provided between Singapore, Malaysia, and Australia through slot exchange with PIL.

#### 13. Central and South America service routes

(1) South America service loop-3 (SA3): Liner service is provided between China, Singapore, and Eastern South America (Brazil/Argentina/Uruguay) through fixed slot charter from EMC and PIL.

(2) South America service loop-5 (SA5): Liner service is provided between China, Singapore, and Eastern South America (Brazil) through fixed slot charter from COS and CMA.

(3) South America service loop-6 (SA6): Liner service is provided between Taiwan, Southern-Central China, Mexico, and Central South America west coast through fixed slot charter from WHL.

(4) South America service loop-8 (SA8): Two full-container ships are deployed and jointly operated with PIL and WHL to provide service between Northern-Central China, Mexico, and Central South America West Coast.

#### 14. Asia-Middle East/Red Sea trade

(1) Asia-Gulf Express service (AG1): Operated in partnership with Premier Alliance, this service connects Korea, China, Singapore, Malaysia, and the Persian Gulf.

(2) China-Gulf Express service (CGX): An independently operated service between Central China, Southern China, Singapore, and the Persian Gulf.

#### 15. Asia-India and Pakistan trade

(1) China-Pakistan Express service (CPX): Two full-container ships are deployed and jointly operated with OOCL to cover operation in Central China, Southern China, Singapore, Malaysia, and Pakistan.

(2) West India and Northwest Europe Express service (ISE): Liner service is provided between West India and Northwestern Europe through fixed slot charter from ONE.

### 16. Southern Asia feeder service

- (1) South East Asia VI service (SE6): One full-container ship is deployed to provide service between Singapore, Malaysia, and Bangladesh.
- (2) Singapore-Chittagong service (SCS): Liner service is provided between Singapore, Malaysia, and Chittagong.
- (3) Straits-Bengal-Straits service (SBS): Liner service is provided between Singapore, Malaysia, and Kolkata.

### ◆ Prospect of market share and supply, demand, and growth

#### 1. Transpacific trade

According to the Drewry report, the eastbound volume of transpacific trade grew by 16.4% in 2024 and is projected to increase by 10.2% in 2025. Based on Alphaliner data, the Company's market share of deployed containership capacity in the transpacific trade was approximately 7% in 2024.

#### 2. Asia-Europe/Mediterranean trade

According to the Drewry Report, westbound volume on the Asia-Europe trade grew by 10.3% in 2024, while Asia-Mediterranean westbound volume increased by 4%. In 2025, Asia-Europe trade is expected to grow by 3.7% and Asia-Mediterranean trade by 3.5%. According to Alphaliner, the Company's market share in these trades was approximately 3% in 2024, based on the total deployed containership capacity.

#### 3. Transatlantic trade

The Company focuses on developing the container market between Northwestern Europe/ Mediterranean and the US East Coast. According to the Drewry Report, westbound transatlantic volume increased by 6.1% in 2024, eastbound volume rose by 7.3%. In 2025, westbound and eastbound trade volumes are expected to grow by 7.7% and 6.0%, respectively.

#### 4. Intra-Asia trade

According to the S&P Global report, Intra-Asia trade volume reached 36.00 million TEU in 2024 and is projected to grow by 3.8% to 37.36 million TEU in 2025.

#### 5. Asia-Australia trade

According to the S&P Global report, the FE-Australia trade volume increased by 9.2% in 2024 and is projected to grow by 3.9% in 2025. The Company held approximately 3.5% market share in this trade in 2024.

#### 6. FE-Middle East trade

According to the S&P Global report, the FE-Middle East trade grew by 12.0% in 2024 and is projected to grow by 3.4% in 2025. The Company's market share in the FE-Middle East Trade was approximately 4.4% in 2024.

#### 7. FE-Sub-Continental Trade

The S&P Global report indicates that the FE-Sub-Continental trade grew by 7.8% in 2024 and is projected to grow by 6.2% in 2025. The Company's market share in this trade was approximately 2.5% in 2024.

## 8. FE-Central and South America trade

According to the S&P Global report, the FE-Central and South America trade increased by 9.3% in 2024 and is projected to increase by 4.0% in 2025. The Company's market share in this trade was approximately 1.7% in 2024.

### ◆ Competitive advantages and business visions

#### 1. Favorable factors

##### (1) New vessels consecutively delivered, reducing operating costs

To bolster service routes, the Company has commenced the deployment of twenty new 14,000 TEU long-term chartered, energy-saving vessels. From Q2 2020 through 2022, fourteen new 11,000 TEU long-term chartered, energy-efficient vessels and ten new self-owned 2,800 TEU feeder type vessels were consecutively delivered. Looking ahead, five new 15,000 TEU energy-efficient ships with LNG dual-fuel capabilities are scheduled for delivery in 2026. These investments in modern, eco-friendly ships are expected to significantly reduce unit operating costs and emissions. At the same time, the Company will continue to monitor environmental regulatory developments and alternative fuel technologies, optimizing fleet composition to advance operational efficiency and sustainability objectives, including the achievement of net-zero emissions.

##### (2) Continue Strengthening regional layout and increase loading performance

To meet the increasing demand for side port coverage in Europe and U.S. trades, the Company continues to strengthen its presence in the Intra-Asia market. It is actively developing regional cargo volumes in emerging Asian economies through self-owned service or slot swap. In the European and Mediterranean regions, network coverage is being expanded via operating self-owned regional shuttle services and regional slot swapping arrangements. The Company is also securing additional way port cargos along coastal routes to maximize route synergy and improve overall service efficiency.

##### (3) Create greater mutual benefits with strategic alliances

The Company maintains and optimizes service routes across Asia, the US (including Gulf), Europe, the Mediterranean, the transatlantic, and the Middle East regions. By enhancing Premier Alliance group's service scale and layout, the Company benefits from network optimization and cost reduction. Beyond Premier Alliance, broader cooperation efforts regarding service layout and vessel deployment are also underway. Through strategic planning, the Company aims to improve vessel punctuality and operating unit costs, thereby strengthening competitiveness.

#### 2. Unfavorable factors

##### (1) Uncertainties of environmental regulations add operating cost

New international environmental regulations, including IMO's EEXI, CII requirements, as well as the EU's ETS and Fuel EU Maritime initiatives, mandate reductions in GHG emissions. These policies necessitate the retirement of older, less energy-efficient vessels, investment in energy-efficient ones, as well as reducing sailing speed and GHG emissions. While environmentally necessary, these regulations are increasing operating costs for shipping carriers globally.

### (2) Geopolitics

Geopolitical tensions, energy price volatility, and inflation continue to add uncertainties and pressure to global economy recovery and outlook.

### 3. Countermeasures

#### (1) Continue promoting flexible alliance strategies

In response to ongoing industry consolidation through mergers and acquisitions, the Company remains committed to improving competitiveness through flexible alliance strategies, cost reduction, and service quality enhancement. In 2024, the Company and THE Alliance partners demonstrated agility by promptly adjusting service routes to mitigate the impact of disruptions in the Red Sea and the Panama Canal drought.

#### (2) Develop business in emerging markets

With international trade becoming more diversified, the Company is proactively expanding its service network and optimizing fleet capacity in emerging markets, such as Vietnam, the Eastern Mediterranean, the Black Sea, the Baltic Sea, and South America.

#### (3) Strengthen cost control

In addition to market dynamics and competitor analysis, the Company continues to refine its cost control strategies through a combination of alliance collaboration, slot exchange, and service route adjustments. These efforts help reduce operation expenses, including fuel and port costs. Other measures include fuel hedging, charter market surveillance, flexible ship operations, and the establishment of overseas agencies.

