Go Extra Mile

Taiwan High Speed Rail Sustainability Report 2024

Be There

THSR

Table of Contents

2024
THSR Sustainability Report

About this Report

In 2009, Taiwan High Speed Rail Corporation（hereinafter referred to as "THSRC"）released the first ever "THSRC Corporate Social Responsibility White Paper" to disclose our performance and actions in social responsibility. In response to international trends and compliance with non-financial information disclosure standards in Taiwan, it was renamed as "THSRC Sustainability Report" in accordance with the "Corporate Governance 3.0 - Sustainable Development Roadmap" issued by the Financial Supervisory Commission in 2022. This report is the 12th sustainability report issued by THSRC. THSRC continues to enhance the operational capabilities and quality of service by demonstrating the efforts locally and expectations internationally through this report. In the future, the Sustainability reports will be published periodically every year.

- Current version：Issued in August 2025
- Last version：Issued in August 2024

Reporting Period

This report discloses the corporate sustainability results and performance of THSRC in 2024（from January 1, 2024 to December 31, 2024）. However, part of the content involves trend comparison, and historical data will be revealed at the same time.

Reporting Scope, Standards and Boundaries

This report complies with the requirements of the core option of the 2021 edition of the Global Reporting Initiative Sustainability Reporting Standards（referred to as "GRI Standards"）of the Global Sustainability Standards Board（GSSB）, the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies," and indicators issued by the Sustainability Accounting Standards Board（SASB）for the Rail Transportation industry（Version 2023-12）, as well as discloses based on the four core elements of the Task Force on Climate-related Financial Disclosures（TCFD）in order to showcase THSRC's response and performance in economic, environmental and social aspects of sustainability. In addition, it has been verified by a third-party certification body, the British Standards Institute（BSI）that this report meets the core options of the GRI Standard and complies the AA1000AS Version 3 Type 2 high-level assurance and confirm that this report follows the 15 criteria of the Sustainable Accounting Standards Board（SASB）Announcement Rail Transportation and complies the AA1000AS Version 3 Type 2 moderate-level assurance, both of which are included in the appendix to this report.（please refer to independent assurance opinion statement for details）

Scope of the Report and External Verification

The scope of this report is consistent with the financial statements. There is no significant difference between this report and the previous edition in terms of scope and quantitative data measurement methods. Any difference in terms of scope or data measurement from the previous edition will be indicated in the paragraph. All the statistical data disclosed in this report was compiled and provided by our internal first-level units. Financial performance data was information published publicly upon attestation by certified public accountants（"CPAs"）and was consistent with data in THSRC's annual reports. The basis for calculating and estimating environmental data was derived from public data provided by the government and was calculated by THSRC. All the data related to the amount in this report are calculated in New Taiwan Dollars. To ensure the reliability of the information in this report, the standards and the verification institutions for each data are listed in the following table.

Financial Data	Regulation / Standard	Verification Institution
Finance	▪ Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountant ▪ Generally Accepted Auditing Standards, GAAS	PwC Taiwan
Environment	▪ ISO 14001 Environmental Management System ▪ ISO 14064-1 Greenhouse Gas Emissions ▪ ISO 14067:2018 Greenhouse gases - Carbon Footprint of Products ▪ ISO 14046 Water Footprint	SGS Taiwan Ltd.
Occupational Safety and Health	▪ ISO 45001 Occupational Health and Safety Management System	BSI Taiwan
Information Security	▪ ISO 27001 Information Security Management System（ISMS）	
Quality	▪ ISO 9001 Quality Management System	

Internal Review Process

The information and data in this report are disclosed after three stages of internal review.

Step 1

Each business unit provides ESG data referring to GRI Standards, SASB and the "Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies."

Step 2

The Corporate Planning Division consolidates, reviews and submits the report to the senior management, president and the chairman for finalization the report.

Step 3

The report has been submitted to the Sustainable Development & Nominating Committee as we as the Board of Directors for final approval.

If you have any suggestions or questions about this report, please feel free to contact us

- Contact Unit：Corporate Planning Division, Taiwan High Speed Rail Corporation
- Address：13th Floor, No. 66, Jingmao 2nd Road, Nangang District, Taipei City 11568
- Telephone:（02）8789-2000 ext.72710
- E-MAIL：Spokesman_MBOX@thsrc.com.tw

Website

Corporate Sustainable Development Section

Message from the Management

Chairman

Nowadays, global enterprises are facing challenges in maintaining sustainable operations due to tariff barriers, extreme climate and geopolitics while generative AI continues to be more widely used in our daily lives, and the resulting information security issues are testing the ability of companies to respond to risks and their operational resilience. Faced with challenges from the environment, economy and society, THSRC follows the sustainable strategy blueprint and develops corresponding goals and action plans based on the four major strategies of Professional Transportation, Innovation Technology, Enhancing Local Connection and Sustainable Care. It also implements sustainable risk management in various businesses to enhance operational resilience.

In retrospect, THSRC has achieved excellent achievements in operational performance, service innovation, and sustainable development. In 2024, the volume of transportation reached a new peak. This is not only the greatest affirmation by passengers but also our most loyal feedback. At the same time, our sustainable development achievements have received numerous recognitions around the world, such as:THSRC continues to be included in the "Taiwan Sustainability Index" constituent stocks, it has been ranked in the top 5% of listed companies in the "Corporate Governance Evaluation" of the Stock Exchange for eight consecutive years, and receiving the "Corporate Governance System Evaluation" certification from the Taiwan Corporate Governance Association for three consecutive years. we have been selected as the "Top 100 Global Sustainable Enterprises" by Canada Corporate Knights for three consecutive years. In addition, the annual meeting of the International High-Speed Rail Association（IHRA） was held in Taiwan again after an 8-year absence. This conference invited high-speed rail operators and experts from Japan, the United States, the United Kingdom and other countries to share and exchange ideas. By working together with international high-speed rail industry chain partners, THSRC is more determined to continue to move towards the ESG vision and the corporate mission of sustainable transportation.

In the pursuit of environmental sustainability and industrial benefits, THSRC continue to build a more resilient high-speed rail system. The more energy-efficient and environmentally friendly new generation of THSRC's trains will be completed soon. THSRC will have more capacity to provide passengers with a more considerate and comfortable experience. In response to the expansion of capacity, we are also actively building the "Zuoying Second Maintenance Depot" to improve operational safety, parking space and maintenance capabilities. In addition, we are also starting with various train supplies to gradually reduce disposable plastic products, actively cooperate with local businesses to promote local ingredients to reduce carbon footprint. THSRC will continue to promote sustainable development through a multi-pronged approach in energy conservation and carbon reduction, resource recycling and passenger services, and strive to create more environmentally transportation services and implement our business philosophy of sustainable development.

In 2025, THSRC sincerely thanks the support from passengers and the positive affirmation from all sectors of society. The Company also shares our achievements in promoting various sustainability issues with all stakeholders through the disclosure of the annual sustainability report and look forward to working with value chain partners and stakeholders to create a better and sustainable future.

2024
Performance Highlights

Transportation
Professional Transportation 1

- The punctuality rate is **99.5%**, and the average delay time is only about **0.2** minutes.
- Since the commencement of operations to the end of 2024, there are no passenger casualties due to traffic accidents.
- A total of **1,800** sets of turnout inspections were completed, with **8,421** km of routine track inspections and track irregularity inspections completed.
- **99** disaster prevention and rescue drills (training) were completed.
- Completed the improvement of bus platforms and taxi service counters at Miaoli Station, Changhua Station, and Yunlin Station.

Technology
Innovative Technology 2

- The cumulative number of tickets paid through the T Express APP has reached **32.12** million.
- The average accuracy of Artificial Intelligent Customer Service was **96%**.
- There is no personal information leak attributed to THSRC.
- Completed the platform construction of intelligent drone for HSR bridge inspection and training of pilots.
- Continue to development"Smart Cloud for Safety"and to build up the operation of the security data cloud platform and security management tools.

Taiwan
Enhancing Local Connection 3

- Tourism Project has been promoted and generated nearly **4.3** million tourists, which is **6.8%** increase over last year.
- From 2022-2024, a total of **17** suppliers have been audited. THSRC achieved **74.5%** of local labor service procurement, and more than **80.5%** of materials procurement.
- The amount of green procurement has reached NT$ **360** million.
- From 2011 to 2024, THSRC worked with a total of **136** alternative material development suppliers, saving a total amount of nearly NT$ **4.1** billion.
- THSRC entrusted China Steel Corporation to develop and manufacture the "Overhead Catenary System Maintenance Vehicle," and the second phase of "Localization of Domestic Vehicles" plan will be continued in 2024.
- Actively sign memorandums of industry-academia cooperation with domestic colleges and universities, and cooperate with **30** colleges and **132** students with maintenance and transport internship opportunities in 2024.

Touch
Sustainable Care 4

- Based on the calculation of passenger-kilometer, THSRC significantly reduced carbon dioxide emissions by **1,108,149** metric tons compared to passenger cars, which is equivalent to the carbon uptake of **2,849** Da-An Forest Park.
- The annual solar power generation of the four maintenance depots and six stations reached **8,964.004** MWh.
- The "Birth, Raising and Education Subsidy Program" is planned to be officially launched in 2025.
- THSRC continues to sponsor NT$ **1.143** million to Jacana Ecological Education Park every year, with a cumulative amount of NT$ **71.037** million.
- THSRC raised around NT$ **10** million under the "The High-Speed Educational Endowment Program."
- From 2009 to 2024, the "THSRC Smiling Train Program" aided **902** disadvantaged groups with a total of **150,303** participants.
- "Annual THSRC Winter Outreach Blood Drive" event, more than **28,000** bags of blood have been collected from 2012 to the end of 2024.

Stakeholders and Sustainability Topics

Stakeholder Identification and Engagement

THSRC refers to the AA1000 Stakeholder Identification Standard to identify eight types of important stakeholders. We ensure that we truthfully respond to the demands and expectations of different stakeholders in our daily operations through diverse engagement channels on a regular and irregular basis.

In addition, regarding the engagement between THSRC and various stakeholders and the handling of major disputes, a report of the Board of directors will be regularly submitted every year. In 2024, engagement with various stakeholders and the handling of major disputes have been submitted to the 14th session of the 10th Board of Directors on June 12, 2024, and the 20th session of the 10th Board of Directors on December 11, 2024.

Achievements and Highlights of Engagement with Important Stakeholders

Type	Priority Issues	Engagement Channel (Frequency)	Engagement Performance in 2024
 Passengers	▪ Transportation Safety Management ▪ Customer Relationship and Quality Management	▪ Publications / Digital tools (Once a month / Non-periodic) ▪ Company website / Dedicated page (Once a month / Non-periodic) ▪ E-mail (Non-periodic)	Communication Achievements： ▪ In 2024, we completed the response and processing of about 733,000 customer inquiries or feedback. ▪ In the 2024 customer satisfaction survey, the overall satisfaction rate reached 95%. ▪ Accuracy of Artificial Intelligent Customer Service is 96%. Highlights of Communication Results： ▪ The T Express App has been downloaded by more than 17.07 million people. This year, the newly added "Non-Reserved Seat Ticketing Service on T Express" service that are more in line with passengers' operating habits and needs. ▪ The diversified ticket booking system has introduced a "ID real-time verification" mechanism, and TGo members has accumulated 2.934 million. ▪ The Company has published 180 issues of TLife magazine as of December 2024. Through exciting and rich themes such as"travel,""food," and"people,"the beauty of Taiwan is introduced from a local, humanistic and diverse perspective, while conveying the company's brand spirit, products and train services. Users can read the current and past 24 issues of the magazine content anytime and anywhere outside the THSRC coverage area, and further search, bookmark, and share TLife content.
 Community Residents	▪ Transportation Safety Management ▪ Privacy and Information Security Management ▪ Customer Relationship and Quality Management	▪ Interviews / Exchange of ideas / Visits (Non-periodic)	Communication Achievements： ▪ Handled 15 cases of noise complaints from residents along the route, and effectively communicated the principles of noise prevention measures through surveys and interviews, which only 1 case in Zhongshan Road, Luzhu District, Taoyuan City required noise improvement according to the monitoring results of the Environmental Protection Bureau. ▪ THSRC gives full play to fulfill the spirit of corporate social responsibility, spreads love through blood donation, and appeals to the public to actively respond to blood donation to help others. In 2024, a total of 1,646 people participated, with 2,536 units of blood raised. Since its inception in 2012, over 18,000 people have participated, with a total of 28,782 units of blood raised. Highlights of Communication Results： ▪ Arranged telephone or in-person visits, or ad-hoc visits to schools, enterprises, and community development associations affiliated where THSRC can interact with local opinion leaders to maintain good local relations. In 2024, we held 2 seminars and visited 2 communities to communicate and coordinate on noise improvement issues.
 Media	▪ Transportation Safety Management ▪ Corporate Governance and Operational Performance ▪ Privacy and Information Security Management	▪ Media contacts (Non-periodic)	Communication Achievements： ▪ Issued 106 press releases and news bulletins, organized 12 press conferences and media events, clarified erroneous reports 8 times, handled 109 media inquiries, published 42 feature reports, and contacted the media 18 times throughout the year. Highlights of Communication Results： ▪ Organize media activities such as the earthquake emergency response of the traffic control center, T-Shopping joint product marketing, summer internship graduation and talent recruitment, and new QR Code ticket design.

Type	Priority Issues	Engagement Channel（Frequency）	Engagement Performance in 2024
Employees	▪ Transportation Safety Management ▪ Corporate Governance and Operational Performance ▪ Employee Care and Labor Protection	▪ Internal / External meeting（Once a month / Four times a year） ▪ Publications / Digital tools（Once a month） ▪ Internal / External activities（Once a year）	Communication Achievements： ▪ Conducted a total of about 48 Town Hall meetings internally at 12 HSR stations throughout the year. ▪ Conducted a total of about 93 Town Hall meetings jointly at operations division of the North District, Central District, and South District and preparation division of the North District and South District. ▪ Business units and 18 business sites hold labor conferences every quarter in accordance with the law, and a total of 76 labor conferences are held throughout the year. Highlights of Communication Results： ▪ Labor conferences were held, and THSRC has communicated with employees' representatives regarding to employee attendance benefits, talent retention strategy recommendations, shift duty allowance adjustments, bonus and incentive bonus system subsidies, etc. After negotiations with two trad unios, the company responded in good faith, achieving a win-win situation.
Shareholders and Investors (Note)	▪ Transportation Safety Management ▪ Regulatory Compliance ▪ Privacy and Information Security Management	▪ Shareholders'meeting / Investor conference（Non-periodic / Once a month / Once a year） ▪ Internal / External Reports（Non-periodic/Once a year）	Communication Achievements： ▪ Continue to announce and respond to operating performance and related results in accordance with regulations and the needs of shareholders and investors. Highlights of Communication Results： ▪ General Meeting of Shareholders are held on May 23, 2024, THSRC reported the topics such as net zero carbon emissions by 2050 and the THSRC east extension project. Please refer to the minutes of the 2024 shareholders' meeting for details. ▪ In 2024, THSRC were invited to participate in corporate briefings held by securities firms on March 25, June 17, September 23 and December 9, respectively, to explain the Company's operations, financials, ESG profile and performance results to investment firms.
Partners（including Non-Governmental Organizations and Schools）	▪ Transportation Safety Management ▪ Corporate Governance and Operational Performance ▪ Privacy and Information Security Management	▪ Internal / External meetings（Non-periodic / Four times a year）	Communication Achievements： ▪ The High-Speed Educational Endowment Program in 2024 cooperates with the After School Association of Taiwan, raising more than NT$10.52 million. ▪ In 2024, the HSR Camp handled 12 phases, attracting 5,963 online registrations and a total of 277 students to participate in the event. Highlights of Communication Results： ▪ Joined 24 academic associations, with regular participation in seminars and annual meetings where THSRC strived for various awards, exchanged viewpoints on topics related to smart transportation, and green tourism, and continued to promote the sustainability in railway transportation industry.
Suppliers and Contractors	▪ Transportation Safety Management ▪ Privacy and Information Security Management ▪ Regulatory Compliance	▪ Internal / External meetings（Once a month / Non-periodic） ▪ Inspection / Repair / Examination / Survey / Maintenance（Non-periodic / Once a Month / Twice a Month / Once a Year） ▪ Internal / External activities(Once a year)	Communication Achievements： ▪ Contractors submitted monthly manufacturer reports and held technical report meetings each month. ▪ The amount of green procurement has reached NT$ 360 million. Highlights of Communication Results： ▪ Completed supplier communication and deployment of optimized management policies, codes of conduct, and revised supplier self-assessment questionnaires. In 2024, a total of 116 valid questionnaires were collected, with an overall response rate of 59.48%. On-site visits were conducted with key local suppliers to strengthen supplier management over the environment and labor human rights. No supplier had major deficiencies in 2024.
Government and Competent Authorities	▪ Transportation Safety Management ▪ Regulatory Compliance ▪ Customer Relationship and Quality Management	▪ Internal / External meetings（Once a month） ▪ Internal / External reports（Four times a year） ▪ Inspection / Repair / Examination / Survey / Maintenance（Once a year）	Communication Achievements： ▪ Passed the annual regular THSRC operation inspection conducted by the Ministry of Transportation and Engagements / Railway Bureau. ▪ In 2024, THSRC reported monthly to Railway Bureau, MOTC about 1 general traffic accident an 25 abnormal driving incidents. Highlights of Communication Results： ▪ From June to December 2024, in cooperation with the Railway Bureau, MOTC, the "Safety Management System Effectiveness Inspection" has been carried out on a trial basis, and the Railway Bureau would plan to carry out the safety management system effectiveness inspection operation of domestic railway institutions based on this trial experience.