#### (4) Operational safety and service quality

Operational safety remains a top priority for the shipping service industry. All vessels are certified under the ISPS code, the Company remains proactive in enhancing operational safety and service quality. As integrated information systems become increasingly central to shipping operations, the Company is accelerating the deployment of IT systems to boost service quality and operational efficiency.

#### (5) Compliance with latest environmental regulations and application of countermeasures

With new IMO and EU carbon emission frameworks taking effect, investment in new, energy-efficient, low-emission ships running on alternative fuels is essential. Sustainable operations are a cornerstone of the Company's strategy to reinforce long-term competitiveness.

#### **4.2.2 Production procedures and main uses of main products: not applicable.**

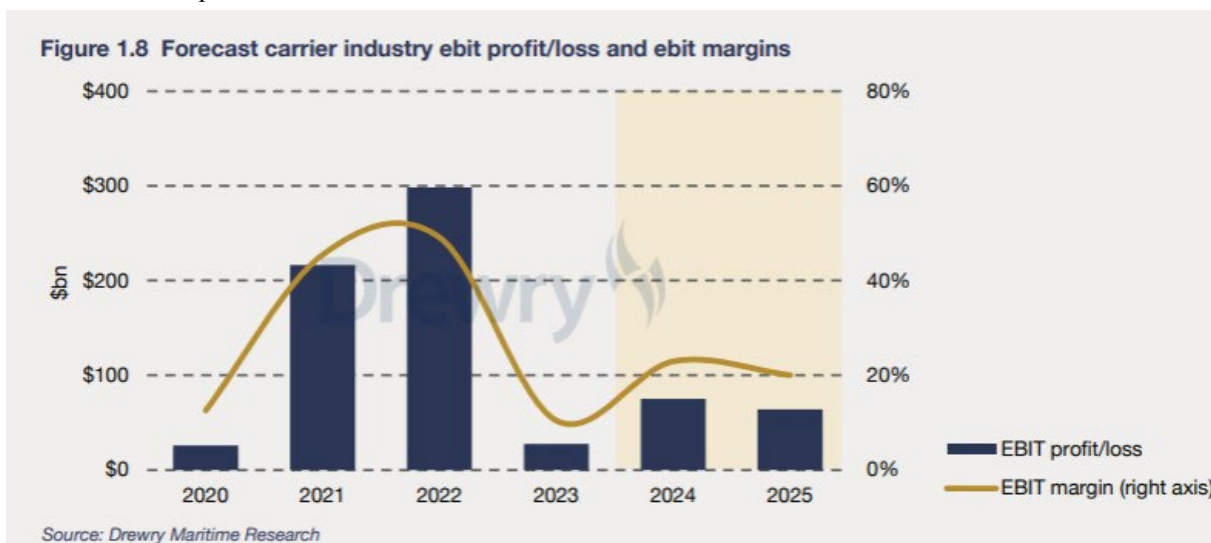
#### **4.2.3 Supply status of main materials: not applicable.**

#### **4.2.4 Clients (suppliers) with 10% of sales (purchase) or more in the last two years: none.**

**There were no clients with 10% of sales or more in the past two years.**

**4.2.5 Maritime key performance indicator**

With the global trade market on a steady path to recovery, container shipping companies have successfully navigated the industry downturn. According to Drewry’s forecast, the container shipping industry’s earnings before interest and taxes (EBIT) are expected to surge from \$27.6 billion in 2023 to \$75 billion in 2024, representing a 2.7-fold year-over-year increase. In response to evolving market conditions, the Company continues to adjust its operations and improve profitability. According to Alphaliner’s data, Yang Ming ranked among the world’s top ten listed carriers and has demonstrated strong performance in EBIT margin (%) for the first three quarters of 2024.



Source: Drewry Container Forecaster 2024Q4

| Carrier EBIT margin by quarter | 1Q24         | 2Q24         | 3Q24         |
|--------------------------------|--------------|--------------|--------------|
| Evergreen                      | 17.7%        | 30.7%        | 50.5%        |
| HMM                            | 18.1%        | 26.9%        | 46.0%        |
| Wan Hai                        | 8.1%         | 28.5%        | 44.7%        |
| ZIM                            | 10.7%        | 25.2%        | 44.7%        |
| <b>Yang Ming</b>               | <b>18.0%</b> | <b>26.9%</b> | <b>44.4%</b> |
| COSCO Shg                      | 17.6%        | 24.9%        | 39.3%        |
| ONE                            | 5.8%         | 15.8%        | 31.8%        |
| Maersk Ocean                   | -2.0%        | 5.6%         | 25.5%        |
| Hapag-Lloyd                    | 8.3%         | 9.8%         | 18.3%        |
| CMA CGM                        | N/A          | N/A          | N/A          |

\*Maersk, CMA CGM, HMM and COSCO container shipping activities only

\*COSCO includes COSCO Shg and OOCL

Source: Alphaliner Monthly Monitor January 2025

### 4.3 Employee Status from the Two Most Recent Fiscal Years up to the Date of Publication of this Annual Report

| Year                  |                         | 2024   | 2023   | 03.31.2025 |
|-----------------------|-------------------------|--------|--------|------------|
| Number of employees   | Office service          | 4,686  | 4,769  | 4,681      |
|                       | Sea service             | 1,272  | 1,230  | 1,206      |
|                       | Total                   | 5,958  | 5,999  | 5,887      |
| Average age           |                         | 40.28  | 40.4   | 40.36      |
| Average service years |                         | 12.04  | 11.7   | 12.08      |
| Education             | Ph.D.                   | 0.18%  | 0.10%  | 0.15%      |
|                       | Master's                | 12.01% | 11.76% | 11.96%     |
|                       | College                 | 72.54% | 73.26% | 72.91%     |
|                       | High school             | 12.04% | 11.85% | 11.69%     |
|                       | Middle school and lower | 3.23%  | 3.03%  | 3.29%      |

### 4.4 Expenditure on Environmental Protection

**4.4.1 In the most recent year and up to the printing date of the annual report, the Company does not have any major violations of environmental protection regulations.**

**4.4.2 The Company's countermeasures for future environmental protection.**

Regarding environmental conservation, the Company demands that all the newly-built vessels comply with the international standards and adopt advanced designs to reduce pollution. Yang Ming upholds its environmental policy and is the first shipping company in Taiwan to be certificated with ISM back in 1996, ISO14001 in 2004 and OHSAS 18001 in 2005. In 2006, the Company joined the Business for Social Responsibility (BSR) and the Clean Cargo Working Group (CCWG) for partnerships with other companies to carry out responsible business practices, innovation, and collaboration. In 2007, the Company began publishing its annual environment Performance Report on the official website to enable understanding of the internal environmental measures and practices. In 2009, the Company set up an energy conservation team to study and implement environmental protection actions for energy conservation and resource recovery. In 2013, the Company added the carbon emission calculator of shipping service to its website to work with customers on reducing carbon emissions by means of the door-to-door and green-delivery supply chain.

1. The following environmental protection measures are to be developed and carried out this year.

- (1) Implementation of the SEEMP (Ship Energy Efficiency Management Plan) Part I/II/ III to achieve the goals of energy saving and reduced carbon emission.
- (2) Use of low-sulphur fuel oil and reduction of speed by vessels in Emission Control Areas to abide by the MARPOL 73/78/97 Regulations and local rules.
- (3) Application of Observant of the Oil Pollution of 1990, Non-Tanker Vessels Response Plan, and Financial Guaranty and Financial Responsibility Certificate to all the YM vessels sailing to US ports.
- (4) Obtaining the Bunker Convention Certificates from the signatory states by observing the 2001 Bunker Convention.

- (5) Purchase of the Liability Insurance of the Protection and Indemnity.
- (6) Strict auditing of ISM/ISO14001 codes and corrective measures to safeguard YM personnel, ships, cargoes, and the environment, avoid maritime accident, and minimize pollution.
- (7) Organizing training courses and exercises on environmental protection, risk management, and energy saving for all seafarers to strengthen professionalism for preventing maritime pollution and accidents.
- (8) The Company abides by the latest international environmental regulations and seafaring crew are required to do the same.
- (9) The Company is running the carbon calculator for cargo transportation on the official website to help customers achieve low carbon footprint by means of the door-to-door and green supply chain.
- (10) Since the Inventory of Hazardous Materials (IHM) became effective on December 31, 2020, the Company has completed onboard sampling by certified inspectors and obtained IHM certificates for the entire fleet. This facilitates the identification, listing, and control of the location and quantity of hazardous materials on board.
- (11) January 2020 marked the beginning of a transition for the shipping industry moving into a greener future. According to the latest regulations, the level of sulphur content in marine fuels is limited to 0.50%. All of Yang Ming's ships meet the requirement and the sulphur oxide emission has been cut down by 70%, compared to those using high sulphur fuel oil.
- (12) In response to the introduction of environmental protection regulations and standards such as EEXI and CII at the IMO MEPC meeting, Yang Ming is strengthening cooperation with the third parties to conduct real-time monitoring, and is planning to conduct health check for ships (dry-dock and hull performance) every 2.5 years in order to reduce fuel consumption.
- (13) According to the International Convention for the Control and Management of Ships' Ballast Water and Sediments of 2004, a new version of the Ballast Water Management Plan was completed for the vessels YM Wealth/YM Success/YM Eternity in the fiscal year 2024, including the installation of BWTS (Ballast Water Treatment Systems).
- (14) Yang Ming Marine Transport Corporation collaborates with National Sun Yat-sen University to conduct exhaust gas sampling on vessels, jointly researching new technologies and standards to enhance environmental protection practices.
- (15) To further control greenhouse gas emissions from its vessels, Yang Ming Marine Transport Corporation began adding sustainable marine biofuel to its operating fleet in Hong Kong and Singapore on March 7 and 8, 2024, respectively. The company plans to gradually increase the proportion of biofuel in its annual fuel consumption. By using certified sustainable fuel, Yang Ming is committed to reducing its vessels' greenhouse gas emissions year by year to achieve its emission reduction targets.

## 2. Estimated capital expenditure on environmental protection for the next three years

In compliance with the MARPOL 73/78/97 Regulations and local rules, facilities for careful treatment of oil, water, sewage, and air pollution have been installed on vessels undergoing construction. Expenditure for future purchase, installment, or re-equipment of such facilities will be included in the overall shipbuilding cost.

3. Effects of setting up additional equipment

All of the Company’s vessels use facilities to prevent oil, sewage, and air pollution and are in compliance with international environmental protection standards as required by the MARPOL 73/78/97 Regulations and local rules.

**4.4.3 The Taiwan Stock Exchange’s Letter No.0950007006 dated April 13, 2006 requires disclosure of RoHS Information (EU legislation restricting the use of hazardous substances in electrical and electronic equipment). Due to the characteristics of maritime shipping industry, the Company is not required to abide by the EU RoHS.**

**4.5 Employee and Employer Relations**

**4.5.1 Important labor agreements and implementation**

1. Employee welfare measures: the Company allocates 0.15% of its revenue into the employee welfare fund, and carries out welfare tax withholding for employees in the amount of 0.5% of each employee’s salary, on a monthly basis. The fund is managed by the Employee Welfare Committee, which organizes a variety of welfare events.

2. Education and training

Unit: NTS

| Training        | Main focus   | Total hours | Cost       |
|-----------------|--|-------------|------------|
| Orientation     | The Company organizes orientation, maritime studies, maritime management practices, and other internal and external courses to help new employees to quickly adapt to their roles, understand the Company’s operating principles, organization, culture, and overall human resources.  | 1,881       | 11,699     |
| Job development | To strengthen employees’ professionalism, the Company’s HR regularly organizes training courses on specialized knowledge, interdepartmental information dissemination, occupational safety, onboard practices, and lectures. Employees are encouraged to attend external training or education courses or acquire books to advance their professional skills and foreign language proficiency.   | 36,023      | 5,515,609  |
| Managing skills | Managerial training is also provided to strengthen leadership capabilities. These include courses in interview techniques and KPI management. Managers are also encouraged to attend external training on management skills and corporate governance. They are required to complete courses focused on planning and management skill development.  | 2,117       | 2,199,386  |
| Seafare         | Onboard safety management policies and procedures are rigorously implemented in compliance with the International Safety Management (ISM) Code. To enhance ship operational safety, comprehensive training programs are conducted, including orientation, competency development, system operation, ship operation, management skills, and occupational safety and health (OSH) training. These programs are mandatory for all seafarers and new employees, ensuring a high standard of safety and operational efficiency. | 36,941      | 24,533,970 |

3. Retirement benefit plans: Please refer to Market Observation Post System / E-Books / Financial Report / Financial Consolidated Report of Notes 24 for details.

4. Other important agreements: None.

#### **4.5.2 Any loss sustained as a result of labor disputes in the most recent fiscal year, and during the current fiscal year up to the date of publication of the annual report, estimate of losses incurred to date or likely to be incurred in the future, and countermeasures.**

In the most recent fiscal year and during the current fiscal year up to the date of publication date of the annual report, the Company sustained several losses as a result of labor disputes that incurred mainly legal costs, which took up a very small percentage of the Company's revenue. The pending litigation cases related to labor disputes are currently being handled by attorneys appointed by the Company. Of these, possible losses are estimated to account for a small percentage of the Company's revenue, so it has no significant impact on the Company's finances and business.

#### **4.5.3 Employee code of ethics**

1. Employees should be attentive to respective duties, law-abiding, and follow the management's instruction, as well as carry out assignments from supervisors at all levels.
2. Employees must keep the Company's technical and business data in the strictest confidentiality. The Company's confidential business rights and interests must never be disclosed under any circumstances, with employees' being in charge or providing assistance. Take salary, which is confidential information and as such employees should not inquire, or make comments on the matter, and even disclose their own.
3. When carrying out job duties, employees should, except for emergency or special circumstances, follow administrative protocols and must not go over their immediate supervisors.
4. Employees are not allowed to leave their work unattended without prior approval.
5. When conducting business, employees must not directly or indirectly offer, promise to offer, request, or accept any benefits, including rebates, commissions, palm greasing payments, or offer or accept these in other ways to or from clients, agents, contractors, suppliers, public servants, or other interested parties.
6. Employees must not carry ammunition, knives, dangerous goods, contraband, or other items that can seriously compromise workplace safety.
7. Employees should wear identification cards in the workplace and return it to the relevant personnel when they no longer work for the Company.

#### **4.5.4 Procedures for handling material containing internal information**

In order to strengthen corporate governance, the Company has formulated the Procedures for handling materials containing internal information, the internal information processing and disclosure protocol, and published the procedures in the Rules and regulations section under Sustainability Development of the official website.