Note：THSRC was officially listed on the Taiwan Stock Exchange on October 27, 2016, and was the first rail transportation operated to be listed in Taiwan. As of March 24th, 2025, the shareholding structure was as follows：Government agencies（45.13%）, other juridical persons（18.78%）, foreign institutions and foreigners（9.81%）, individuals（15.21%）, financial institutions（7.52%）, and state-owned enterprises（3.55%）.

Identifying and Prioritizing Material Sustainability Topics

THSRC continues to pay attention to the international sustainability development trend and sustainability disclosure standards, and refers to the material issues of international benchmark enterprises. The THSRC Sustainability Report follows the GRI General Guidelines 2021 "GRI 3：Material Topics" issued by the Global Sustainability Standards Council to identify material sustainability topics.

In 2024, THSRC reviewed domestic and international sustainability regulation, ratings, and sustainability topics of benchmark companies to identify the sustainability topics and positive and negative impact issues defined in the previous year and appropriately adjusted the name and impact descriptions of sustainability topics. In addition, the degree of impact and likelihood of occurrence of impacts are adjusted with reference to the due diligence results, and the sustainability topics ranking and materiality matrix of 2024 sustainability report are comprehensively adjusted and completed. Through assess the significance, substantive of the positive and negative impacts of material sustainability topics in terms of economy, environment and human rights, so as to confirm the scope of the report's disclosure and review the effectiveness of sustainable business, and respond to the needs of multiple stakeholders. At the same time, the results of the materiality identification of sustainability topics will be disclosed to the public after being submitted to the Sustainable Development & Nominating Committee and the Board of Directors.

Assessing and Determining Material Sustainability Topics

Analysis Steps	Description	Stakeholder and Expert Opinion Considerations
Review the Sustainability Topics	In order to ensure the sustainability topics keep pace with the times, it also covers the topics of focus of the railway transportation industry. Based on the list of 13 sustainability issues identified in 2023, THSRC refers to the major themes of the railway transportation industry listed by the domestic and foreign regulations and trends and the Sustainable Accounting Standards Board（SASB）, the sustainability requirements of international sustainability evaluation such as the Dow Jones Sustainability Index（DJSI）, domestic regulations and trends, and the sustainability topics disclosed by international railway transportation benchmarking companies, and reviewed that these 13 sustainability topics are still in line with the industry and global sustainability trends.	External expert sustainability consultants review sustainability topics and advise on how to define the economic, environmental and social impacts of the issues
Evaluate the Definition of Actual and Potential Impacts	Re-examine and identify the substance and potential positive and negative impacts of 13 sustainability topics. After re-examination in 2024, the list of 13 topics were re-defined into 12 positive and 10 negative ones and total 22 positive and negative impacts were separately identified. After comprehensive consideration of regulatory trends and industry dynamics, the following adjustments are made: 1. Privacy and Information Security Management Negative impact – business and customer information leaks：The increased risk of customer privacy and personal information leakage caused by AI applications was taken into consideration, so the impact description is adjusted to "Due to AI applications, security breaches or hacking attacks, customer personal information or enterprise sensitive information is leaked, infringing the rights and interests of passengers, employees, shareholders and relevant stakeholders. 2. Resource Use and Management Positive impact – Resource use and management：Incorporate the concept of recycle and reuse, the impact description has been modified to "Introduces energy resource management, such as replacing energy-consuming equipment, using renewable energy and eco-friendly products, and improving energy to improve utilization efficiency, increase resource recycling and reuse, reduce waste generation, and decrease the environmental impact."	
Assess and Prioritize the Most Significance of the Impacts	Based upon the results of due diligence, THSRC has thoroughly considered the degree of impacts and the likelihood of occurrence of impacts on sustainability topics. In 2024, the following topics were adjusted based upon consideration of the scope of stakeholders affected by the incidents and the likelihood of occurrence: 1.Negative impact - violation of legal regulations ：While the number of the penalties has increased compared to 2023, more stakeholder groups were affected. Thus, the degree of impact and the likelihood of occurrence have been adjusted. 2.Negative impact - occupational accidents and violations of human rights in the workplace：Although employee complaints and reports of infringements in 2024 were both decreased compared to 2023, the number of days of disability caused by occupational accidents remained almost the same. Thus, the likelihood of occurrence has been adjusted.	The significance of sustainability topics is comprehensively assessed and adjusted. Including, but not limited to： ▪ Travelers：refer to customer satisfaction survey to confirm whether related rights and interests, such as privacy or other customer rights and interests. ▪ Employees：refer to their opinions and complaints to confirm whether they have been involved in human rights violations in the workplace. ▪ Suppliers：Refer to their opinions, complaints, and audit results to determine if corporate governance, environmental pollution and labor human rights violations are involved. ▪ Regulator：Adjust the importance of the issue in light of sustainability and corporate governance relevant assessment or sanctions, as well as policy intentions（such as committing to net-zero emissions by 2050, promoting local manufacturing of the railway transportation industry, local procurement, labor human rights etc.）.
Adjust and Determine Material Topics for Reporting	After completing the assessment, the ranking of material sustainability topics remains the same. In 2024, THSRC remains 6 key topics, 5 important topics, and 2 topics of continuous concern. A total of 13 topics were selected. Among them, "key topics" and "important topics" form the major scope of materiality disclosures in this report. On the other hand, items in "topics of continuous concern" are regarded as non-material topics, where in principle, these items will not be disclosed in this report. However, non-material topics which significantly impact material topics will still be properly explained and disclosed in this report.	
Approval and Determine Material Topics	The results of the materiality analysis of the sustainability topics were submitted to the Sustainable Development & Nominating Committee and the Board of Directors to confirm and approve the key themes of this year's Sustainability Report. Finally, the report will be disclosed to the public.	

Major Analysis Results and Major Thematic Matrices

Based on the results of the 2024 assessment, a total of five positive impacts are key issues, five impacts are important issues, and two impacts are rated as ongoing concerns; for negative impacts, a total of five are key issues, three are important issues and two are ongoing concerns. Regardless of whether the topic is positive or negative, as long as one impact is a key topic, the topic will still be identified as a key topic.

In the major theme analysis process, the THSRC has taken suggestions from stakeholders and external experts that the sustainable topics above the material topics（including）should be identified as the topics to be disclosed in this annual report. Compared to the previous year, there is no difference. Thus, in 2024 we remain 6 key topics, 5 important topics and 2 topics of continuous concern, as shown below.

	Material Topics	Positive Impacts	Negative Impacts
Key Topics	Transportation Safety Management	■ Transportation Safety Management	■ Transportation Accidents and Disasters
	Corporate Governance and Operational Performance	■ Corporate Governance and Operational Performance	■ Corporate Governance and Mismanagement
	Regulatory Compliance	-	■ Violation of Legal Regulations
	Quality of Service and Customer Relationship Management	■ Service Quality and Inclusiveness	■ Damage to Customer Equity
	Employee Care and Labor Protection	■ Labour Protection and Healthy and Equitable Workplace	■ Occupational Accidents and Violations of Human Rights in the Workplace
	Technological Innovation	■ Technological Innovation	-
Important Topics	Privacy and Information Security Management	■ Information Security Management	■ Business and CustomerInformation Leaks
	Climate Change Mitigation and Adaptation	■ Climate Change Adaptation and Management	■ Greenhouse Gas Emissions
	Sustainable Supply Chain Management	■ Improving Supplier ESG Awareness and Management	■ Supplier Mismanagement
	Local Economic Development and Human Concern	■ Local Economic Development and Human Concern	-
	Talent Recruitment and Development	■ Talent Development and Nurturing	-
Topics of Continuous Concern	Ecological and Community Impact Management	■ Biological Conservation and Diversity	■ Ecological and Community Impact
	Resource Use and Management	■ Resource Use and Management	■ Energy Consumption

■ Key Topic

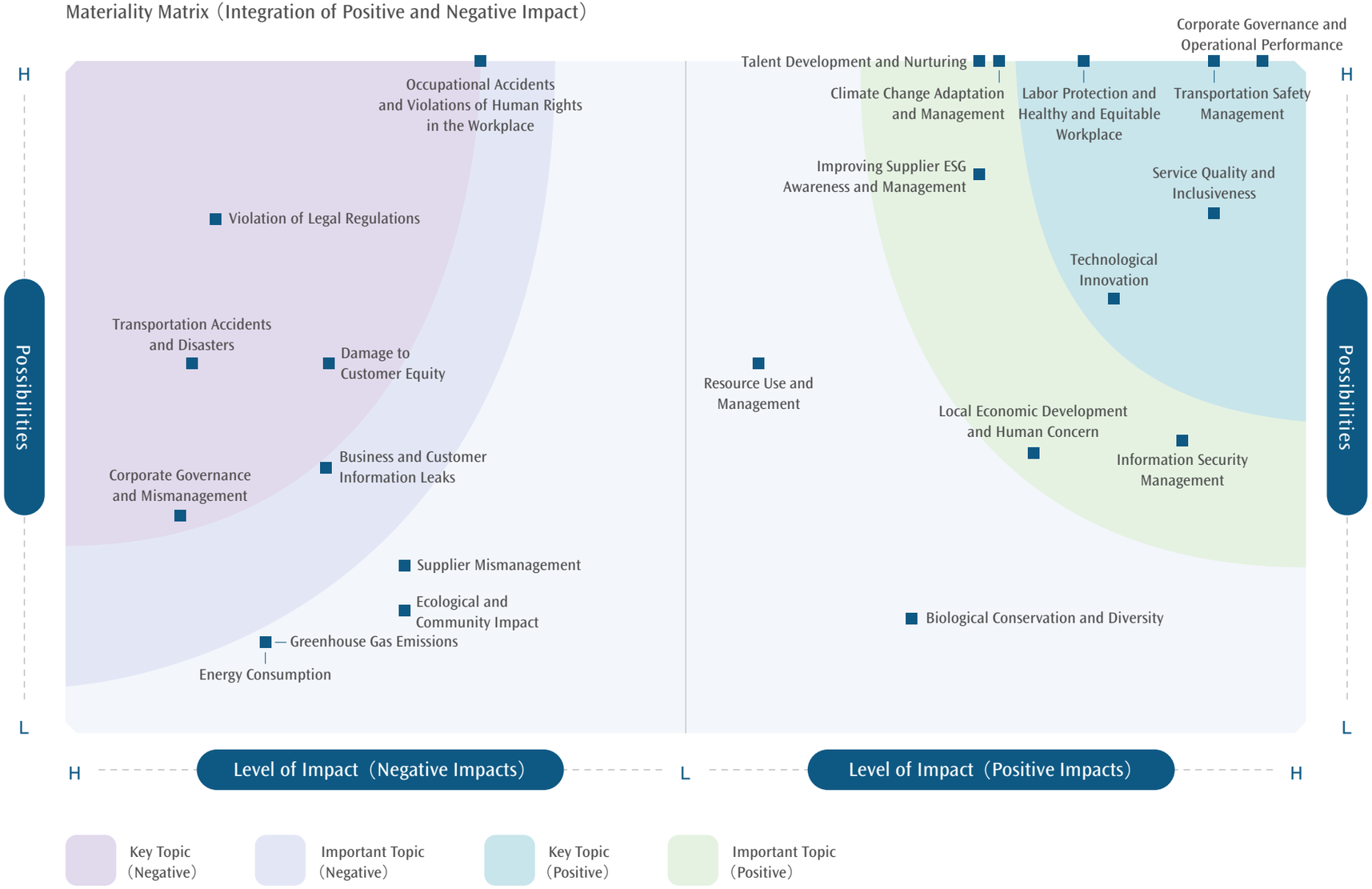
■ Important Topic

■ Topics of Continuous Concern

Sustainability Value Chain Impact Management

Materiality	Sustainability Topics	Corresponding to GRI Topic	Corresponding SDGs	Corresponding to Chapters or Subchapter	Page No	Value Chain Boundaries Impacted by Each Topic					
						Occur Directly in THSRC	Occur Through THSRC's Commercial Relationships		Occur Through THSRC's Other Direct Relationships		
						THSRC	Passengers	Suppliers and Contractors	Shareholders and Investors	Partners	Government and Competent Authorities
Key Topics	Transportation Safety Management	Customized material topic	SDG 9	▪ Safety Services and Responsible Transportation	28	■		■			■
	Corporate Governance and Operational Performance	GRI 201: Economic Performance GRI 205: Anti-Corruption GRI 405: Diversity and Equal Opportunity	SDG 8 SDG 16	▪ Operational Performance ▪ Sustainable Governance	24 18	■		■	■		■
	Regulatory Compliance	Customized material topic	SDG 16	▪ Sustainable Governance	18	■			■		■
	Service Quality and Customer Relationship Management	GRI 416: Customer Health and Safety	SDG 8 SDG 9 SDG 11	▪ Convenience, Attentiveness, and Maintaining Relationships ▪ Smooth Travel in Adherence to Commitment	41 35	■	■	■			
	Employee Care and Labor Protection	GRI 401: Employment GRI 402: Labor-Management Relations GRI 403: Occupational Health and Safety (2018) GRI 407: Freedom of Association and Collective Bargaining	SDG 8	▪ Operational Performance ▪ Nurturing Talent and Value Cultivation ▪ Protection of Rights and Considerate Care	24 69 75	■		■			■
	Technological Innovation	Customized material topic	SDG 9	▪ Sincere Services and Intelligent Transportation	39	■		■			
Important Topics	Privacy and Information Security Management	GRI 418: Customer Privacy	SDG 9	▪ Partner Relationship Management and Sustainable Supply Chain	41	■	■				
	Climate Change Mitigation and Adaptation	GRI 305: Emissions	SDG 13	▪ Low-Carbon Operation and Environmental Sustainability	55	■		■			
	Sustainable Supply Chain Management	GRI 204: Procurement Practices GRI 414: Supplier Social Assessment	SDG 8 SDG 17	▪ Partner Relationship Management and Sustainable Supply Chain	49	■		■			■
	Local Economic Development and Human Concern	GRI 203: Indirect Economic Impacts	SDG 4 SDG 8 SDG 17	▪ Partner Relationship Management and Sustainable Supply Chain ▪ Carrying for Society and Developing Local Area	49 80	■		■		■	
	Talent Recruitment and Development	GRI 202: Market Presence GRI 401: Employment GRI 402: Labor-Management Relations GRI 403: Occupational Safety GRI 404: Training and Education	SDG 4 SDG 8	▪ Nurturing Talent and Value Cultivation	69	■					
Topics of Continuous Concern	Ecological and Community Impact Management	GRI 305: Emissions GRI 413: Local Communities	SDG 9 SDG 11	▪ Low-Carbon Operation and Environmental Sustainability ▪ Carrying for Society and Developing Local Area	55 80	■				■	■
	Resource Use and Management	GRI 302: Energy GRI 303: Water and Effluent (2018) GRI 306: Waste (2020)	SDG 7 SDG 12	▪ Low-Carbon Operation and Environmental Sustainability	55	■					