#### **4.5.5 Occupational safety and health policies**

##### **“Ensuring occupational safety and promoting employees' physical and mental well-being”**

Yang Ming places utmost importance on employees' safety and health as a cornerstone of sustainable operation. The Company upholds human values by fostering a safe and healthy workplace, both physically and mentally. It also seeks to maintain constructive engagement with government agencies, investors, customers, suppliers, local and international associations, initiative groups, and all stakeholders, including employees and community.

### Our Promises and Goals

- Commit to achieving zero accidents, creating an optimal healthy workplace, and becoming a model corporation for safety and health, both onboard and onshore.
- Promote employees' mental and physical well-being and help them maintain work-life balance.
- Continue communication and cooperation with stakeholders to reduce occupational safety and health risks.

### Implementing Guidelines

- Comply with or exceed occupational safety and health regulations and standards.
- Emphasize that occupational safety and health is a shared responsibility. All employees are required to adhere to safety protocols and protect one another.
- Top management must allocate adequate resources, monitor implementation, and regularly audit safety performance.
- Improve safety infrastructure and conduct thorough assessment prior to operations, along with continuous monitoring during operations to prevent accidents.
- Promote safety and health training to raise awareness and encourage individual responsibility for well-being.
- Encouraging employee participation in safety and health-related events and consider their feedback for continuing improvement.
- Collaborate with clients, suppliers, and subcontractors to enhance safety and health performance in the supply chain.

## 4.6 Information and Cyber Security Management

### 4.6.1 Information cyber security policy and objectives

The Company established the Information Security and Network Management Team in January 2008 to coordinate the formulation of information security-related policies and the implementation and management of information security management systems. In October of the same year, the Company obtained the ISO 27001 information security management system (ISMS) certification, and the Chief Information Officer served as the ISMS representative. The ISMS Management Review Meeting is held once a year, presided over by the Company Chairman or his deputy, and the participants are the heads or representatives of each relevant department, reporting and reviewing the effectiveness of the implementation of the information security management system and the tracking of proposals, and at the same time, the Audit Office reports on its annual audit result of the ISMS.

In November of 2022, the Cyber Security Office was established to strengthen the commitment of the management to related stakeholders on information security. The position of Chief Information Security Officer was established to oversee the operation of the information security management system, to reinforce the information security framework, to collect, analyze and respond to information security information and risks, to manage information security incidents and to follow regulations, to enhance overall information security awareness, and to carry out information security work.

Wherever the origin, cyber threats may cause information system failure or compromise internal business information. On the basis of the ISO 27001 Information Security Management System, the Company has established the information security policy to ensure overall information security. Related strategies are as follows.

- ◆ Hardware SCOP - The system hardware is constructed towards standard specifications, consistency, open architecture, and proper-sizing in a way that scales appropriately and at a steady pace.
- ◆ Software and Application System CSCIS - The Data Processing and Information Management System Establishment is developed and built with the common environment, standardization, collaboration compatibility, integration, and signification importance as the elements.
- ◆ Network STAR - This keeps network services running properly, and it achieves a seamless, borderless, transparent, accessible, and reliable network environment, while enabling multiple and automatically converted network connections, and with the ultimate goal of zero missing.
- ◆ Customer Service - Maintains the level of information service supporting business, so that customers can enjoy the aggregate, timely, and accurate information services.
- ◆ Information Security - Safeguards the confidentiality of the Company’s business information, improves protection capabilities, effectively handles potential risks, and assists in achieving business sustainability goals.
- ◆ The information security protection capabilities are improved to align with YM Group’s security vision and information policy.

Cyber security topics

- ◆ Integrity is ensuring reliability and accuracy of business data.
- ◆ Availability is offering a high level of assurance that business data are accessible to authorized subjects.
- ◆ Confidentiality is ensuring protection of business data and privacy.
- ◆ Business contingency operation is carried out according to government laws and security standards.

**4.6.2 Specific management plans**

| Basic Security Protection                     |  |
|---|--|
| Cyber security                                | Segmented network, enhanced firewall, and network control are used to prevent intrusion and malicious software spread. The protection mechanisms are established at each layer of the OSI (Open Systems Interconnection Reference Model) communication system.   |
| Endpoint security                             | Endpoint protection software is installed and tested to prevent malware from intruding host and personal computers.  |
| Web browsing security                         | Proxy servers are introduced to strengthen network control and prevent connections to rogue websites and downloads of malware through sandboxes.   |
| Spam prevention                               | Emails are filtered and detection is enhanced to prevent malicious intrusion.  |
| Patching vulnerabilities                      | Hardware and software are regularly updated to prevent breaches or privilege escalation through vulnerabilities.   |
| Review and Continuous Improvement Education   |  |
| Education and training                        | Cybersecurity education and training and social engineering exercises are regularly organized to strengthen employees’ cybersecurity awareness.  |
| Security assessments                          | In addition to real-time security monitoring, regular vulnerability scanning and information security assessments are conducted to reduce cybersecurity risks.   |
| Information Security Effectiveness Monitoring |  |
| Security operation center                     | External experts are commissioned to establish a security operation center to monitor the security status of the organization in real-time. Security information is collected and managed under various circumstances and security incidents are properly handled in accordance with the control mechanism. Security events are analyzed to ensure the security of organizational information. |
| Information sharing                           | Joining security organizations and sharing relevant security information enables the Company to be alert to potential threats.   |

### 4.6.3 Invest in the resources of capital security management

#### 1. Certification

- (1) Passed ISO27001 annual certification auditing

#### 2. Training/promotion

- (1) Organizes educational and training sessions for new employees
- (2) Publishes information security reports in the Company's monthly publication
- (3) Organizes the Company's annual information security basic education
- (4) Organizes employees' e-mail social engineering drills and related re-education sessions three times a year
- (5) Organizes information security training sessions for overseas employees

#### 3. Execution/monitoring

- (1) Conducts annual vulnerability scan
- (2) Conducts annual off-site backup drill
- (3) Conducts weekly security status tracking

**4.6.4 In December 2024, our company fell victim to a cyber hacker attack. Upon activation of the monitoring alarms, we immediately deployed our defense mechanisms and engaged external cybersecurity experts to assist in resolving the issue. Additionally, we reported the incident to the relevant authorities in compliance with legal requirements and have been continually strengthening our information security management.**