Materiality Matrix（Integration of Positive and Negative Impact）

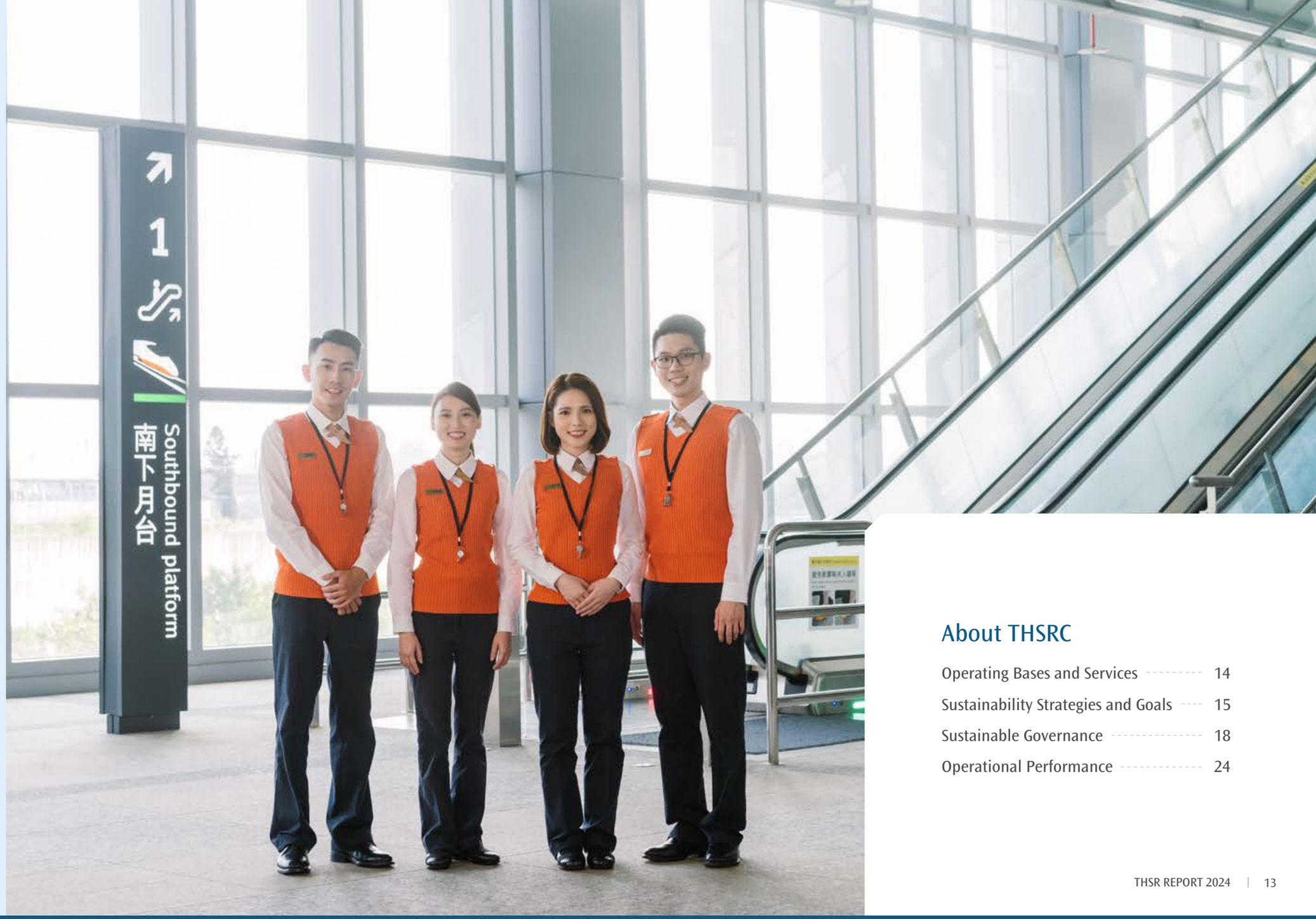


Note：Negative Impact - Occupational Accidents and Violations of Human Rights in the Workplace: the likelihood of occurrence was already adjusted to the highest level in the matrix in 2023. Therefore, no further adjustments will be made for the current year.

List of Sustainability Topics and Impact Description

Sustainability Topics	Types of Impact	Impact	Impact Description（People / Economy / Environment）
Transportation Safety Management	Transportation Security and Management	Positive	▪ People：Passengers and the industry can enhance the convenience of their life travel business through THSR transportation services. ▪ Economy：By continuing to provide safe transportation, the urban-rural/industrial gap can be reduced, contributing to rural economic/tourism development.
	Transportation Accidents and Disasters	Negative	▪ People：Passengers, community residents, employees, etc. are injured due to transportation accidents and influence their safety. ▪ Economy：The economic activities of urban and rural areas along the transportation routes are affected by the reduction of number of train services due to transportation accidents and disasters; the rights and interests of shareholders, employees and stakeholders are damaged by compensation or even loss of annual revenue due to transportation accidents and disasters. ▪ Environment：Transportation accidents or disasters resulting in the destruction of the natural ecological environment or habitat of species along the route.
Corporate Governance and Operational Performance	Corporate Governance and Operational Performance	Positive	▪ Economy：The company's good operating performance and continuous profitability can create higher economic value for shareholders, employees and other related parties.
	Corporate Governance and Mismanagement	Negative	▪ Economy：Due to corporate mismanagement and gross negligence, or dishonesty, corruption, fraud or fraud, affecting the operation of the company, infringing the rights and interests of customers and other related parties.
Regulatory Compliance	Violation of Legal Regulations	Negative	▪ People：Cause damage to the rights and interests of customers, employees, or other stakeholders by violating relevant social and labor laws and regulations. ▪ Economy：Violation of the relevant laws and regulations of the regulator on corporate governance, resulting in moral integrity and other governance-related negligence, thereby affecting the rights and interests of stakeholders. ▪ Environment：Environmental pollution or impact due to violation of environmental laws and regulations.
Quality of Service and Customer Relationship Management	Service Quality and Inclusiveness	Positive	▪ People / Economy ：Improve and optimize the quality of software and hardware services, provide the travel services and quality required by disadvantaged, elderly and multi-ethnic passengers, and increase efficiency of seat utilization. ▪ Economy ：Providing high-quality products and services, continuously optimizing the quality of software and hardware services, and improving transportation planning can create higher economic value for shareholders, employees and other related parties.
	Damage to Customer Equity	Negative	▪ People：Customer rights and interests are damaged, or complaints are filed due to the failure to effectively implement fair hospitality, or due to poor service quality in the transportation process, station, and transfer system.
Employee Care and Labor Protection	Labor Protection and Healthy and Equitable Workplace	Positive	▪ People：Improve the quality of work by continuously optimizing the work environment and safety and health and providing employees with a good and healthy work environment. Also, provide a friendly and good environment for women/disadvantaged/multi-ethnic groups to create jobs.
	Occupational Accidents and Violations of Human Rights in the Workplace	Negative	▪ People：Because of gender and other forms of discrimination, the rights and interests of employees at work are infringed; and due to labor rights and interests, issues such as overtime and forced labor, as well as unblocked channels of labor consultation and communication, the rights and interests of employees at work are damaged. ▪ People：Failure to provide a safe and healthy work environment, resulting in work accidents or occupational injuries, affecting employees' labor equity and interests, and causing damage to employees' physical and mental health.
Technological Innovation	Technological Innovation	Positive	▪ People：Improve customer convenience in accessing and using transportation services by providing artificial intelligence services. ▪ Economy：Improve the convenience and digitization of the entire rail transportation industry. ▪ Environment：Reduce energy consumption by providing artificial intelligence services.
Privacy and Information Security Management	Information Security Management	Positive	▪ People：By implementing the security management systems and tools, together with upgrading software and hardware, the passengers and corporate sensitive data are prevented from leakage and equity of stakeholders are protected.
	Business and Customer Information Leaks	Negative	▪ People：Due to AI applications, security breaches or hacking attacks, customer personal information or enterprise sensitive information is leaked, infringing the rights and interests of passengers, employees, shareholders and relevant stakeholders.

Sustainability Topics	Types of Impact	Impact	Impact Description（People / Economy / Environment）
Climate Change Mitigation and Adaptation	Climate Change Adaptation and Management	Positive	▪ Economy：In response to climate change, we will disclose relevant financial information, identify climate-related risks and opportunities, and develop relevant strategies to meet the requirements of relevant authorities, comply with the "Climate Change Response Act," reduce carbon fee expenditure, accelerate the global low-carbon transition, and move the entire industrial chain towards a zero-carbon economy. ▪ Environment：Implementing climate governance and promoting strategies and management measures（such as introducing carbon inventories and carbon reduction plans or strengthening transportation systems to improve overall efficiency）will help reduce environmental impacts such as carbon emissions and waste in the overall industry.
	Greenhouse Gas Emissions	Negative	▪ People / Economy / Environment：The intensification of the greenhouse effect due to greenhouse gas emissions, resulting in climate-related disasters, which will have an impact on the economy, environment and people.
Sustainable Supply Chain Management	Improving Supplier ESG Awareness and Management	Positive	▪ People：Actions related to the joint promotion of the supply chain to improve workers' rights（such as regularly holding workplaces safety and health lectures to improve workplace health and safety）. ▪ Economy：Improve supplier ESG awareness and management through supplier conferences, lectures or other management methods to promote the overall economic resilience of the industrial chain. ▪ Environment：Work with suppliers to promote green and low-carbon supply chains, continuously reduce carbon and waste emissions, and maximize energy efficiency to address the risks of climate change and resource depletion.
	Supplier Management（Mismanagement）	Negative	▪ People：Supplier ESG has been mismanaged, resulting in labor/human rights abuses by suppliers. ▪ Environment：Environmental and air pollution problems caused by waste generated and disposed of by operations and improper disposal（e.g., improper burial）by suppliers.
Local Economic Development and Human Concern	Local Economic Development and Human Concern	Positive	▪ People / Economy：Helping the economically disadvantaged or other special groups increase employment opportunities through activities（public welfare/charity/local creation）or cooperation with various public welfare groups.
Talent Recruitment and Development	Talent Development and Nurturing	Positive	▪ People：Provide employees with good work and development opportunities through comprehensive talent development and training planning.
Ecological and Community Impact Management	Biological Conservation and Diversity	Positive	▪ People：Regular monitoring of the station's air quality, ecological status, prevention of pollutant release/slide, etc., to protect the health of the surrounding community. ▪ Environment：Cooperating with local community members and non-profit organizations to promote various environmental protection projects and help restore/preserve biodiversity to create a more balanced and healthier environment.
	Ecological and Community Impact	Negative	▪ People：The health of local residents has been affected, and the quality of the home environment has been degraded due to environmental noise along the route or other environmental impacts. ▪ Environment：There is no clear formulation of air quality monitoring and management systems and plans or other local environmental impact plans along the route, which has an impact on the local ecosystem.
Resource Use and Management	Resource Use and Management	Positive	▪ Economy：Promoting the economic development of the renewable energy market by using renewable energy to meet the government's Renewable Energy Development regulations to reduce or eliminate the need for spending fees. ▪ Environment：Introduces energy resource management, such as replacing energy-consuming equipment, using renewable energy and eco-friendly products, and improving energy to improve utilization efficiency, increase resource recycling and reuse, reduce waste generation, and decrease the environmental impact.
	Energy Consumption	Negative	▪ Environment：Increased energy demand due to energy consumption, and Taiwan's current energy mix includes coal-fired and thermal power generation source, it causes greenhouse gas emissions and air pollution problems.



About THSRC

About THSRC

Subchapter Title	Sustainability Topics	Strategies	2024 Goals and Results	Targets（Short term：2025; Mid-long term：2026-2027）
Sustainable Governance	Corporate Governance and Operational Performance	▪ Actively cooperate with the government's regulation related with corporate governance policies, continue to strengthen the functions and diversity of the board of directors, and deepen the sustainable governance culture of THSRC. ▪ Establish a sustainable governance-related promotion organization, such as the Sustainable Development & Nominating Committee, to strengthen the management and supervision mechanism and effectively implement measures. ▪ Strengthen corporate governance-related measures and compliance with relevant laws and regulations. ▪ Formulate six major sustainable strategies, formulate corresponding short-, medium- and long-term goals and action plans.	▪ Continue to pay attention to corporate governance policies and make necessary adjustments if any. ▪ Conduct annual internal and tri-annual external performance evaluations of the Board of Directors. ▪ Won the top 5% of listed companies in the "Corporate Governance Evaluation" for eight consecutive years. ▪ Regularly control the sanctioned cases, and list and track the handling situation and improvement measures.	Short term ▪ Maintained the top 5% ranking of listed companies in the "Corporate Governance Evaluation." ▪ Maintain the weight of the "sustainable development performance index" of senior managers at more than 15%. ▪ 50% of the directors' training courses held by the company each year are related to ESG corporate sustainability, and the Board of Directors members receive 10 hours of ESG-related corporate sustainability courses per year. Mid-long term ▪ Formulate the next five-year mid- to long-term strategy, consider the strategic direction of corporate sustainable development, formulate specific promotion plans, and track implementation results. ▪ Continue to strengthen the culture of sustainable governance of THSRC.
Operational Performance	Corporate Governance and Operational Performance	▪ Manage and optimize the company's financial structure to lay the foundation for the company's sustainable operation and seek the maximum interests of employees, shareholders and creditors. ▪ According to consumer feedback and revenue targets, develop product and marketing strategies, plan expansion plans, and review them regularly. ▪ Through the analysis based on market demand and ridership, the overall target of annual passengers is set, and the annual strategy and promotional plans are set out. Simultaneously expand non-railway revenue, including leasing property to stores at stations, parking space services, sales of THSRC media products, as well as sales and promotion of souvenirs.	▪ In 2024, railway revenue exceeded NT$51.25 billion, and non-railway revenue was around NT$1.94 billion. ▪ The quarterly financial report of THSRC is reviewed by accountants, and the annual financial report is audited and attested by accountants and is used as the basis for asset and liability management. At the same time, according to the company's operating needs and capital planning, the debt ratio is continuously reduced. ▪ The Company's debt ratio（liabilities/assets）has dropped from 82.29% at the end of 2023 to 81.22% at the end of 2024. On March 12, 2025, the Board of Directors proposed to distribute cash dividends of around NT$5.91 billion to shareholders for 2024 to seek the best interests of employees, shareholders, and creditors.	Short term ▪ Reduce debt position and debt ratio. ▪ Maintain sufficient cash levels to meet the company's necessary expenditures. Mid-long term ▪ Seek long-term and stable sources of financing.

Operating Bases and Services

THSRC began operation in 2007, with Taiwan as an important operating base, and is headquartered in Nangang District, Taipei City.

The total length of the THSR operating route is 350 kilometers, passing through 11 counties and cities in the west and 76 townships.

Business Scope of THSRC

▪ High Speed Rail Services

Fast, convenient and comfortable rail transport services, while offering different types of train services, including direct train, semi-direct train, and stopping train to meet passengers' needs.

▪ Operation of Relevant Affiliated Services

Retail spaces leasing（e.g., convenience stores, food and beverage, and service counters）, parking lots at stations, advertising sales（e.g., lightboxes, column spaces, wall spaces, product displays, and train decorations）, retail, trolley sales, and others. The "T-Shopping" e-commerce business was introduced in 2024.

Note：For details regarding rail transport services, please refer to the subchapter titled "Sincere Services and Intelligent Transportation"

THSRC's upstream industries of the value chain mainly provide train carriages, construction services, and manufacturers and maintenance industries for track-related service facilities and equipment. Midstream includes the power supply industry that provides our own operations, transport support related to train preparation, and operators related to the provision of transfer services, including the parking lot management industry, the freeway bus industry, the car rental industry, and the taxi industry. Downstream are passengers taking the THSR, or travel agencies that cooperate with the THSRC.