## 4.7 Important Agreements

### 4.7.1 Joint party contract

03.31.2025

| Agreement                                  | Counterparty             | Period   | Major Contents   | Restrictions |
|--|--------------------------|--|--|--------------|
| Vessel Sharing and Slot Exchange Agreement | ONE/HMM                  | 02.01.2025-01.31.2030<br>Any line shall have the right to issue a written notice of withdrawal with 12 months' prior notice, provided such notice shall not be given until 36 months have elapsed from the commencement date.                  | Asia/ Europe, Asia/ Mediterranean, Asia/ U.S.West Coast, Asia/ U.S.East Coast, Asia/ Middle East | -            |
| Slot Chartering MoU                        | ONE                      | 02.13.2025-01.12.2028<br>Any line shall have the right to issue a written notice of withdrawal with 6 months' prior notice.  | North Europe/ U.S East Coast   | -            |
| Slot Chartering MoU                        | ONE                      | 02.11.2025-05.10.2026<br>Any Line shall have the right to issue a written notice of withdrawal with 6 months' prior notice, provided such notice shall not be given until 9 months have elapsed from the commencement date.                    | North Europe/ U.S West Coast & East Coast  | -            |
| Slot Chartering MoU                        | ONE                      | 02.03.2025-08.02.2026<br>Any Line shall have the right to issue a written notice of withdrawal with 6 months' prior notice, provided such notice shall not be given until 12 months have elapsed from the commencement date.                   | Mediterranean/ U.S.East Coast  | -            |
| Vessel Sharing Agreement                   | Hapag-Lloyd/ ONE/HMM/EMC | 04.05.2021-now<br>Any Line shall have the right to issue a written notice of withdrawal with 3 months' prior notice, provided such notice shall not be given until 9 months have elapsed from the commencement date.                           | Asia/ U.S.East Coast,Gulf  | -            |
| Slot Chartering MoU                        | ONE                      | 02.05.2025-now<br>Any Line shall have the right to issue a written notice of withdrawal with 6 months' prior notice, provided such notice shall not be given until 12 months have elapsed from the commencement date of this agreement.        | West India/ North Continental Europe   | -            |
| Vessel Sharing Agreement                   | ONE/ITS                  | 01.11.2025-07.10.2026<br>Any Line shall have the right to issue a written notice of withdrawal with 3 months' prior notice, provided such notice shall not be given until 15 months have elapsed from the commencement date of this agreement. | North Continental Europe/ Mediterranean  | -            |
| Vessel Sharing Agreement                   | ONE                      | 01.04.2025-07.03.2026<br>Any Line shall have the right to issue a written notice of withdrawal with 3 months' prior notice, provided such notice shall not be given until 15 months have elapsed from the commencement date of this agreement. | North Continental Europe/ Mediterranean  | -            |
| Slot Exchange Agreement                    | COSCO                    | 04.01.2017-now<br>Any Line shall have the right to issue a written notice of withdrawal with 3 months' prior notice, provided such notice shall not be given until 6 months have elapsed from the commencement date of this agreement.         | Intra Europe   | -            |
| Vessel Chartering Agreement                | HMM                      | 08.01.2023-04.06.2025<br>Any Line shall have the right to issue a written notice of withdrawal with 3 months' prior notice.  | Asia/ U.S. West Coast  | -            |
| Vessel Sharing Agreement                   | TSL/KMTC                 | 08.13.2017- indefinite duration<br>Termination of the contract requires a ninety-day prior notice.   | Korea-Taiwan-Hong Kong service   | -            |
| Vessel Sharing Agreement                   | EMC/OOCL                 | 04.04.2006- indefinite duration<br>Termination of the contract requires a ninety-day prior notice.   | Taiwan-Ho Chi Minh service   | -            |

| Agreement                 | Counterparty          | Period  | Major Contents                     | Restrictions |
|---------------------------|-----------------------|---|------------------------------------|--------------|
| Slot Exchange Agreement   | KWY                   | 01.07.2013- indefinite duration Effective after the expiration of the contract. Termination of the contract requires a thirty-day prior notice. | Intra-Asia service                 | -            |
| Vessel Sharing Agreement  | COSCO/GSL/OOCL        | 11.24.2020- indefinite duration Termination of the contract requires a ninety-day prior notice.   | China-Indonesia service            | -            |
| Slot Exchange Agreement   | EMC                   | 09.06.2009- indefinite duration Termination of the contract requires a sixty-day prior notice.  | Intra-Asia service                 | -            |
| Slot Exchange Agreement   | RCL                   | 09.11.2020- indefinite duration Termination of the contract requires a one-month prior notice.  | Intra-Asia service                 | -            |
| Slot Exchange Agreement   | WHL                   | 10.23.2018- indefinite duration Termination of the contract requires a sixty-day prior notice.  | Intra-Asia service                 | -            |
| Slot Exchange Agreement   | FOS                   | 07.21.2017- indefinite duration Termination of the contract requires a sixty-day prior notice.  | Intra-Asia service                 | -            |
| Slot Exchange Agreement   | NGS                   | 05.27.2017- indefinite duration Termination of the contract requires a ninety-day prior notice.   | Intra-Asia service                 | -            |
| Vessel Sharing Agreement  | OOCL/GSL              | 08.13.2016- indefinite duration Termination of the contract requires a three-month prior notice.  | China-Thailand service             | -            |
| Vessel Sharing Agreement  | WHL/MAERSK A/S        | 12.08.2020- indefinite duration Termination of the contract requires a 60-day prior notice.   | China-Thailand-Cambodia service    | -            |
| Vessel Sharing MOU        | TSL/IAL               | 03.08.2024- indefinite duration Termination of the contract requires a 60-day prior notice.   | Pan Asia service                   | -            |
| Vessel Sharing MOU        | TSL                   | 03.13.2024- indefinite duration Termination of the contract requires a 60-day prior notice.   | Japan Kansai service (JKX)         | -            |
| Slot Exchange Agreement   | PanAsia               | 05.12.2019- indefinite duration Termination of the contract requires a thirty-day prior notice.   | Intra-Asia service                 | -            |
| Vessel Sharing Agreement  | OOCL/RCL              | 10.12.2018- indefinite duration Termination of the contract requires a three-month prior notice.  | China-Vietnam service              | -            |
| Vessel Sharing MOU        | OOCL                  | 01.10.2025- indefinite duration Termination of the contract requires a three-month prior notice.  | China-Thailand-Express service     | -            |
| Vessel Sharing Agreement  | ONE/SITC/KMTC         | 11.02.2021- indefinite duration Termination of the contract requires a three-month prior notice.  | Korea-China-Southeast Asia service | -            |
| Slot Exchange Agreement   | SITC                  | 05.01.2021- indefinite duration Termination of the contract requires a 60-day prior notice.   | Intra-Asia service                 | -            |
| Slot Chartering Agreement | KMTC                  | 07.05.2019- indefinite duration Termination of the contract requires a one-month prior notice.  | China-Vietnam service              | -            |
| Vessel Sharing Agreement  | EMC/SNL/TSL/HLC       | 10.16.2020- indefinite duration Termination of the contract requires a three-month prior notice.  | Asia-Australia service             | -            |
| Vessel Sharing Agreement  | TSL/PIL/SEALEAD       | 03.06.2022- indefinite duration Termination of the contract requires a three-month prior notice.  | Asia-Australia service             | -            |
| Slot Exchange Agreement   | PIL                   | 07.27.2018- indefinite duration Termination of the contract requires a two-month prior notice.  | Asia-Australia service             | -            |
| Vessel Sharing Agreement  | OOCL                  | 05.21.2009- indefinite duration Termination of the contract requires a ninety-day prior notice.   | Asia-South Asia service            | -            |
| Slot Exchange Agreement   | SOL                   | 11.03.2015- indefinite duration Termination of the contract requires a twenty-one-day prior notice.   | Asia-Bangladesh/Kolkata service    | -            |
| Slot Chartering Agreement | EMC/PIL/COSCO/CMA CGM | 05.07.2024- indefinite duration Termination of the contract requires a six-month prior notice.  | Asia-Eastern South America service | -            |
| Slot Chartering Agreement | WHL                   | 05.02.2020- indefinite duration Termination of the contract requires a ninety-day prior notice.   | Asia-Western South America service | -            |
| Vessel Sharing Agreement  | PIL/WHL               | 06.15.2022- indefinite duration Termination of the contract requires a three-month prior notice.  | Asia-Western South America service | -            |