Operating stations
12 in total in Taiwan

Maintenance depots
5 in total in Taiwan

Note：The function of depots is different from that of stations, and it includes main workshop, marshalling yard, civil engineering base and electrical engineering base, and maintenance base. At present, the maintenance depots in service include Liujia/Hsinchu, Wuri/Taichung, Taibao/Chiayi, Zuoying/Kaohsiung, and Yanchao Main Workshop/Kaohsiung; while Xizhi Depot is currently being planned.

Sustainability Strategies and Goals

THSRC Spirit and Sustainability Mission

THSRC promises to take the five core values of "Discipline, Integrity, Efficiency, Innovation and Sensibility" as the motto of enterprise operations, adhering to the belief of "Go Extra Mile"（with the intention of doing things better）, continuously improving transportation safety and service quality, giving passengers a better service experience, and implement sustainable operation to a faster and better future with the general public.

In response to the concerns of different stakeholders on sustainability issues and adapting to the development trend of international sustainability issues, the sustainability issues of THSRC can be divided into three major aspects of environment, society and governance：In the environmental aspect, high-speed rail trains have low carbon and low air pollution, and also strengthen the environmental management around the operation route and add renewable energy devices at major stations to reduce the environmental impact during the operation process. In the social aspect, we attach importance to the safety and health of employees' working environment and career development, and not only cooperate with the local industry to help the development of the domestic rail transportation industry, but also combine the core industry to invest in caring actions to promote social integration. In the governance aspect, we abide by laws and regulations and create maximum value for stakeholders. Under the principle of safety first, we continue to use innovative technology to provide fast and convenient transportation services, and continuously improve travel quality and customer satisfaction.

As Taiwan's first listed company in the railway transportation industry, the THSRC was favored by the FTSE Social Responsibility Emerging Market Index in 2018 and was continuously selected a constituent stock of the "FTSE4Good TIP Taiwan ESG Index" from 2018 to 2024. Moreover, we have been ranked in the top 5% of listed companies in the "Corporate Governance Evaluation" for eight consecutive years. It can be seen that THSRC has implemented ESG and been affirmed by all walks of life. In addition, THSRC has become one of the world's leading sustainable companies, and was as one of the "Global 100 ranking of the world's most sustainable companies" for three consecutive years by Corporate Knights, a Canadian sustainability assessment agency, and was selected in 2025 as the fifth sustainable company in the world, and the first place in the transportation / infrastructure field. We also continued to participate in the Taiwan Corporate Sustainability Award（TCSA）, hosted by the Taiwan Sustainable Energy Research Foundation, and won the highest level "Platinum" of the Corporate Sustainability Reporting Award in 2024. The fruitful sustainability awards show the results of THSRC in terms of operational performance, corporate governance, environment and social care, which have been recognized by domestic and foreign investors and rating agencies.

Constituent stock of the "FTSE4Good TIP Taiwan ESG Index"
（from 2018 to 2024）

Top **5%** of listed companies in the "Corporate Governance Evaluation"
（for eight consecutive years）

"Global 100 ranking of the world's most sustainable companies"
（for three consecutive years）

THSRC Sustainability Strategy Blueprint

THSRC drew up the "4T" sustainability strategy blueprint in 2017, with Transportation, Technology, Taiwan, and Touch as the four major sustainability topics. Six major strategies will be adopted："Reducing Disaster Risk in Response to Climate Change," "Accelerating Digital Optimization to Digital Transformation," "Improving Service and Operation Management in Response to Changes in Population and Technology," "Creating Demand and Enhancing Revenue after the End of the Pandemic," "Strengthening Supplier Management and Reinforce partnerships," "Implementing Energy Conservation, Carbon Reduction, and Social Responsibilities" to respond to the United Nations Sustainable Development Goals（SDGs）. Meanwhile, we take into account all policies and actions of Taiwan's sustainable development goals to contribute to Taiwan's sustainable development process. Looking forward to the future, THSRC will continues to pursue "To be the platform for Advancement and Enjoyment" as the vision for sustainable development. The objectives of each sustainability strategies and the implementation measures in 2024 are shown in the table below, and the details will be explained in the relevant sections.

THSRC Sustainability Strategies, Goals, Implementation Measures in 2024 and Corresponding SDGs

4T Component	Target	Implementation Measures in 2024	Corresponding to the SDGs	
			17 Goals	169 Detailed Goals
 Transportation	Continue to improve operational safety, actively face the impact of climate change on transportation, establish relevant early warning mechanisms, and develop response measures in collaboration with the government, while actively interacting with residents along the HSR railway to create positive value.	▪ Continued to inspect the weather resistance of the stations, equipment, and routes to ensure that the train depot meets the high flood prevention and safety standards.		9.1
		▪ Continuously improving services, hardware and software equipment, and supporting measures that enhance the convenience for specific groups, such as the installation of handrails in squat toilets at stations, the addition of mobile barrier-free ramp slabs in taxi passenger areas, and the improvement of barrier-free platforms at Tainan Station Bus Transfer Station.		11.2
		▪ Continued to operate the disaster warning system and strengthen preventive measures for earthquakes, typhoons, heavy rain, landslide, and rock fall.		13.1
		▪ Each station participated in activities from time to time, and continuously communicated with local opinion leaders and residents along the THSR line.		17.17
 Technology	Actively innovate and enhance technical capabilities, adopt new technologies and promote smart transportation, continue to improve the efficiency and quality of operations, services, safety, and emergency response, as well as adopt big data and digitalization to optimize customer experience and create a more convenient life.	▪ Monitored train running status in real time via IoT facilities. ▪ Developed an "Application of intelligent drone for HSR bridge inspection maintenance system" and completed the construction of the drone bridge inspection platform and pilot training in 2024.		9.1
		▪ Continuing to promote employee proposals to improve the system and quality control circle activities. In the "2024 Taiwan Continuous Improvement Award," we won the highest-level Zhishan Group Silver Tower Award.		8.3
		▪ Establish an electronic coupon system to replace paper coupons issued for various marketing activities. Passengers are now able to redeem their vouchers at any participating outlet outside the station, rather than being limited to station counters, making it more convenient to use and achieving the goal of environmental protection and carbon reduction. ▪ Continuously improve the user experience of T Express App： （1）Mobile ticket splitting service is optimized to provide a more intuitive way to guide passengers to split tickets with their companions. （2）A font size adjustment feature has been added, allowing passengers to enlarge or reduce the interface text based on their preferences. （3）T Express Booking Chatbot service adds mobile payment function, making the booking process smoother.		9.1
		▪ Continue to strengthen the use of e-wallet mobile payment ticket purchase. In 2024, the number of tickets paid through T Express App reach 32.12 million. ▪ In 2024, the percentage of using paperless tickets（including T Express app, periodic / multi-ride tickets, and co-branded cards with electronic ticketing function）42.5%, a 4% increase from 2023.		12.5

4T Component	Target	Implementation Measures in 2024	Corresponding to the SDGs	
			17 Goals	169 Detailed Goals
Taiwan	Actively nurture local talents and establish industry-academia collaboration, strive to create opportunities for diverse products and different industries and foster the development capabilities of the local railway industry. At the same time, establish a sustainable supply chain management mechanism, and become the leader who guides the railway industry to sustainability.	▪ Established collaboration with colleges and universities, and promoted talent cultivation in Taiwan's railway industry through industry-academia collaboration and internship programs, where a total of 132 students were accepted into our internship program for the academic year of 2024, providing a one-year station work internship opportunity.		4.4
		▪ Actively promoted local supply and enhanced the capabilities of local vendors. ▪ The average training hours per person in 2024 will be 77.1 hours. ▪ Launched the "First Stop for a Wonderful Journey" promotion in 2024, and actively integrate with local special activities to launch special tourism projects such as "Tainan 400," "Discovered the Sun Moon Lake," "Pingtung Bluefin Tuna Cultural Festival" and "City and Countryside Island Tours," and other promotional activities, providing integrating all-in-one travel experiences and a variety of preferential products. ▪ Committed to creating local employment opportunities, and supporting local businesses with lower rents to set up THSRC markets or product museums and generate local revenue so as to promote local produced products.		8.3 8.9
		▪ In tandem with tourism components such as local industries, cultural experiences, and transportation connections, and in response to the tourism needs of different people, themed tourism projects such as senior citizens, parent-child, and in-depth tours have been launched to promote tourism benefits and the development of the local tourism industry, with 4.3 million tourists in 2024. ▪ Obtained carbon reduction certification from the international organization Gold Standard（GS）, demonstrating THSRC's commitment to sustainable tourism.		8.9
Touch	Comprehensively improve the corporate sustainable governance mechanism, and strengthen the integration of governance and sustainable development by incorporating the vision of sustainable corporate citizenship into the company culture. In addition, promote employee development, implement energy conservation and carbon reduction to create positive environmental benefits. At the same time, actively support charity events, arts, and ecological development and servers as an important platform for strengthening the cohesion of Taiwan's society.	▪ In cooperation with the "After School Association of Taiwan" to implement the "The High-Speed Educational Endowment Program," inviting THSRC passengers and the public to help children from disadvantaged families move towards self-reliance and a better future through learning programs. ▪ Organized "HSR Camps" to enhance the knowledge about railway of participants at all school ages so as to train potential excellent railway talents.		4.5
		▪ Leased out the rooftop of the maintenance depots, the detention basins, and the outdoor car parking spaces and their rooftop outside each station to energy suppliers for the installation of solar power equipment in line with the government's effort to promote renewable energy. The annual power generated reached 8,964.004 MWh in 2024.		7.2
		▪ Working with educational and charitable institutions to help disadvantaged people take free high-speed train rides, THSRC Smiling Train Charity Program has helped 902 disadvantaged groups with a total of 150,303 rides by 2024.		11.2
		▪ Implemented relevant energy conservation programs and measures, and continued to optimize equipment to improve the effectiveness of energy management.		9.1 9.4
		▪ Monitored weather information in collaboration with government and professional organizations.		13.1 13.2
		▪ Reduced the impact of public transportation on the environment through energy resource management and waste recycling mechanisms. In 2024, the headrests of carriage seats and cup lids for hot drinks on trains have been replaced with plastic-reducing materials. ▪ Increased the procurement of eco-friendly products to reduce the impact of supply chain on the environment.		12.5 12.7

Sustainable Governance

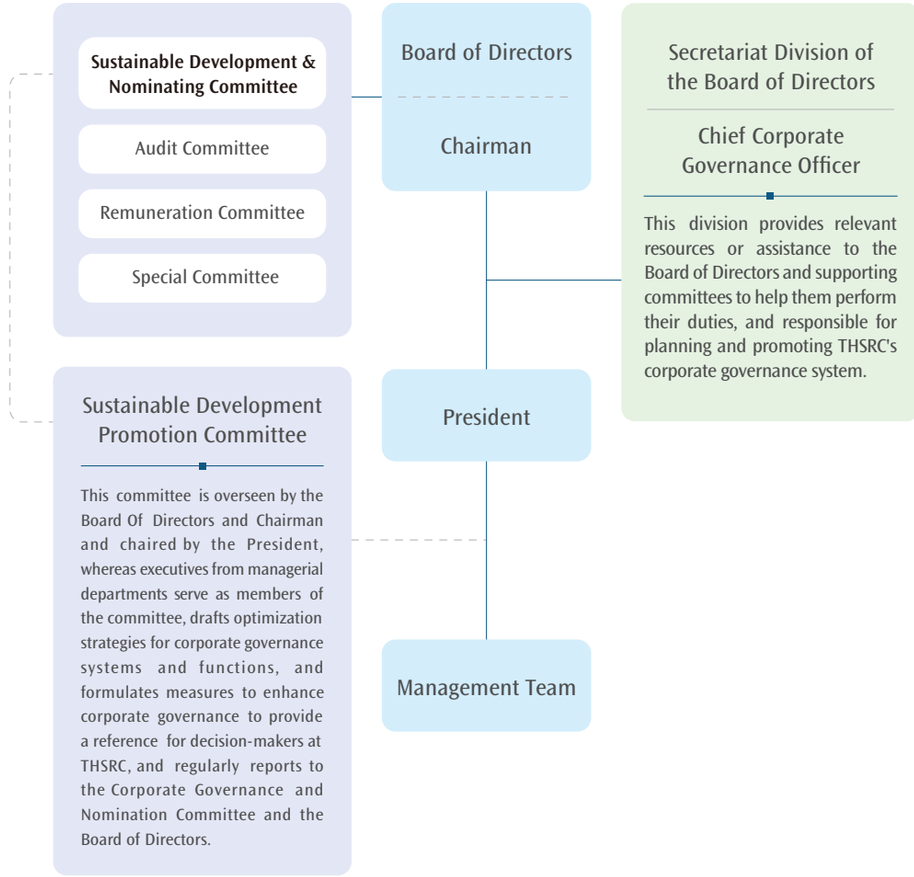
Corporate Governance Framework and Committee

THSRC firmly believes that thought-out, transparent, and efficient corporate governance is the foundation for pursuing steady development, continuously improving operational safety and sustainable performance, and further creating sustainable value. The Company complies with domestic laws and regulations to establish the "Corporate Governance Guidelines," and has established the Board of Directors and various functional committees under it to optimize the overall governance effectiveness of the Company through various management mechanisms.

On May 23, 2024, THSRC renamed the "Corporate Governance & Nomination Committee" to the "Sustainable Development & Nominating Committee," and the "Corporate Governance Promotion Committee" was renamed the "Sustainable Development Promotion Committee," with adjustments made to the functional structure. Starting in 2024, the Sustainable Development & Nominating Committee was chaired by a director, and beginning in 2025, it will be chaired by an independent director. The committee will consist of four independent directors and two directors, and will be responsible for overseeing the Sustainable Development Promotion Committee in terms of strategic planning and implementation of sustainable development initiatives.

The Sustainable Development Promotion Committee, chaired by the President, includes Senior Vice Presidents and department/office-level managers as members. This committee convenes quarterly and reports its implementation progress to the directors semiannually. Additionally, it submits annual reports to both the Sustainable Development & Nominating Committee and the Board of Directors. Under its jurisdiction, there are six specialized teams：Environmental Sustainability Team, Sustainable Service Planning Team, Employee Care Team, Social Integration Team, Corporate Governance Team, Ethical Management Team. These teams are tasked with formulating the strategic direction for corporate sustainability, developing specific action plans, and tracking implementation outcomes. In 2024, the main focus areas of the Sustainable Development Promotion Committee include：corporate governance, sustainable development, business integrity, legal and regulatory compliance and other related implementation matters. For more details on the responsibilities of the Sustainable Development Promotion Committee, please refer to the "Corporate Governance Structure" on the corporate website. Information on the 2024 operational status can be found on the corporate website under the section titled "Sustainable Development Status."

THSRC continues to strengthen our culture of sustainable governance. Since 2018, the Company has been ranked among the top 5% of listed companies in the Corporate Governance Evaluation for eight consecutive years. On December 27, 2024, THSRC received the "Corporate Governance System Evaluation Certificate" with an Excellent ranking from the Taiwan Corporate Governance Association. THSRC will continue to execute the corporate governance framework, actively implement engagement with stakeholders, and practice rigorous corporate governance strategies. For further information related to corporate governance, please refer to the corporate website Corporate Governance Structure, 2024 Annual Report, and the Market Observation Post System (MOPS).



Selection of Directors

THSRC has a complete nomination and selection system, handling the nomination of directors in accordance with the "Rules for the Election of Directors" and the "Regulations for the Nomination of Director Candidates," and evaluates the overall competence of the Board of Directors in accordance with the "Charter of the Sustainable Development and Nominating Committee." All directors of THSRC adopt a candidate nomination system, and the "Sustainable Development & Nomination Committee" conducts a qualification evaluation to carefully review the professional knowledge, skills and experience of the Board of Directors, as well as gender and independence, and clearly stipulates that the composition of the Board of Directors should consider diversity. In addition to formulating a diversity policy based on conditions and values（including but not limited to gender, age, nationality and culture, etc.）, the company also implements gender equality in the composition of the Board of Directors. During the selection process, the company's own operations, operating model and development needs are also taken into consideration, as well as the professional knowledge, technology, experience, gender and other diverse backgrounds required by the Board of Directors and the independence standards that independent directors should have, so as to enhance the effectiveness of the company's Board of Directors.