#### 4.7.2 Long-term Loan Contract: None.



## Review of Financial Position, Financial Performance and Risk Management

### 5.1 Analysis of Financial Statements

Unit: NT\$ Thousands

| Item                              | Year | 2024               | 2023               | Increase/Decrease |           |
|-----------------------------------|------|--------------------|--------------------|-------------------|-----------|
|                                   |      |                    |                    | Amount            | %         |
| Current assets                    |      | 266,557,699        | 218,701,443        | 47,856,256        | 22        |
| Properties, plants and equipment  |      | 101,745,430        | 83,481,541         | 18,263,889        | 22        |
| Intangible assets                 |      | 139,067            | 142,842            | (3,775)           | (3)       |
| Other assets                      |      | 115,690,713        | 90,284,727         | 25,405,986        | 28        |
| <b>Total assets</b>               |      | <b>484,132,909</b> | <b>392,610,553</b> | <b>91,522,356</b> | <b>23</b> |
| Current liabilities               |      | 44,610,875         | 52,647,360         | (8,036,485)       | (15)      |
| Non-current liabilities           |      | 98,208,634         | 62,261,984         | 35,946,650        | 58        |
| <b>Total liabilities</b>          |      | <b>142,819,509</b> | <b>114,909,344</b> | <b>27,910,165</b> | <b>24</b> |
| Capital stock                     |      | 34,921,043         | 34,921,043         | —                 | —         |
| Capital surplus                   |      | 27,975,030         | 27,975,030         | —                 | —         |
| Retained earnings                 |      | 272,288,411        | 214,989,725        | 57,298,686        | 27        |
| Other adjustments                 |      | 6,128,916          | (184,589)          | 6,313,505         | (3420)    |
| <b>Total stockholders' equity</b> |      | <b>341,313,400</b> | <b>277,701,209</b> | <b>63,612,191</b> | <b>23</b> |

The main reasons for the increase or decrease by more than 20% are as follows :

1. Increase in current assets and total assets is mainly due to the increase on cash, cash equivalents and accounts receivable.
2. Increase in Properties, plants and equipment is mainly due to purchase of ships.
3. Increase in other assets is mainly due to the increase in right-of-use assets and financial assets at amortized cost.
4. Increase in non-current liabilities and total liabilities is mainly due to the increase in lease liabilities and hedging liabilities.
5. Increase in retained earnings is mainly due to the increase of profit.
6. Increase in other items is mainly due to exchange differences in the translation of financial statements of foreign operating entities caused by exchange rate changes.
7. No contingency plan or factor with significant impact.

### 5.2 Analysis of the Company's Financial Performance

Unit: NT\$ Thousands

| Item  | Year | 2024              | 2023               | Increase/Decrease |               |
|---|------|-------------------|--------------------|-------------------|---------------|
|   |      |                   |                    | Amount            | %             |
| Operating revenue                                     |      | 222,705,949       | 140,623,713        | 82,082,236        | 58            |
| Operating costs                                       |      | 145,078,257       | 134,383,170        | 10,695,087        | 8             |
| <b>Gross profit</b>                                   |      | <b>77,627,692</b> | <b>6,240,543</b>   | <b>71,387,149</b> | <b>1144</b>   |
| Operating expenses                                    |      | 10,554,366        | 8,109,626          | 2,444,740         | 30            |
| Other income and gains, expenses and loss             |      | 502,009           | 203,389            | 298,620           | 147           |
| <b>Operating income</b>                               |      | <b>67,575,335</b> | <b>(1,665,694)</b> | <b>69,241,029</b> | <b>(4157)</b> |
| Non-operating income and expenses                     |      | 12,244,185        | 12,961,942         | (717,757)         | (6)           |
| <b>Income before tax</b>                              |      | <b>79,819,520</b> | <b>11,296,248</b>  | <b>68,523,272</b> | <b>607</b>    |
| Tax expense   |      | 15,350,159        | 6,218,624          | 9,131,535         | 147           |
| <b>Net income</b>                                     |      | <b>64,469,361</b> | <b>5,077,624</b>   | <b>59,391,737</b> | <b>1170</b>   |
| Cumulative effect of changes in accounting principles |      | —                 | —                  | —                 | —             |
| <b>Net income for the year</b>                        |      | <b>64,469,361</b> | <b>5,077,624</b>   | <b>59,391,737</b> | <b>1170</b>   |

The main reasons for the increase or decrease by more than 20% are as follows :

1. Increase in operating revenue, operating gross profit and income before tax is mainly due to the increase in average freight rate.
2. Increase in operating expenses is mainly due to the difference on employee bonuses and performance bonuses.
3. Increase in other income and gains, expenses and loss is mainly due to the increase in compensation income.
4. Increase in tax expense is mainly due to the increase in profits this year.
5. No contingency plan or factor with significant impact.

## 5.3 Analysis of Cash Flows

### 5.3.1 Cash Flow Analysis for the Past Year

Unit: NT\$ Thousands

| Cash and cash equivalents beginning balance<br>① | Net cash flow from operating activities throughout the year<br>② | Cash inflow from investing and financing activities throughout the year<br>③ | Cash surplus (deficit)<br>① + ② + ③ | Leverage of cash deficit |                |
|--|--|--|-------------------------------------|--------------------------|----------------|
|  |  |  |                                     | Investment plan          | Financing plan |
| 69,921,565                                       | 85,345,782   | 10,234,532   | 165,501,879                         | -                        | -              |

Analysis of cash flow and liquidity in 2024:

1. Operating activities: net cash inflow from operating activities of NT\$ 85,345,782,000.
2. Investing activities: net cash inflow of NT\$ 47,126,596,000 came from funds and financial assets, container ships and machine equipment.
3. Financing activities: paid off debts, distributed cash dividends, and conducted fundraising for businesses development needs.
4. Remedies for cash deficit: not applicable.

### 5.3.2 Cash Flow Analysis for the Coming Year (2025)

Unit: NT\$ Thousands

| Cash and cash equivalents beginning balance<br>① | Estimated net cash flow from operating activities throughout the year<br>② | Estimated cash outflow from investing and financing activities throughout the year<br>③ | Estimated cash surplus (deficit)<br>① + ② - ③ | Leverage of cash deficit |                |
|--|--|---|---|--------------------------|----------------|
|  |  |   |   | Investment plan          | Financing plan |
| 165,501,879                                      | 27,896,178   | 59,167,990  | 134,230,067                                   | -                        | -              |

Analysis of cash flow and liquidity for 2025:

1. Operating activities: net cash inflow from operating activities is estimated to be NT\$ 27,896,178,000.
2. Investing activities: net cash outflow of NT\$ 20,921,932,000 was spent to acquire funds and financial assets, container ships and mechanic equipment.
3. Financing activities: paid off debts, distributed cash dividends, and conducted fundraising for businesses development needs.
4. Remedies for cash deficit: not applicable.

## 5.4 Impact of Major Capital Expenditure on Finance and Business: None.

## 5.5 Re-investment Policy in the Past Year, Major Causes of Profit and Loss, Improvement Plans, and Investment Plans for the Coming Year

The Company's re-investment policy is focusing on the marine transportation industries, industrial development opportunities, and the following suitable investment targets by considering possible risks.

1. Expand marine transportation market scale and develop regional services.
2. Create YM Group synergy and improve core competitiveness by vertical and horizontal integration.
3. Expand marine transportation industries, diversify operational risks and increase revenue growth.
4. Focus on low-carbon industries and opportunities for green investment to diversify risks.

In the long term, the Company will continue to strengthen marine transportation development and explore the possibility of business diversification in response to environmental concerns.

In 2024, the consolidated re-investment profit under the equity method was NT\$ 714,076,000 which came mainly from the return on investment in the affiliated company, Taiwan Navigation Co., Ltd.

The Company remains committed to improving the operational performance of its subsidiaries, strengthening market competitiveness, and driving higher returns on investment. For the coming year, the company will enhance the cooperation among Alliance partners and main investment plan is to develop global investment opportunities in container terminals, depots, warehouses, logistics, and green fuels, as they are in line with the Company's business development strategy, ESG, and corporate social responsibility.

## 5.6 Risk Management

### 5.6.1 Impact of Changes in Interest Rates, Foreign Exchange Rates, and Inflation on Profit and Loss, and Future Response Strategies

#### 1. Impact on profit and loss

##### (1) Interest rate risk

The net interest revenue throughout 2024 amounts to NT\$ 9,093,002,000, accounting for 4.08% of operating revenue and 11.39% of net income before tax.

Excluding the interest expense of financial assets and liabilities, the net interest revenue throughout the year then stands at NT\$ 10,697,107,000, accounting for 4.80% of operating revenue and 13.40% for net income before tax.

##### (2) Foreign exchange rates risk

The Company operates in multiple countries and as such is subject to multi-currency exchange rate risks, coming mainly from US dollars, euro, and pound sterling.

The net foreign exchange gain throughout 2024 amounts to NT\$ 2,322,171,000, accounting for 1.04% of operating revenue and 2.91% of net income before tax.

The Group's hedging strategy is to enter into US\$-denominated lease liabilities as hedging instruments to hedge future volatility of US\$-denominated operating revenue. Also, the Group designated certain US\$-denominated demand deposits and time deposits to avoid exchange rate exposure of highly possible US\$-denominated prepayments for ship purchase. Both transactions are designated as cash flow hedges, recognized loss in other comprehensive income of NT\$ 1,580,829,000, accounting for 2.23% of other comprehensive income.

##### (3) Inflation

Fuel oil prices are tied to inflation. The cost of shipping fuel recognized as operating cost for 2024 amounts to NT\$ 24,682,274,000, accounting for 11.08% of operating revenue and 17.01% of operating costs.

#### 2. Future response strategies

##### (1) Interest rate risk

The Company continues to improve its financial structure, strengthen medium and long-term working capital, and control the level of net debt. Also, to mitigate the risk caused by interest rate fluctuations, the Company continues to monitor interest rate trends and adjusts loan-deposit ratio of fixed or floating interest rates.

### (2) Foreign exchange rate risk

The Company maintains a balanced asset-liability and an effective natural hedging by using the same currency for income and expenditure, and uses the characteristics of natural hedging to reduce the risk of exchange rate fluctuations. For any long or short position, the Company trades spot exchange rate to maintain foreign exchange exposure at an acceptable level.

### (3) Inflation

The Company regularly analyzes the supply, demand and market conditions of the fuel oil market, uses formula pricing and centralized procurement to facilitate the greatest discount, and conducts hedging operations with utmost care. At the same time, the bunker surcharges charged by customers are adjusted according to the market to reduce the risk of fuel oil price fluctuations.

### 5.6.2 Policies, main causes of profit and loss, and future response strategies with respect to high-risk, high-leveraged investments, lending or endorsement guarantees, and derivatives trading

1. The Company does not engage in high-risk, high-leverage investments.
2. The Company provides loans and endorsement guarantees, mainly to subsidiaries and for business development purposes, and it does so in accordance with the its operating procedures for fund lending, making endorsements and guarantees, as well as relevant policies.
3. Policies for trading derivatives are focused on hedging. This is in consideration of the Company's position and market prospect and in accordance with the Company's procedure for handling acquisition and disposal of assets, as well as relevant regulations. The objective is to achieve a reasonable gain within manageable risks.

### 5.6.3 Future R&D plans and estimated expenditures

1. To participate in the development and enhancement of DCSA's (Digital Container Shipping Association) eBK/eBL (electronic Booking/Bill of Lading), establishing common standards for the maritime industry, optimizing customer service, and implementing these within the company.
2. To upgrade core computer systems and facilities, and plan a cloud-based architecture.
3. To enhance competitive advantages through digitalization, developing businesses, including EIR (Equipment Interchange Report), digital container delivery orders, and AI- powered container condition recognition.
4. To establish an ESG carbon management platform to conduct carbon inventory and footprint calculation for company premises and fleet.
5. To Implement a green energy data center and environmental control system, achieving a 5% energy saving through PUE (Power Usage Effectiveness) management.
6. To built information infrastructure such as ship satellite broadband and WIFI.
7. To upgrade the agency system to improve operational efficiency.
8. Continuous optimization of the EAM system.
9. Optimization and establishment of high and low earth orbit satellites for ships, and planning of a 5G work environment.

10. Conduct feasibility evaluation of alternative marine fuels.
11. Conduct feasibility evaluation of ship energy-saving design.
12. Conduct feasibility evaluation of smart ship application.
13. Conduct feasibility evaluation of marine carbon capture system application.

The above R&D plans require an estimated investment of NT\$158 million.

#### **5.6.4 Impact of important changes in domestic and international policies and regulations on corporate finance and sales, and response strategies**

##### 1. Finance

The Company's finance department keeps a close watch on the changes in corporate laws and securities regulations. There is participation in training, conducting research, and developing contingency plans. As a result of these efforts, the Company is able to maintain financial stability despite the changes in domestic and international policies and regulations.

##### 2. Sales

As mentioned above, the changes in domestic and international policies and regulations have limited impact on the Company's main business and sales. The Company abides by the rules and regulations established by governing bodies and pays close attention to any changes in the relevant regulations.

#### **5.6.5 Impact of changes in technology (including the risk of cyber security) and the industry on corporate finance and sales, and response strategies**

##### 1. Finance

In response to the fast-changing container shipping industry and stricter environmental laws and regulations, the Company is adjusting its fleet structure. Thanks to its good business performance in recent years, the Company has seen significant improvement in its financial status. There is, in short, no negative impact on the Company's future capital expenditure plans.

##### 2. Sales

- (1) With global subsidiaries and agents, and the growing relevance of business development and e-commerce, the Company is committed to enhancing its competitive edge by upgrading information systems and digital processes. These improvements facilitate real-time data collection, improve operational quality, and reduce communication and transaction costs.
- (2) In support of global environmental initiatives, the Company strictly complies with international treaties and local port regulations. It continues to invest efforts in energy efficiency, emission reduction, and marine conservation. Environmental protection and anti-pollution control measures are implemented on its fleet. All new container ships are designed to meet the latest international standards and regulations regarding low fuel usage and eco-friendly designs, thereby ensuring operational competitiveness. As to anti-terrorism measures at the ports, all YM ships are equipped with security and alarm system, the updated Electronic Navigation Chart (EVC) and information system, as well as satellite communications system to ensure shipping security while enabling integration of sailing information.

- (3) The new ship designs focus on energy efficiency and carbon reduction, with a significant decrease in energy consumption compared to the previous designs of the same segment. To increase global competitiveness, the Company has deployed 20 chartered 14,000 TEU and 14 chartered 11,000 TEU energy-efficient vessels. In addition, five new 15,000 TEU energy-efficient ships with LNG dual-fuel designs are scheduled to be deployed, which will substantially improve fuel efficiency. The Company remains committed to reducing fuel consumption and fuel cost by staying abreast of advancements in fuel technologies, ship-building, and engine design.

### **5.6.6 The impact of changes in corporate image on corporate risk management, and the Company's response measures**

The Company adheres to the Regulations Governing Establishment of Internal Control Systems by Public Companies and has established a robust internal control system, encompassing control environment, risk assessment, control activities, information and communications, and monitoring activities. This system ensures sound and efficient operations. Through ceaseless effort to strengthen corporate governance in recent years, the Company is well-equipped to manage potential business risks. In line with this, relevant information is disclosed according to applicable regulations. The Company actively fosters a positive corporate image through its dedication to environmental protection and social responsibility. In parallel with its risk-management mechanism, the Company has implemented a reporting procedure to ensure clear communication channels. Upon the emergence of any potential risk, relevant departments promptly conduct thorough assessments and develop appropriate mitigation strategies to safeguard the Company's corporate image.