Responsibilities of the Board of Directors and Information on Board Members

The Board of Directors serves as THSRC's highest governing body. Its main strength and responsibilities include the power conferred by relevant laws and regulations, and the shareholders' meeting, reviewing significant regulations, business plans, budgets, financial statements, and important business, as well as supervising management execution results and guiding the management team. As of January 2025, the Board of Directors has 15 directors（including 5 independent directors）, with 80%（12）men and 20%（3）women, and we will strive to increase the proportion of female directors in the future to meet the norms of diversity in governance organizations. At present, the average age of the Board of Directors is 64.65 years old, including 6 doctors, 6 masters and 3 bachelors, all of whom have relevant professional backgrounds and relevant ESG experience required by the transportation industry. In terms of professional ability, the Board of Directors as a whole has the ability of marketing technology, business management, law, financial accounting, leadership decision-making, industrial knowledge, crisis management and international market view. Please refer to Appendix Table 2 for composition background on the members of the Board. The age distribution of the Board is as follows:

Board of Directors Review Item	Significant Regulations	Business Plans, Budgets	Financial Statements	Important Business

Age	Number	Proportion
30-50 years old (inclusive)	1	6.7 %
50-60 years old (inclusive)	4	26.6 %
60-65 years old	1	6.7 %
65 years of age or older	9	60 %
Total	15	100 %

Board Operations and Performance Evaluation

The term of office of the directors is 3 years（this term is effective from the election of the regular general meeting of shareholders on May 25, 2023）, and in accordance with the provisions of the THSRC's Governance Code, the Board of Directors will meet at least once every 2 months, and a total of 12 meetings in 2024, and the attendance of resolutions on economic, environmental, and social issues discussed by each functional committee can be found on page 50 of the Annual Report.

In 2021, the THSRC established the "Regulation of Self-Evaluation of the Board of Directors," under which the Board of Directors and functional committees（including the Sustainable Development & Nominating Committee, the Audit Committee, the Remuneration Committee and the Program Committee）shall conduct internal performance evaluations annually in accordance with the evaluation procedures and evaluation indicators set forth in the Regulations, and shall appoint them at least every three years. The evaluation will be conducted once by an external professional independent institution or a team of external experts and scholars, and will be completed before the end of the first quarter of the following year. In 2024, the Board of Directors has completed the internal self-assessment, and will continue to refine the management method in the future, and include ESG performance as one of the self-assessment indicators and the consideration of directors' remuneration. The remuneration of directors is determined based on the standards of the "Reference Table of Remuneration Standards for Heads of Public Institutes under the Ministry of Transportation and Communications," and independent Directors do not participate in the distribution of Directors' remuneration. Please refer to pages 34-37 of the Annual Report for relevant remuneration information.

In 2024, the Company's directors received a total of 144 hours of training and the courses included sustainable development and climate-related risk management topics such as "Global Net Zero Carbon Emission Risk Management," "Sustainable Finance," and "ESG Recent Industry Trends and Reporting Practices." For relevant training content, please refer to pages 94-95 of the Annual Report and the "Directors Training Situation" section of the corporate website.

Regulation of Self-Evaluation of the Board of Directors

Assessment Method
Internal self-assessment or external assessment

Evaluation Period
From January 1, 2024 to December 31, 2024

Scope of Assessment	Content of Evaluation	Evaluation Result
Performance evaluation of directors	▪ Mastery of the company's goals and tasks ▪ Awareness of directors' responsibilities ▪ The degree of involvement in the company's operations ▪ Internal relationship management and communication ▪ Professional and continuing education of directors ▪ Internal Controls	The average total score is **90** points or above, which significantly exceeds the standard.

Functional Committees

In order to effectively perform the competencies of the Board of Directors and elevate the caliber of its decisions, functional committees have been set up under THSRC's Board of Directors, including the "Sustainable Development & Nominating Committee," "Audit Committee," "Remuneration Committee" and "Special Committee." These Committees aid the Board of Directors in fulfilling its supervisory and advisory duties, deliberating pertinent matters, and presenting conclusions and recommendations to the Board of Directors for resolution. Please refer to the table below for the description of each functional committee's responsibilities and the issues discussed in 2024. For further information on operations, please refer to "Operation Status of Functional Committees."

	Performance of Functions	Main Issues Discussed in 2024
Sustainable Development & Nominating Committee	▪ Review the professional knowledge, techniques, and experience required by independent directors, non-independent directors, and managers, and their diverse backgrounds such as gender and independent criteria and use these standards to identify, evaluate and nominate candidates for directors, independent directors and managers. ▪ Review succession planning for Directors and managers. ▪ Plan and review the performance of duties by all directors and the entire committee. ▪ Responsible for the research, analysis, implementation, planning and recommendation of sustainable development systems and the review of Guidelines for Corporate Governance and related regulations. ▪ Responsible for reviewing the effectiveness of the implementation of the sustainable development system, including the operation and execution of sustainable development and ethical management, as well as communication with stakeholders.	▪ 2024 Report on the Operation and Implementation of ESG Sustainable Development and Integrity Management ▪ Report on the results of self-evaluation of the Board of Directors'performance ▪ Report on the self-assessment of the Corporate Governance Evaluation ▪ Performance goal setting and evaluation result reporting for managers ▪ Succession mechanism for important levels of management ▪ Report on the implementation of corporate governance
Audit Committee	▪ Formulate or amend the internal control system in accordance with the Securities and Exchange Act. ▪ Review major asset and deriva-tive trading, loaning of funds, and provision of endorsements or guarantees. ▪ Review annual financial state-ments and assess company risk management policies, metrics, and compliance.	▪ Establish the company's "Risk Management Procedure" ▪ Performance goal setting and evaluation result reporting for managers ▪ Report on the legal compliance system and its implementation ▪ Amendment to the "Internal Control System" and the "General-Rules of Internal Control Self-assessments" and perform self-assessment of internal control system results ▪ Report on the implementation of progress related to risk management, including environmental risk control ▪ Report on the implementation of information security, governance and management ▪ Annual donation and sponsorship programs
Remuneration Committee	▪ Regularly review the policies, systems, standards, and structures of performance evaluation, and salary and remuneration for directors and managers. ▪ Regularly assess and formulate the salary and remuneration for directors and managers.	▪ Proposal for salary adjustment ▪ Report on the results of self-evaluation of the Board of Directors' performance ▪ Suggestions on the distribution of employee and director compensation ▪ Performance goal setting and evaluation result reporting for managers ▪ Suggestions on subsidies and bonuses related to employee benefits
Special Committee	▪ Provide counsel and suggestions on major legal or contractual disputes and important institutional changes in the Company.	▪ Suggestions for additional contracts for the purchase of new high-speed train sets ▪ Proposals for the 2023 Annual Overall Bonus, Year-end Bonus and Operational Performance （Incentive） Bonus ▪ Suggested bidding strategies for leasing new station space to energy companies for setting up solar photovoltaic systems

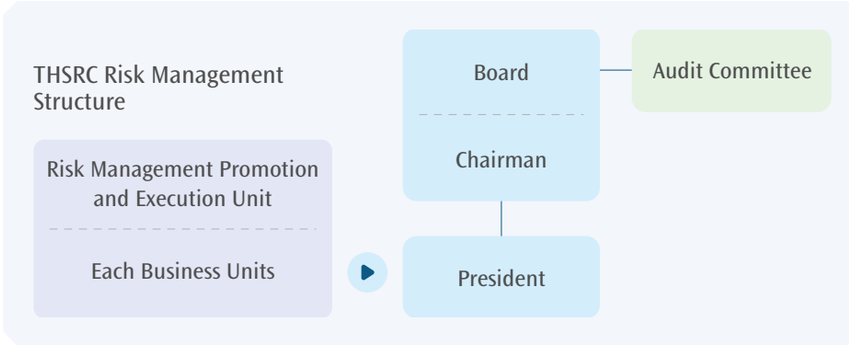
ESG Performance Targets and Compensation Policy for Senior Managers

In order to realize the Company's sustainable development vision, comply with the sustainable development regulations and assessments of listed companies, and respond to stakeholder expectations, THSRC has established sustainable development-related policies and listed "ESG Sustainable Development Performance Indicators" as one of the performance evaluation criteria for senior managers. In accordance with the Company's "Performance Appraisal Regulation," the annual performance evaluation results of each senior managers will serve as the main basis for their job transfer, promotions, salary adjustments, bonus payment and etc., so as to motivate senior managers to actively promote ESG-related policies and actions, and implement and achieve the Company's sustainable development goals through a mechanism that specifically links ESG-related performance to their salary and remuneration . At the same time, the policies, systems, standards and structures of salary and remuneration will also refer to the normal payment levels of peers. For relevant remuneration information, please read pages 38-40 of the Annual Report.

In terms of 2024 performance targets, the weight of the president's "sustainable development performance indicator" is set at 25%. For senior managers, the weight of the "sustainable development performance indicator" is between 15% and 20%, depending on their respective positions and business responsibilities. For detailed weight descriptions, please refer to the "Table 7 Sustainable Development Performance Indicators for Senior Executives" of the report.

Sustainable Risk Management

Risk management is a crucial element in the pursuit of sustainable operations for enterprises. In light of the increasing diversity of emerging risks, as well as environmental, social, and corporate governance concerns, THSRC has established a risk management operation mechanism. This mechanism integrates recommendations from various committees at different levels and formulates THSRC's "Risk Management Procedure" and "Risk Management Policy" approved by the Board of Directors to ensure the achievement of the company's mid- and long-term strategic planning and goals, and to assist the company in its steady development. The Audit Committee assists the Board of Directors in supervising the risk management-related operating mechanisms, and the management team is responsible for monitoring related risks and reporting the operation status to the Board of Directors once a year. In 2024, the Audit Committee and the Board of Directors reported the implementation status and progress of annual risk management, and the business units have taken appropriate response measures for relevant risks and made records accordingly. The risk management team will continue to review and revise new risk management policies in response to changes in internal and external environmental conditions, with the aim of strengthening the risk awareness of THSRC through the implementation of medium- and long-term risk strategic plans and goals, moving towards the vision of sustainable operation.



To align with the IFRS S2 "Climate-related Disclosures, "THSRC has integrated climate risk management into its overall risk management framework, establishing a dual-track governance mechanism. The Audit Committee oversees the risk management strategies that were executed by the Quality Assurance Office and supervises the company's overall risk management efforts. Concurrently, climate-related strategies, metrics, and targets are developed and implemented by the Environmental Sustainability Team under the Sustainable Development Promotion Committee. These initiatives are regularly reported to the Board of Directors and the Sustainable Development and Nominating Committee. For further details on climate risk management, please refer to the "Climate Change Mitigation and Adaptation" section in the "Low-Carbon Operation and Environmental Sustainability" chapter.

Considering various aspects related to company operations, such as business environment, operation, finance, and hazardous events, THSRC has identified seven risk categories including "environmental," "strategy," "operations," "finance," "information," "compliance," and "integrity" according to the principle of materiality. Meanwhile, we review the completeness of internal risk management and the effectiveness of risk control, check and identify risks that may affect operations and profitability, and enhance response measures for related risks. The identification results, key performance indicators, and actual results of major risk categories of THSRC in 2024 are listed as follows. In order to mitigate the potential financial impacts of declined revenue and increased work costs caused by various risk factors, THSRC has comprehensively planned for the operating asset insurance and business interruption insurance to cover various risk factors, such as natural disasters, human errors and equipment abnormalities to properly respond to risks.

In order to respond to new risks that are changing with each passing day, THSRC continues to strengthen employees' awareness and understanding of risk through comprehensive risk management mechanisms, internal communications, and diverse education and training programs. In 2024, a total of 5,224 participants received risk management training with 6,453 hours. The curriculum includes courses such as risk-oriented internal audit methods and practices, occupational safety and health training and etc.

Main Risk Categories	Risk Assessments	Risk Management Strategies and Related Response Measures
Strategic Risks	Assess the possible impact of the company's adoption of other alternative renewable energy sources or measures to reduce greenhouse gas emissions under the green energy policy.	1. There is an Environmental Management Committee, which holds regular meetings to supervise the operation of the environmental management system. 2. We conduct greenhouse gas inventory and verification every year, continue to promote the optimization of operating equipment to save energy and reduce carbon, and launch a sustainable information financial disclosure project. 3. Provide education and training to familiarize employees with environmental laws and strengthen environmental awareness.
Operating Risks	Assess HSR systems that may be affected by internal and external factors, such as malfunctions of facilities and equipment, human error, intentional sabotage or other external factors, which may affect train safety; cause physical or mental harm to our employees, passengers, contractors or the general public; or cause delay or cessation of rail operations.	1. Established our safety and health, corporate quality, and configuration management policies, stating that illegal violations in the workplace will not be tolerated, and implemented management according to our operational safety plan, occupational safety and health management manual, grievance Regulation, corporate quality manual, high-speed rail system configuration management manual, corporate RAMS manual, management plan for rail security, assurance plan for corporate safety, and other regulations. 2. Established an Operational Safety Committee which convenes every quarter, and also an Occupational Safety and Health Committee which convenes every quarter. 3. Continue to promote occupational safety culture and prevent illegal violations in the workplace to all colleagues. 4. Implemented rail safety training, education and training for occupational safety and health, hazard management training, and hazard prevention and response drills and training, and conduct climate change hazard prevention lectures in a timely manner. 5. Implemented internal audits and safety inspections of rail operation safety, occupational safety and health, quality management, configuration management, and system assurance.
Environmental Risks	Assess various environmental risks (such as global warming, extreme weather conditions, earthquakes, land subsidence, formation of new fault lines, and natural resource loss) can cause revisions in laws and regulations, system damages, regional power cuts, and water shortages, which may affect service quality and increase maintenance and operation costs.	1. Established environmental policies and implemented management according to our environment management manual. We have applied for ISO14001 certification and are seeking to establish environment management systems that adhere to these standards. 2. Identified climate change risks and estimated future mid-to long-term climate change risks to formulate plans and strategies for saving energy. We also collaborated with professional institutions to analyze and formulate response strategies to climate change, effectively decreasing possible impacts to our operations from climate change. 3. Collaborated with professional institutions to establish an early-warning system for earthquakes. 4. Conducted assessments on land subsidence, new fault lines, flood prevention, and earthquake prevention capabilities to formulate improvement measures. 5. Gained a full understanding of environmental hazards through DWS hazard warning systems, and conducted annual hazard prevention audits and regular and irregular drills.
Financial Risks	Assess changes in domestic and overseas economic and financial conditions that may impact our income, maintenance and operation costs, interest rates, and exchange rates, which in turn may affect our profitability and cash flows.	1. Adhered to "International Financial Reporting Standards（IFRS）," "International Accounting Standards（IAS）," and government regulations. 2. Underwent annual financial audits by competent authorities. 3. Our managerial departments underwent monthly budgeting and accounting reviews and presented these to the Board every six months. 4. Periodically issue quarterly and annual financial reports. 5. Our Board conducted reviews of important financial activities in accordance with relevant regulations and internal control systems.
Information Risks	THSRC is a national critical information infrastructure provider, and the cyber security responsibility levels shall be submitted to the Executive Yuan for approval by the Ministry of Transportation and Communications. Depending on its cyber security responsibility levels, assess all HSR information systems and take various aspects into account, including confidentiality, comprehensiveness, accessibility, and legal compliance.	1. Formulated information security policy and Copyright Protection Policy for Computer Software, and implemented management according to information security management manual. 2. Established Information Security Committee and convened information security review meetings once every six months. 3. Established management procedures and systems according to international ISO 27001 information security system. 4. Depending on its cyber security responsibility levels requirements, implemented internal information security audits, drills and evaluations, information security inspections, penetration testing, defense-in-depth mechanisms, and education & training.
Compliance Risks	Based on the understanding and measurement of laws and regulations issued by the competent authorities, we effectively update the company's internal rules and regulations to reduce any possible impact.	1. The company's relevant policy statements state that it abides by laws, establishes a legal compliance culture, and has Law Compliance Management Regulation to facilitate all business activities to comply with relevant laws and regulations and reduce legal risks. 2. Each business unit regularly reviews applicable laws, formulates relevant regulations in accordance with the laws of the competent authorities, and self-assesses legal compliance risks and implementation in the internal control system. 3. Convene legal compliance representative meetings every quarter to continuously improve and track legal compliance status.
Goodfaith Risks	Evaluate that company personnel, in the course of executing business, directly or indirectly provide, accept, promise or request any improper benefits in order to obtain or maintain benefits, or engage in other violations of integrity, illegality or breach of fiduciary obligations, which may have a negative impact on the company's reputation, finance and shareholder's trust, etc.	1. There is the Ethical Management Team, which is responsible for reviewing and improving the Company's integrity management policies and promotion measures. 2. There are regulations such as a code of ethical conduct, Ethical Corporate Management Best Practice Principles, Code of Conduct, work rules, Reward and Discipline Regulation, etc. to prevent and control behavior that do not comply with the principle of integrity and violate internal regulations. 3. Formulate Supply chain management policy, Procument Regulation and other regulations, as well as principles for handling abnormal behavior of manufacturers to strengthen sustainable supply chain management, and indicate anti-corruption policies and procedures, to comply with fair, just and open bidding practices. 4. Formulate Supply chain management policy, Procument Regulation and other regulations, as well as principles for handling abnormal behavior of manufacturers to strengthen sustainable supply chain management, and indicate anti-corruption policies and procedures, to comply with fair, just and open bidding practices.