### **5.6.7 Expected benefits and potential risks of M&A, and response strategies: Not applicable.**

### **5.6.8 Expected benefits and potential risks of expanding fleet and capacity, and response strategies**

Premier Alliance is carrying out fleet expansion and capacity and it is expected to increase the Company's lifting volume and gross profit on the East-West trade-lanes. The enlargement of ships and re-deploying such resources in best-ship and profiting loops will benefit the Company with lower unit operating costs and increased gross profit. However, as geopolitical conflict continues to escalate, unpredictability and economic instability is keenly felt in the economic prospect. Over the past two years, the shortage of shipping capacity has gradually been eased with the continuous delivery of new ships. However, the Company is continuing the following measures to stabilize the supply and scheduling integrity.

#### **1. Joint operations**

In partnership with the Premier Alliance for optimizing route planning and ship deployment, the Company is able to achieve benefits such as better utilization of ship resources, lower shipping costs, broader service coverage, increased marketing competitiveness, and optimal service quality. The Company welcomes potential business opportunities and collaboration with other competitors in niche markets in order to diversify services and enhance sales performance.

#### **2. Seasonal route adjustments**

Route adjustment is carried out during special holidays such as the Lunar New Year, Labor Day holidays and National Day holidays in China, or the Golden Week in Japan. During the off-peak period such as winter, route adjustment is also carried out, as well as vessel cascading and re-allotment of allocation to lower operating costs, enhance punctuality, and increase load factors.

### 3. Temporary route adjustments

Apart from the seasonal adjustment, the Company is attentive to the status of related industry to carry out additional service adjustment and reduce redundant capacity. By so doing the Company is able to brace itself against uncertain economic prospect such as climate change and geopolitical conflict that have negatively impacted supply-demand balance, loading factors, profitability, and competitiveness.

#### **5.6.9 Risks of purchase or sales concentration, and response strategies**

The type of risk is comparatively less significant as the Company does not have a single client with over 10% of total import or export volume.

#### **5.6.10 Impact and risks of mass share transfer of or change of directors, supervisors, or shareholders holding more than 10% of the Company's shares, and response strategies**

The directors or shareholders holding more than 10% of the Company's shares did not have any significant share transfer of or change in the year 2024.

#### **5.6.11 Impact and risks of change of management of the Company, and response Strategies: Not applicable.**

#### **5.6.12 Impact of litigations or non-litigation**

1. Following the Korea Fair Trade Commission investigation of certain cartel activities allegedly conducted by several marine transportation service providers on the Southeast Asia-Korea routes, an official written decision was sent to the Company on April 19, 2022. Accordingly, YM was subject to a fine of KRW 2,420 million (approximately NT\$ 56 million). The Company objected to the decision and took several legal actions, including filing an administration lawsuit with the Seoul High Court (hereinafter referred to as the "Court") on August 12, 2022 in accordance with the applicable laws. The case is currently under review by the Court.
2. The Company is currently in the process of several labor disputes over issues of pension, employees' compensation, and transferred employee's entitlement. The lawsuits filed by employees are currently undergoing legal procedures. Other remaining cases will also be addressed in accordance with the laws and regulations, depending on employees' requests.
3. Apart from the aforementioned cases, most of cases involving the Company are cargo claims, ship hull and machinery or shipowner's responsibility to third party. These incidents are generally covered by insurance, which provides for recovery of losses and related expenses. Therefore, the associated risks are under control.

#### **5.6.13 Other significant risks and response strategies**

1. Please refer to page 63 for the Company's risk management policies.
2. Cyber security risk assessment and analysis:
  - (1) Interruption of host computer communication network

The Company's external network is supported by the two telecom service providers and jointly monitored by a telecom company, with continuous network upgrades overseas. However, due to the magnitude of impact of network interruptions, the risk level cannot be downgraded. At the YMHQ, the domestic leased circuit, the international privately leased circuit, and the internet are all supported

by the networks of two telecom service providers. The communication of the main agents with the headquarters is mainly through the leased circuits, with the internet as backup, and with continuous network upgrades overseas. In addition, multiple VPN (Virtual Private Networks) access points are available to common agents. In the event of inevitable large-scale network interruption, the Company's business operation may still be impacted.

### (2) Core application system damage

A higher security system has been installed on the host computer of the core database. High availability (HA) is implemented on key host computers, with real-time synchronization of the database at offsite backup centers, and daily backup logs available for later inspection. Firewalls and antivirus software have been installed and regular monitoring and checks are performed. Considering recent cyberattacks and the ever-evolving hacker tactics, the Company needs to constantly step up its cybersecurity measures.

#### 5.6.14 The organizational structure in relation to risk management

1. On July 1 2004, the Company established the risk management unit. This unit oversees all the risk management matters in the Company. To improve the company's structure and strengthen the risk management function, in March 2022, the risk management related function was separated from the aforementioned unit and a separate risk control office was set up, which was upgraded to be directly under the President.
2. On April 15, 2022, the Board of Directors has decided to establish the Risk Management Committee as a functional committee under the Board of Directors to link the risk management with the Company's strategies and objectives, and to enhance the comprehensiveness, forward-looking and completeness of the risk identification results.
3. The organizational structure of the Company's risk management is based on the characteristics of risks. In addition to the Risk Control Office, which is responsible for the coordination of all risk management related matters, the general operational risks are initially identified, assessed, and controlled by each department. Projects involving significant risks are submitted to the Project Review Group and the Functional Committee for review in accordance with the Company's regulations based on the nature and extent of the risks and are submitted to the Board of Directors for resolution.

#### 5.7 Other Important Matters: None.

## **VI** Special Disclosures

### **6.1 Information Related to the Company's Affiliates**

#### **6.1.1 Information Related to the Company's Consolidated Operation Report**

1. The Chart of the Company's Affiliates: Please refer to Market Observation Post System.
2. Affiliates: Please refer to Market Observation Post System.
3. Shareholders in Common of the Company and Its Affiliates with Deemed Control and Subordination: None.
4. Business scope of the Group: Please refer to Market Observation Post System.
5. Rosters of Directors, Supervisors, and Presidents: Please refer to Market Observation Post System.
6. Operational Highlights of the Company's Affiliates: Please refer to Market Observation Post System.

#### **6.1.2 Declaration of Consolidation of Financial Statements of Affiliates:** Please refer to Market Observation Post System.

#### **6.1.3 Affiliated Companies Report:** None.

### **6.2 Private Securities in the past year and as of the Date of Publication of the Annual Report:** None.

### **6.3 Other Necessary Supplementary Notes:** None.

### **6.4 Matters in the past year and as of the Date of Publication of the Annual Report which have a substantial impact on Owners' Equity as stipulated in Item 2, Paragraph 3 of Article 36 of the Securities and Exchange Act:**

1. July 26, 2024 announce of change the Company's Chairperson, BOD approved the appointment of Mr. Tsai Feng-Ming as the new Chairperson. There is no substantial impact on owner's equity and stock price.
2. July 31, 2024 announce of change the Company's President, BOD approved the appointment of Mr. Pai Kuen-Rong as the new President. There is no substantial impact on owner's equity and stock price.

**Yang Ming Marine Transport Corp.**



**Chairman: Feng-Ming Tsai**

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