Legal Compliance

THSRC has established a compliance policy, specific implementation objectives, and a management mechanism in accordance with relevant regulations and guidelines drafted by competent authorities. The implementation results of the legal compliance system have been integrated into its internal control system, which requires employees to self-examine their compliance status and each team to assess the risk of legal compliance. This approach aims to cultivate an awareness and culture of compliance among employees. In 2024, the average risk level of compliance with laws and regulations assessed by each team for its own business was medium, and implementation effectiveness of risk control at each team was highly effective. THSRC attaches high importance to legal compliance. If the company and internal personnel are punished in accordance with the law, and the result of the punishment may have a significant impact on shareholders' rights or securities prices, it will be considered as a major violation. There were no major violations on THSRC in 2024.

THSRC reviews applicable laws and regulations on a quarterly basis, with a total of four meetings held in 2024. The meetings will be reported to the Board of Directors regarding the annual result. These efforts are aimed at continuously improving and tracking compliance in a rolling manner, with the ultimate goal of fostering a culture of law compliance within THSRC. The compliance status of THSRC in 2024 is described as follows:

1. THSRC regularly tracks changes in applicable laws every month, with a total of 101 legal changes in 2024, of which six amendments, including the "Sexual Harassment Prevention Act," "Gender Equality in Employment Act Enforcement Rules," "Regulations Governing Procedure for Board of Directors Meetings of Public Companies," "Regulation for railway inspect and repair railway locomotives and vehicle," "Regulations Governing Establishment of Internal Control Systems by Public Companies" and "Securities and Exchange Act," have an impact on the Company's business. Except for the "Articles of Incorporation" to be revised in accordance with the amendment to the "Securities and Exchange Act" and to be submitted to the shareholders' meeting in May 2025, the other five have completed the adjustment of internal regulations, and the remaining 95 changes in laws and regulations have no impact on the Company's operations.

2. THSRC conducts monthly tracking and control of the draft amendments to the laws and regulations applicable to the company, with a total of 69 draft amendments to laws and regulations in 2024. Among them, for the three new draft laws, namely "Regulation for railway inspect and repair railway locomotives and vehicle," "Regulations Governing Establishment of Internal Control Systems by Public Companies," and "Implementation Measures for the Supervision of Local Private and Special Railways," our company submitted its amendment opinions during the notice period. The remaining draft amendments to the laws have no impact on the Company's operations.

In 2024, there were five penalty cases related to THSRC, compared to one case in the previous year. This year, we have promptly implemented improvements in response to the instructions of the competent authorities to ensure compliance with all applicable laws and regulations. Furthermore, in 2024, THSRC had no violations related to product and service regulations, marketing, or labeling that resulted in fines or other adverse penalties. In response to the penalty incidents, the company has optimized its internal processes, informed all employees about the relevant laws and regulations, and strengthened training efforts to prevent similar incidents from occurring in the future. The details of the incidents are as follows:

	Incidents and Amounts of Penalties	Improvement
Governance	Because the train conductor did not perform the required pre-duty breathalyzer test, the dispatcher took the test in their place, which violated the "Railway Act" and the "Railway Rules." As a result, the Railway Bureau imposed a fine of NT$600,000 in accordance with the "Railway Act."	The company has strengthened internal communication and training. The drivers and conductors must complete identity verification through ID card scanning before undergoing alcohol testing. Further, the supervisory responsibilities of dispatchers would be reinforced. In addition to the existing random inspections conducted by the Train Operation Department, it is now required that these inspection activities should be documented in the work log. The frequency of unannounced inspections would also be increased to ensure proper implementation by train conductors and drivers.
Social	The company has failed to report the domestic income for a foreign consultant. When we later submitted a supplementary report, it was discovered that the reporting deadline had already passed. As a result, THSRC was fined NT$1,442 by National Taxation Bureau of Taipei for violating the "Income Tax Act " and the "Standards for the Exemption of Penalties for Misconduct in Taxation Affairs" .	Set up a reminder for the reporting deadline and update the relevant work manuals simultaneously to prevent similar incidents from occurring in the future.
	Due to human error, the main power line was interrupted during the "three-year inspection of the substation GIS. " As a result, Labor Inspection Department of Taichung City Government imposed a fine of NT$100,000 for violations of the "Regulations for Occupational Safety and Health Equipment and Measures" and the "Occupational Safety and Health Act ."	Work instructions and manuals of maintenance tasks have been updated and clearly defined the conditions and timeframes for performing maintenance on all power switches. Safety pads had been added, and the keys were kept by the team leader to prevent similar incidents from occurring in the future.
	The drainage system cleaning contractor hired by our company conducted night maintenance work. While the team leader was still in the process of applying for the electricity work permit, one of the team members, without authorization, put on protective gear and attempted to assist with grounding the equipment. During the extension of the grounding rod, he accidentally entered the electric shock zone and was electrocuted. As a result, the Occupational Safety and Health Administration, Ministry of Labor imposed a fine of NT$100,000 in accordance with the "Occupational Safety and Health Act."	We have strengthened the promotion of "toolbox meetings" for contractors performing on-site operations and implemented risk mitigation measures, such as obtaining electricity work permits and route blocking prior to the commencement of work. Contractors are only permitted to enter the site and begin to work after confirming and completing those measures. been Additionally, the person in charge of the work must either personally complete or directly supervise the assigned personnel in carrying out the grounding procedures to prevent similar incidents from occurring in the future.
Environmental	Rail North Road in Zhongli District, Taoyuan City has been found to exceed acceptable noise levels. Following a noise inspection conducted by the Taoyuan City Government, it was determined that the area does not comply with the "Land Transportation System Noise Control Standards." Our company has been instructed to implement corrective measures within a specified period.	A 150-meter-long soundproof wall, ranging in height from 1.5 to 2.5 meters, will be constructed on the east side of the road as part of the noise mitigation efforts. The project was approved by the Taoyuan City Government on October 17, 2024, and is scheduled to be completed by the end of September 2027.

Ethical Management and Anti-Corruption

THSRC has established an "Ethical Management Team" responsible for reviewing and enhancing the company's ethical corporate management policies and promotional measures. The team also regularly monitors the implementation of anti-corruption practices and the effectiveness of reporting mechanisms. Through the establishment of relevant internal codes of conduct, such as "Ethical Corporate Management Best Practice Principles," "Code of Ethical Conduct," and "Employee Code of Conduct" as well as solid education and training to enhance the anti-corruption awareness of all employees, and actively prevent dishonest behaviors that do not comply to the code of conducts. Please refer to page 115 of the Annual Report for more details. In addition, the Company's directors and senior management have signed the "Ethical Management Policy Statement." The Board of Directors did not conduct anti-corruption education and training in 2024, but written materials will be provided to the Board of Directors if the competent authority releases relevant anti-corruption information or new legal knowledge. The number of participants and hours of education and training related to ethical management and anti-corruption organized for new and existing employees are listed below:

The total number of new employees who participated in the anti-corruption policy promotion sessions was **432**, accounting for **8.9%** of all employees.

A total of **4,874** people participated in the digital training courses on integrity management and prevention of insider trading, accounting for **100%** of all employees, with a total of **2,437** hours.

THSRC has set up "Grievance Regulations" and the "Regulation of Whistle-Blowing System for Unlawful, Unethical Conduct and Dishonesty Behavior," which are handled by the dedicated unit and the Internal Audit Office respectively. Through these mechanisms, a comprehensive complaint channel has been established to promote the Company's culture of ethical management. In 2024, there were no material violations of regulations resulting in penalties imposed by competent authorities due to corruption, and no relevant complaints were received. In the future, we will continue to uphold the highest standards of integrity management.

In view of the fact that suppliers are THSRC's important partners, THSRC introduces the "Supply Chain Management Policy," "Principles of Handling Unusual Conduct Among Manufacturers," "Procurement Regulations" and related specifications with reference to international industrial standards to strengthen sustainable supply chain management, and indicates anti-corruption policies and procedures in the tender instructions to achieve bidding behavior complies with the principles of fairness, justice and openness. Suppliers may require to explain if there is any violation case found and particularly serious thereof may be listed as a prohibited supplier. In 2024, THSRC announced the Supplier Code of Conduct which has incorporated ethics (including business Integrity, fair trade, avoid conflicts of interest and intellectual property and etc.) into the code. There are 1,176 public procurement cases related to anti-corruption policies this year and there are no cases of suppliers' violation of ethical management.

Operational Performance

Financial Performance

Items	Unit	2022	2023	2024
Sales Volume (Rail Transport)	Thousands of passenger-km	9,338,061	12,564,569	13,351,195
Sales Amount				
Railroad Transportation	NT$ thousands	35,640,556	48,074,881	51,248,824
Goods	NT$ thousands	121,227	206,632	250,822
Rental & Others	NT$ thousands	1,371,450	1,530,510	1,686,018
Operating Ratios				
Railroad Transportation	%	95.98	96.51	96.36
Goods	%	0.33	0.42	0.47
Rental & Others	%	3.69	3.07	3.17
EBITDA and EBTDA				
EBITDA	NT$ thousands	23,555,938	34,203,795	35,972,964
EBTDA	NT$ thousands	17,529,119	27,808,203	29,794,046
Turnover and Profitability				
Operating Revenue	NT$ thousands	37,133,233	49,812,023	53,185,664
Gross Profit	NT$ thousands	11,243,130	22,193,206	23,356,955
Income from Operations	NT$ thousands	9,920,408	20,532,021	21,495,626
Income Before Income Tax	NT$ thousands	4,265,625	9,737,821	8,041,121
Net Income	NT$ thousands	3,769,337	7,824,283	6,451,428
Assets, Liabilities and Equity				
Total Assets	NT$ thousands	400,540,132	402,704,229	383,871,312
Total Liabilities	NT$ thousands	333,250,065	331,367,929	311,796,324
Total Equity	NT$ thousands	67,290,067	71,336,300	72,074,988

Notes：1. EBITDA：Earnings Before Interest, Taxes, Depreciation and Amortization.
2. EBTDA：Earnings Before Taxes, Depreciation and Amortization.

Economic Value Distribution

Unit：NT$ thousand

Items	Description		2022	2023	2024
Operating Costs	Cash outlays that occur outside the organization for the purchase of raw materials, product parts, site facilities,and services	Operating Costs (total)	25,890,103	27,618,817	29,828,709
		Operating Expenses (total)	1,322,722	1,661,185	1,861,329
Employee Salaries and Benefits	Including total salary,as well as the amount paid to the government on behalf of employees, periodic contributions, and other employee subsidies	-	5,197,016	6,101,294	6,628,358
Dividend Distribution	Dividends paid to all shareholders (Note 1)	-	3,770,956	5,740,859	5,909,708
Interest Payment	Interests paid to lenders	-	6,231,824	6,815,554	6,633,022
Payments to the Government	All taxes and penalties paid by the organization at international, domestic, and regional levels	Taxes (Note 2)	1,140,324	1,772,314	6,718,336
		Profit Sharing Payments (Note 3)	8,049,281	426,563	973,782
		Rental Expenses (Note 3)	836,847	836,800	868,924
		Stabilization Reserve (Note 3)	885,959	-	4,371,705
Community Investment	Voluntary donations and investments whose target beneficiaries are non-organizational external units	-	8,141	6,168	18,456

Note：1. The distribution of earnings for each year shall be subject to the resolution of the annual shareholders' meeting held in the following year.
2. The payment of government taxes includes business tax, income tax and other taxes.
3. It is the amount paid by THSRC in accordance with the "Taiwan North-South High Speed Rail Construction and Operation Agreement" signed with the Ministry of Transportation and Communications（MOTC）.

Government Subsidies

Unit：NT$ thousand

Type	Purpose / Description	2022	2023	2024
Tax Deduction and Credit (Tax Amount)	Investment tax credits for construction of operating equipment or technology expenditures in Article 29 of the"Statute for Encouragement of Private Participation in Transportation Infrastructure Projects" (Note 1)	290,063	-	-
	Investment tax credits applicable to capital expenditures invested in personnel training specified in Article 29 of the "Statute for Encouragement of Private Participation in Transportation Infrastructure Projects"	-	-	17,438
	Investment tax credits applicable to capital expenditures invested in R&D specified in Article 29 of the "Statute for Encouragement of Private Participation in Transportation Infrastructure Projects"	-	-	33,875
	Investment tax credits applicable to investment in smart machinery specified in Article 10-1 of the "Statute for Industrial Innovation" (Note 2)	-	-	80,381
	Tax credit applicable to undistributed earnings as in the substantive investment specified in Article 23-3 of the "Statute for Industrial Innovation" (Note 2)	42,593	-	-
Investment Subsidies, Research and Development Subsidies, and Other Related Subsidies	COVID-19 relief of bill payment assistance (Note 3)	4,611	-	-
	Ministry of Economic Affairs Rail Transportation Enterprise Energy-Saving Equipment Subsidy	-	49,425	18,000

Note：1. Pursuant to Article 29 of the "Statute for Encouragement of Private Participation in Transportation Infrastructure Projects" and the amended relevant provisions of the "Regulations Governing Application of Investment Credit to Private Participation in Transportation Infrastructure Projects," the Company applied for the issuance of Investment tax credits certificates for the entire high-speed railway construction and operation equipment purchased by the subsequent construction project. The investment deduction certificates were issued by the Ministry of Transportation and Communications on February 15, 2022.
2. The Company applied the application for the tax incentives in accordance with Article 10-1 and Article 23-3 of the amended "Statute for Industrial Innovation."
3. The company applied to the government and obtained electricity payment reduction and rent concessions and other relief package.

Operational Performance

Index	Unit	2022	2023	2024
Number of Train Services	times	54,054	54,991	57,729
Passenger Volume	thousands	54,162	73,087	78,250
Punctuality Rate (Arrival Within Five Minutes of Scheduled Time, Including Delays Due to Force Majeure)	%	99.47%	99.58%	99.50%
Reliability Rate (Including Delays Due to Force Majeure)	%	99.99%	100.00%	99.92%
Average Delay Time for Arrival at Terminal Station	minutes	0.24	0.19	0.20

2024 Financial Results

In 2024, driven by strong demand for high-speed rail travel among business travelers, tourists, and passengers returning home, THSRC experienced continued growth in passenger volume. In December, the number of passengers exceeded 7 million in a single month for the first time, pushing railway transport revenue to nearly NT$51.25 billion. In addition, THSRC continues to enhance its financial structure and corporate governance, building on a foundation of sustainable operations.

Performance Highlights

- In 2024, THSRC's annual revenue was NT$ **53.19** billion, with a net income after tax of NT$ **6.45** billion. This year, revenues increased by **6.8%** compared to 2023.
- In the current year, the Company continued to take measures to reduce the cost of capital to cope with the trend of rising interest rates, and the annual interest expense was NT$ **6.6** billion.

Action Plan

- In response to the central bank's increase in the benchmark interest rate (discount rate) in March 2024, and to reduce the company's liabilities and interest expenses, THSRC reduced the issuance of unsecured commercial bills signed and issued in 2022 by NT$ **1.575** billion in May 2024. Furthermore, in October 2024, the issuance of unsecured commercial bills signed and issued in 2021 was further reduced by NT$ **10** billion to lower interest expenses.
- Negotiated with the bank syndicate for syndicated loan to modify the terms of the loan contract and lower the syndicated loan credit rate. The lowered interest rate conditions will be applied starting January 2024 to save interest expenses.
- In 2021, THSRC issued a sustainability bond, and the funds raised were used to support the renewal of the station's passenger information system and "Yanchao Main Workshop spray painting factory automation equipment construction project."

(1) The "Station Passenger Information System Renovated" has completed all the projects of the eight stations of the high-speed railway in 2022, providing passengers with more real-time and convenient travel information while in the high-speed railway stations, and improving the safety and convenience of passengers' transportation when riding on the high-speed rail.

(2) "Yanchao Main Workshop spray painting factory automation equipment construction project" is expected to be completed in 2025.

Transportation

Professional Transportation

1. Transportation

Professional Transportation

Subchapter Title	Sustainability Topics	Strategies	2024 Goals and Results	Targets（Short term: 2025; Mid-long term: 2026-2027）
Safety Services and Responsible Transportation	Transportation Security and Management	▪ Verify the implementation of safety management and etc.,through the Safety Committee, which covers various levels and functions to manage issues such as reviewing safety performance. ▪ Perform regular audit to check whether the implementation of the safety management system meets the standards, and assess whether each unit has fulfilled its responsibilities and performs its functions in accordance with the relevant regulations, to ensure that the operation safety not affected by natural/man-made disasters.	▪ Maintain "zero" major train accident in 2024. ▪ Passenger safety performance reached the set permissible target. The target value for fatalities and serious injuries was 0, and the actual value was 0; the target value of the passenger/public minor injuries with the responsibilities attributed to THSRC was 0.054 person per million trips, and the actual value was 0.0256. ▪ No passengers injuries due to natural disasters in 2024. ▪ In 2024, a total of 100%（99 items）of disaster prevention and safety training has been completed at various stations, depots and lines, including 2 large-scale joint drills and training events with external units and 24 operation change passenger transfer and connection drill. ▪ The development of the "THSRC Slope Maintenance and Management Manual" was completed in August 2024, and the second phase of the slope automation monitoring system upgrade was launched in November 2024 to enhance disaster resilience.	Short term ▪ The minor injury rate of passenger attributed to THSRC is expected to decrease by 10% by 2025. ▪ A total of 100 disaster prevention and safety training is expected to complete in 2025, including 2 joint drills and training events with external units, one comprehensive emergency response technology training drill, and 12 station operation change drills. ▪ Promote the upgrade of the automated slope monitoring system. Mid-long term ▪ Maintain "zero" major train accident. ▪ Review safety performance and the implementation of safety management regularly control and monitor hazard risk and maintain operational safety. ▪ Continue to manage hazards and risks, maintain operational safety, and conduct disaster prevention drills, with an annual planned drill（training）completion rate of 100%. ▪ Continuously enhance slope inspection and safety assessment procedures.
Disaster Prevention with Professional Response	Service Quality and Customer Relationship Management	▪ Organize scheduled and unannounced drills for hypothetical scenarios, and evaluate the familiarity of colleagues with various emergencies response procedures and the effectiveness of relevant plans in accordance to the annual drill plan. ▪ Optimize the quality of software and hardware services to help minorities, disadvantaged or people with special needs to use THSRC services conveniently. ▪ Participate in central and local government traffic transfer coordination meetings to confirm that traffic management plans meet the needs of passengers and THSRC stations; and plan taxi scheduling and the increase the number of express bus services in advance to ensure flexible scheduling, and adjust the train maintenance schedule and frequency.	▪ Bus platform improvement at Miaoli Station, Changhua Station, and Yunlin Station, as well as taxi service desk enhancement, were completed in 2024 to provide a more friendly environment. ▪ A total of 90,285 passengers received the guidance services in 2024. ▪ In 2024, the number of express bus departures totaled 229,158, carried 2,644,730 passengers. ▪ The number of scheduled taxi trips exceeded 3.77 million in 2024.	Short term ▪ Improvement on the awning project at the taxi pick-up area at Tainan Station. ▪ New equipment of ticket gates will be added at Taichung Station. Mid-long term ▪ New passenger elevators for Hsinchu, Chiayi and Tainan stations. ▪ New platform doors for the entire line. ▪ Improvement on the station's nursing room, passenger service counter, waiting chairs, and restrooms will be established.

Safety Services and Responsible Transportation

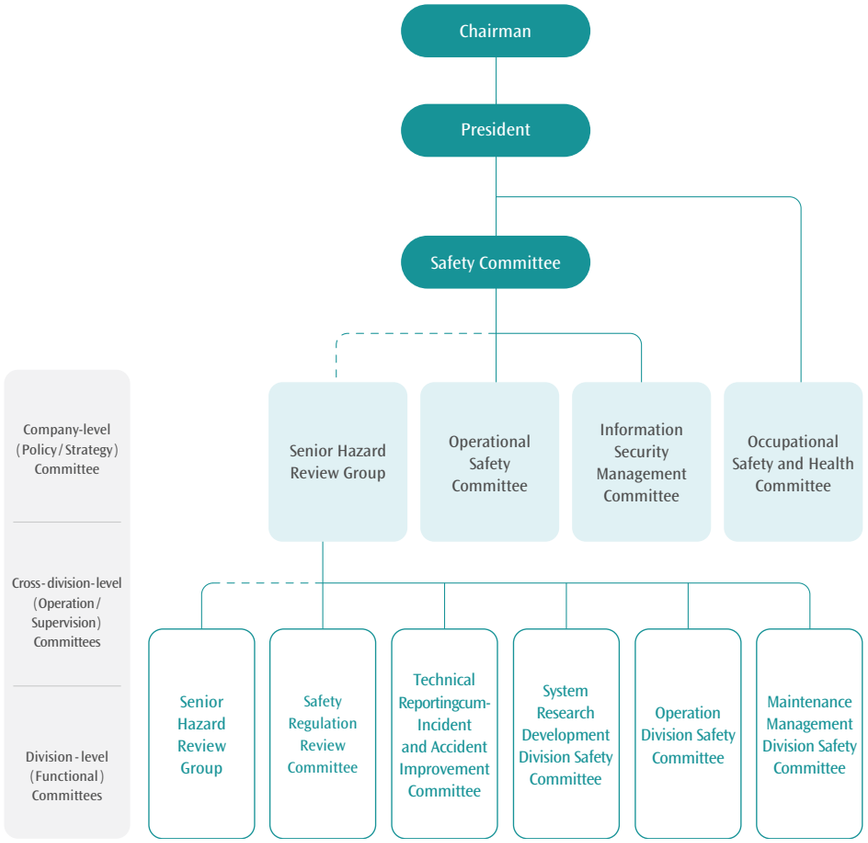
Safety is the operating principle and core value of THSRC, and is also the responsibility and commitment to every passenger. We monitor operational safety through a sound management structure and continue to consolidate the culture of safety first. During the 17 years of operation, we have always maintained zero operation accident. In 2024, the THSRC has an average daily ridership of nearly 214,000 passengers, approximately 14,000 more passengers than last year, an average delay time of only about 0.20 minutes and a train punctuality rate has reached 99.50%. This is a clear denmosntration that THSRC provides high-speed rail travel services that can be trusted by the public.

Safety Management & Culture

Dedicated Safety Management Framework

In order to ensure the safety of THSRC's operating environment, the Company has set up safety committees at 3 different levels to formulate prudent safety policies and implementation plans by the company-level safety committee, and regularly report significant issues related to operational safety to the Board of Directors. The cross-division-level Operational Safety Committee, functional committees, and division-level committees, executes strategies to ensure that each employee understands and abides by the Company's safety regulations. In addition, the employee work instructions stipulate that employees shall be assigned the management or execution responsibilities as per their job rankings to thoroughly implement safety management measures and shape a safety-oriented operating culture.

Organizational Chart of Safety Committee



Descriptions of Safety Committees at All Levels

Name of the Safety Committees	Main Duties	Frequency of Meetings	2024 Discussion Topics
Company-Level Committee	▪ Serve as the highest safety committee, and review major internal and external security issues on behalf of the Company, formulate safety-related policies and implement strategies to control corporate risks. ▪ Report all matters related to safety management to the Board of Directors.	Meetings are held semiannually	▪ Operational Safety Management Report (Semi-Annual Report) ▪ Results of Material Work Items on Operational Safety ▪ Material issues of internal and external operational safety (legal requirements, cases of external material traffic accidents) ▪ Safety Performance Allowance in 2025
Cross-Division Level Committees	▪ Responsible for managing and supervising the effectiveness of the implementation of the safety management system and reporting the operational status to the Safety Committee.	Meetings are held at least once per quarter	▪ Operational Safety Management and Functional Committee Report (Quarterly Report) ▪ Material issues of internal and external operational safety (legal requirements, cases of external material traffic accidents) and work item progress tracking ▪ Proposed Security Performance Allowances in 2025
Division-Level Committees	▪ Responsible for the daily operation of the indoor safety management system of each department or division ▪ Develop and review safety management strategies and review the performance of safety implementation ▪ Responsible for establishing Division-level Safety management strategies and confirming the relevant safety implementation performance within the division ▪ Provide a platform for supervisors and colleagues to discuss safety issues and review relevant safety performance	Meetings are held once a month	▪ Hazard review ▪ Safety Regulations Review ▪ Operational Safety Technical Issues ▪ Analysis and Improvement Suggestions for Operational Incidents ▪ Safety issues related to morphological control ▪ Cooperate with the division-level on-site operation safety management to propose guidelines or strategies, review and coordinate the safety and health-related business of the subordinate units, review the non-conformance reports, and authorize appropriate improvement measures

Note：1. The Company-level Safety Committee convenes a meeting every six months. The Occupational Safety and Health Committee, as well as the Operational Safety Committee and the Information Safety Management Committee at cross-division-level convene a meeting every quarter. The Operation Division Committee, the Maintenance Management Division Safety Committee, the System R&D Safety Committee, and the Hazard Review Group (HRG) at division-level convene a meeting every month. The "Operational Safety Committee" and the "Technical Reporting-cum-Incident and Accident Improvement Committee" decide whether to convene meetings depending on the occurrence of the incident, with no fixed frequency of such meetings.

2. The Occupational Safety and Health Committee is parallel to other safety committees and is tightly connected to employee safety. For more details, please refer to the sub-chapter titled "Protection of Equity and Considerate Care."

Operational Safety Management Mechanism

THSRC has implemented an operational safety management mechanism in order to mitigate and control safety hazards. It effectively applies internationally recognized risk assessment and safety management methods, ensuring that every operational process is executed according to the procedures. Quarterly, THSRC conducts comprehensive reviews on significant railway operational safety issues from the perspectives of legal regulations, systematic transportation, extreme disasters, safety management, and security affairs, both domestically and internationally. These findings are then presented to the Operations Safety Committee for review.

The THSRC has established a safety management system (SMS) for many years, formulating the "Operation Safety Plan" as the highest level of safety management guidelines. The plan encompasses 12 safety management elements, and through the P-D-C-A (Plan-Do-Check-Act) process and principle, continue to control, supervise, improve the safety performance of the railway transportation system. This approach effectively achieves the goal of prioritizing safety. In response to the amendments to the Railway Train-Control Rules in 2022, which require railway organizations to implement safety management systems, THSRC also cooperates with the regulator to promote safety management mechanisms. The company has drawn on the experiences of international transportation and standardization organizations (such as the European Union Agency for Railways, the International Civil Aviation Organization, and the International Organization for Standardization) and references the results of previous safety management system reviews conducted by THSR (including incident/accident investigations, operational safety audits, and major internal and external issues). Based on these inputs, significant modifications have been made to the Operational Safety Plan, taking effect on January 1st, 2023.

Safety Culture Promotion and Communication

In order to strengthen the safety awareness and culture of THSRC colleagues and partners on the protection of THSRC as a key infrastructure, we held 3 "Railway Industry Security Work Symposiums" in 2024, including "Identification of Hazardous Materials," "Security Response Training" and "Critical Infrastructure Seminars" to promote cross-funcational communication among colleagues in various units and jointly shape safety awareness. A total of 104 trainees participated, including front-line maintenance executives and supervisors. We look forward to effectively improving THSRC overall protection preparedness and emergency response capabilities through expert sharing and cross-unit discussions, and continuously improving the quality of security in the face of various types of threats and challenges.

2024 Security Incident Handling and Response Practical Training Course

Following the 0403 Hualien earthquake, THSRC arranged a media visit to the Operation Control Center to explain its emergency response procedures.

The THSRC places great emphasis on operational safety and actively promotes a wide range of safety measures while maintaining ongoing communication with external stakeholders. In 2024, the company hosted two major media events, including the groundbreaking ceremony for the "Second Vehicle Maintenance Plant," where the companyshowcased the expansion of maintenance capabilities to ensure operational safety. Following the April 3 Hualien earthquake, THSRC demonstrated the professionalism and responsiveness of its Operation Control Center by fully restoring services across the entire line within five hours. Through these media engagements, THSRC aims to communicate its high-standard operational safety mechanisms to the public and to reinforce its corporate philosophy of "Safety First" in the minds of passengers.

Station and Route Safety and Risk Management

Maintaining the smooth operation of tracks is the core of safety management of THSRC. THSRC's track maintenance personnel perform routine inspections after daily train operations. In addition to routine track inspections, daily maintenance and examination of THSR facilities includes stations, trains, mechanical and electrical facilities, civil structures, and route safety, which covers the safety inspection of various facilities. At the same time, various professional technologies are used to maintain transportation safety, such as Train Vibration Automatic Measurement, Ultrasonic rail inspection, Rail and turnout grinding and other daily maintenance operations. The actual safety inspection performance in 2024 includes a total of 1,800 turnout inspections, and routine track inspections and track irregularity inspections of 8,421 kilometers.

Train Inspection and Maintenance Performance in 2024

Type	Cycle	Number of Trainsets Maintained
Daily inspection	Every 2 days	5,173 trainsets
Monthly inspection	Every 30 days or 30,000 km	718 trainsets
Bogie Inspection	Every 18 months or 600,000 km	33 trainsets
General Inspection	Every 36 months or 1.2 million km	17 trainsets

Other Railway Maintenance Management Plans

Plans

- Enhance Safety Awareness and Action

  Adopt management systems, labor safety and hazard management mechanisms, employee safety training, and interna/external professional training to enhance safety awareness and professionalism.

- Equipment Replacement and Improve Industrial Communication

  Purchase track advanced maintenance/testing equipment, engage in domestic development of rail equipment/spare parts, conduct technical exchanges and improvements in the track industry, and provide track's professional training.

- Develop and Adopt Professional Technology

  Adopt track alignment measurement, optical track measurement, visual track inspection, train waving automatic measurement system, ultrasonic rail testing, rail and turnout grinding, and rail lubrication technique.

THSRC has established a Hazard Review Group to implement risk management and control. The group is comprised of professionals from various fields within the company. It holds a monthly regular meeting to review hazard information and identify hazard risks while confirming whether appropriate procedures and technologies are implemented so as to put forth countermeasures to mitigate such risks. As for the end of 2024, all hazard risk levels identified at the HRG meetings were within the acceptable risk tolerance range. THSRC's regular or irregular inspections will continue to be carried out by local engineers and security personnel, and the "hazard control record sheet" will be updated monthly to reduce the risk of such hazards. In 2024, there was one railway safety incident involving a leakage and ignition of lubricating oil due to a fractured hydraulic pipe on engineering vehicle MFV2001. The primary cause of the fire was the rupture of a test hydraulic gauge installed on the vehicle's gearbox - a component not originally designed to be part of the system. The leaking oil of the gearbox spread to the high-temperature components of the turbocharger cylinder, ultimately igniting. No injuries were at the scene, and the operation of trains was not affected. In response, THSRC reviewed fire hazard identification and mitigation measures for relevant engineering vehicles. Testing procedures were proposed for temporary equipment installations or hardware/software modifications made to meet external testing requirements. These procedures include change documentation, examination methods, corresponding safety measures during the test period by both users and maintenance units, equipment removal after testing, and follow-up actions. These measures aim to reduce risks associated with control project modifications and prevent similar incidents in the future.

2024 Maintenance - night-time track maintenance

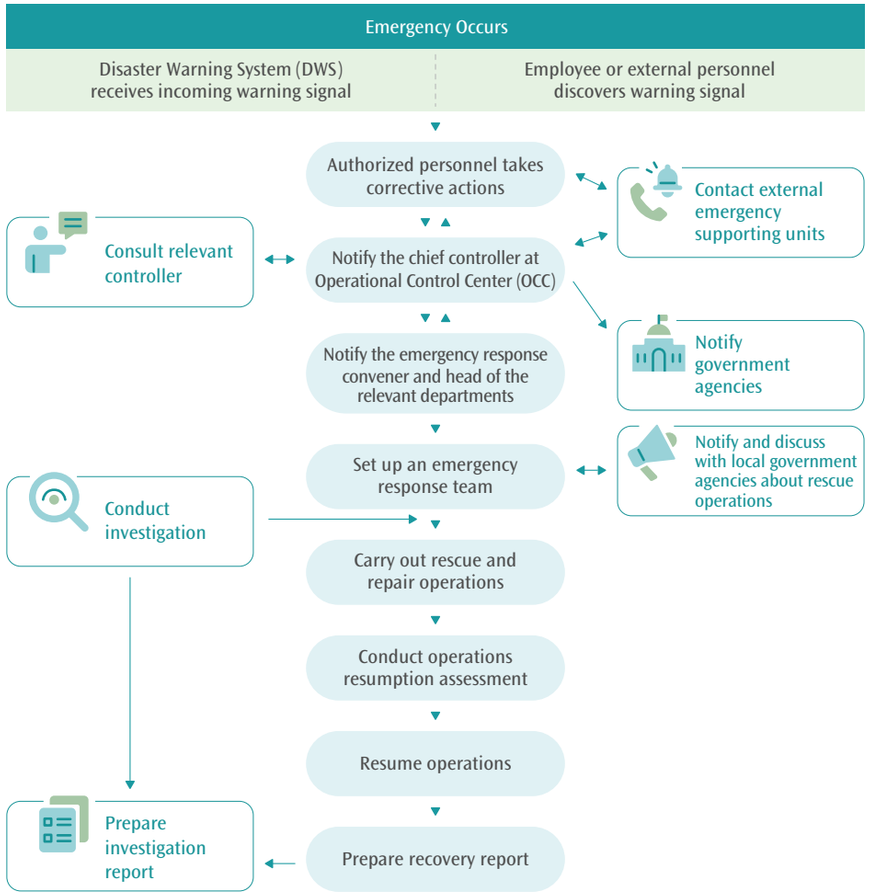
2024 Maintenance - track alignment inspection, track optical inspection

Disaster Prevention with Professional Response

Train Safety and Disaster Prevention and Response

Factors affecting the safety of THSR trains can be divided into three categories, including：natural factors（such as earthquakes, typhoons, heavy rain, landslide, rock fall, etc.）, human factors（such as destruction of equipment, arson, explosives, violent attacks, hijacking, etc.）, and equipment abnormality（such as signal system failure, turnout failure, train bogie failure, low hanging tram lines, etc.）. In accordance with the overall prevention and contingency plan for the three categories of disasters, the Company puts the safety of passengers and personnel first, formulates emergency procedures to respond to actual disasters, and takes various measures to improve and resume operations through cooperation between internal and external units.

Emergency Response Flow Chart for Various Disasters



Natural Factors - Natural Disaster Prevention and Response Mechanisms

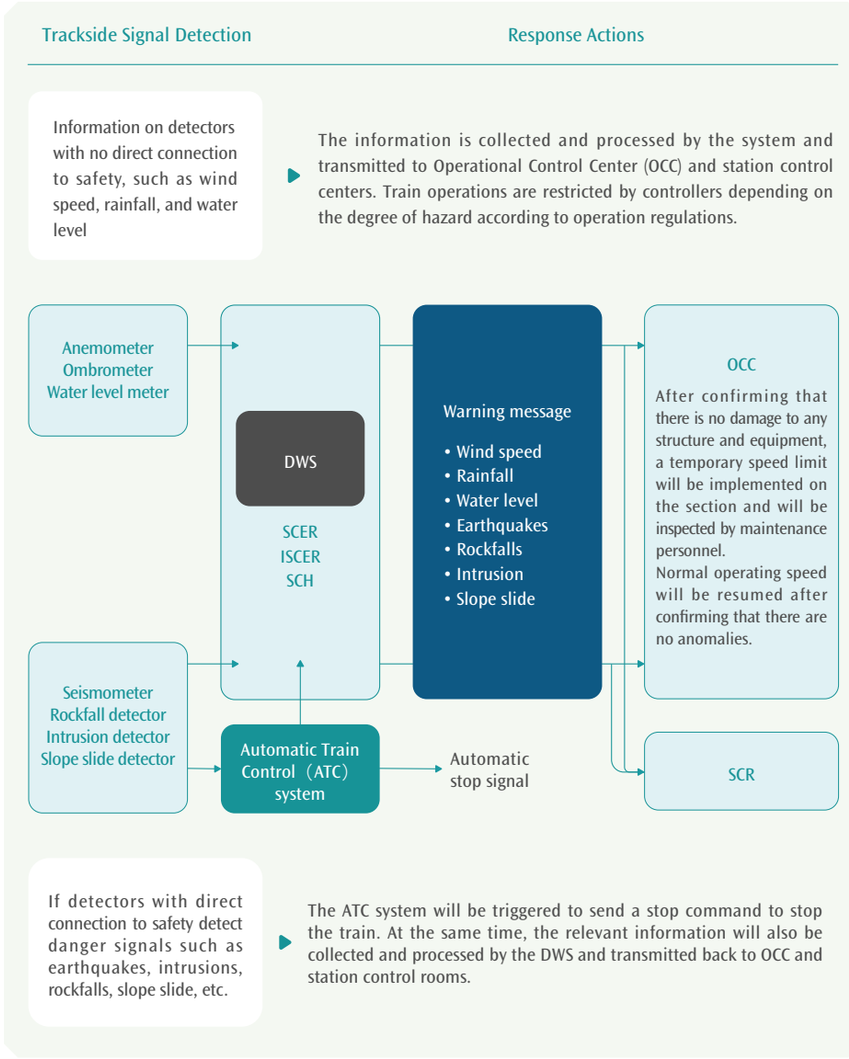
THSRC has adopted relevant laws and regulations on disaster prevention and fire safety as the basis for the formulation of internal management mechanism, and each station or depot implements various disaster prevention tasks as per the management mechanism. The standard operating procedures for disaster response are also independently inspected for safety by international experts in the final inspection phase to ensure that the procedures can cope with various potential disasters that affect transportation safety. All operating procedures are regularly inspected and revised in accordance with regulations, and all inspection operations are completed according to the frequency of inspection during the epidemic period in compliance with epidemic prevention regulations to ensure the reliability of equipment. The relevant disaster or emergency response operation rules and procedures of each unit shall be reviewed at least once every three years, and the effectiveness shall be periodically reviewed through legal compliance operations every quarter; the relevant emergency response procedures shall be continuously improved at each emergency response operation review.

Natural Disaster Prevention Measures

Type of Prevention	Position of Prevention	Content of Prevention Measures
Passive Prevention	Station facilities and operating trains	▪ Construct station facilities and operating trains using fire-retardant, fire-resistant, low-smoke, and non-toxic materials according to fire prevention and environmental protection regulations, as well as regulations of the US National Fire Protection Association
Predicted or Knowable Disaster Prevention	THSRC operation sites and operating trains	▪ Initiate typhoon/rain prevention preparations in advance through interpretation of typhoon/heavy rain warnings and weather information ▪ Formulate the "Overall Disaster Prevention and Response Plan for Taiwan High Speed Rail Traffic Accidents" with the Ministry of Transportation and Communications (MOTC), and establish supporting and assistance mechanisms with central and local rescue units
Detection and Prevention along Operating Routes	Operating trains	▪ Install natural disaster warning detectors along the THSRC line, which are directly connected to the automatic train control system and can automatically stop trains immediately if there are earthquakes, landslide, and rock falls that directly affect train safety
Earthquake Prevention for Civil Structural Facilities	Elevated bridges, tunnels, and flat sections	▪ The seismic strength of civil structures is designed with a 950-year return period to ensure operational safety

THSRC's trains are equipped with Disaster Warning System (DWS), if earthquakes, rockfalls, landslide, road vehicle intrusion and other safety-related danger signals are detected, the automatic train control system will be triggered to send a stop command to stop the train. Intrusion Sensor include 3 types of sensors, including rockfall, landslide and road vehicle intrusion, which are installed on road sections with higher risk according to the characteristics, such as a total of 28 road vehicle intrusion detectors were set up above the tunnel portal or on the viaduct with high risk of vehicle intrusion. In 2024, THSRC completed the three-year repair project of the disaster warning system to ensure the stability and reliability of the system, and there were no train delay caused by abnormal intrusion detector. In the Hualien earthquake that occurred in April 2024, the DWS immediately suspended the operation and activated the emergency response measures after detecting the earthquake warning, and coordinated with the each unit through the operation control center to complete the emergency response and safety inspection within 5 hours and resume according to the schedule.

DWS Framework



Note：1. SCER: Signaling and Communication Equipment Room
2. ISCER: Intermediate Signaling and Communication Equipment Room
3. SCR: Station Control Room
4. SCH: Signaling and Communication Hut

Relevant information on the actual natural disaster events affecting the THSRC operation in 2024 is as follows：

Natural Disaster Events Affecting Operations

Event	2024	Response Methods
Chiayi Earthquake	February 29th	In response to the magnitude of the earthquake and the scope of impact（between Taichung, Changhua, and Yunlin Stations）, a Level 3 emergency response center was established to confirm the fixed and civil facilities and structures. After the track inspection confirmed that there were no abnormalities, normal operations were resumed.
Hualien Earthquake	April 3rd	In response to the magnitude of the earthquake and the scope of impact（between Nangang and TainanSection）, a Level 2 emergency response center was established to confirm the fixed and civil facilities and structures. After the track inspection confirmed that there were no abnormalities, normal operations were resumed.
Chiayi Earthquake	June 30th	In response to the magnitude of the earthquake and the scope of impact（between Chiayi Station and the middle signal station）, a Level 4 emergency response center was established to confirm the fixed and civil facilities and structures. After the track inspection confirmed that there were no abnormalities, normal operations were resumed.
Typhoon Gaemi	July 23th	In response to the scale and impact range of the typhoon, a Level 1 emergency response center was set up and the operations were suspended from 0:00 to 14:00 on July 25. Safety inspections were subsequently carried out and normal operations were resumed after track inspections confirmed that there were no abnormalities. The typhoon had no impact on the operating facilities .
Typhoon Krathon	September 29th	In response to the scale and impact range of the typhoon, a Level 1 emergency response center was set up and the operations were suspended south of Taichung from 0:00 to 18:00 on October 3. Safety inspections were subsequently carried out and normal operations were resumed after track inspections confirmed that there were no abnormalities. The typhoon had no impact on the operating facilities.
Chiayi Earthquake	October 27th	In response to the magnitude of the earthquake and the scope of impact（between Chiayi Station and the middle signal station）, a Level 4 emergency response center was established to confirm the fixed and civil facilities and structures. After the track inspection confirmed that there were no abnormalities, normal operations were resumed.
Typhoon Kong-rey	October 29th	In response to the scale and impact range of the typhoon, a Level 1 emergency response center was set up and the operating mode was adjusted from 6:00 to 24:00 on October 31. Safety inspections were subsequently carried out and normal operations were resumed after track inspections confirmed that there were no abnormalities. The typhoon had no impact on the operating facilities .
Typhoon Usagi	November 14th	A Level 3 emergency response center was set up in response to the size and impact of the typhoon. The typhoon had no impact on the operating facilities.
Tainan Earthquake	November 22th	In response to the magnitude of the earthquake and the scope of impact（between Chiayi Station to the middle signal station）, a Level 4 emergency response center was established to confirm the fixed and civil facilities and structures. After the track inspection confirmed that there were no abnormalities, normal operations were resumed.

HSR Slope Safety Maintenance

Taskfoce of HSR Slope Safety Assessment continuously examiness slope safety through the implementation of the "HSR Slope Safety Assessment Plan" and carries out improvement measures based on inspection report. In August 2024, the Company completed the development of the "THSRC Slope Maintenance and Management Manual," refining the procedures for slope inspections and safety assessments. In November 2024, the Company launched the second-phase upgrade of the slope automation monitoring system to enhance disaster prevention and resilience. At the same time, it continued implementing c improvement plans, including the permanent repair of TK126, improvements on three slopes at TK93, and reinforcement of nine slopes - TK96, TK125 - 127, TK28, TK101, and TK107 - to enhance overall slope stability.

Human Factors - Man-made Disaster Prevention and Response Mechanisms

As for man-made disasters, THSRC not only develops a "Material Man-Made Security Incident or Terrorist Attack Contingency Plan" to facilitate coordination with government agencies and to set up operational mechanisms, but also intensifies safety trainig planning according to different scenarios such as "suspicious bags and explosions," "poisonous chemicals" or "train or station random homicide" ; when actual man-made disasters occur, different execution plans are drafted according to crisis prevention, actual response, clean-up and restoration, etc. The relevant instructions are as follows：

1. 

- Crisis prevention stage：THSRC police are engaged to assist in maintaining station order and safety of train services, and a security company is also contracted to maintain order at stations, right-of-way of equipment, and safety of train services. In addition, dedicated personnel are assigned to monitor the closed-circuit television cameras at various stations, important server rooms along the rail, or tunnel entrances. For detailed information on security management, please refer to the "Partner Relationship Management and Local Supply" chapter of this report.

2. 

- Actual response stage：In the case of man-made safety incidents, THSRC will immediately activate the crisis management and control mode. The key actions include rescue, evacuation guidance, isolation of the scene, access control, and notification of railway police.

3. 

- Clean-up and recovery stage：After the on-site investigation and evidence search are completed and approved by the judicial authority, the on-site clean-up and recovery operations will be carried out. In the early stage of resumption of operations, inspections and patrols will be enhanced, and the scale of the police on duty will be increased as support.

Equipment Abnormality - Abnormal Prevention and Response Mechanism

Regarding the handling of abnormal equipment, THSRC carries out the repair and maintenance of circuit boards/modules of all train cars of the train system, the repair and maintenance of the switch of the signal system and electronic equipment, and turnout equipment reliability improvement project through the electronic maintenance center, while auditing and inspecting the maintenance records to strictly control the safety of the transportation equipment. In order to maintain the reliability of important system equipment, a mid- to long-term maintenance plan has been established to extend the life of the equipment, as listed below：

- Complete the renovation project for the Disaster Warning System（DWS）slope detector
- Initiate signal automatic train control（ATC）, electronic Interlocking System（EI）unit mid-term maintenance
- Establish an intelligent real-time analysis and fault prediction system for dissolved gas
- Install a CCTV system to record the front-facing view of the train

Disaster Prevention and Safety Training

In addition to planning overall preventative and contingency measures based on three types of hazard factors such as natural factors, human factors and equipment abnormalities, the THSRC has also conduct regular and unscheduled drills for various hypothetical scenarios, so that employees at all levels are familiar with the emergency response procedures for various kinds of emergencies. In 2024, to part with the haze of the epidemic, we expanded safety training and disaster prevention and rescue exercises to improve the emergency response capabilities of various units. We continue to refer to the experience of various railway incidents at home and abroad and the "Taiwan High Speed Rail Overall Disaster Prevention and Response Plan" approved by the Disaster Management Council of the Executive Yuan, the laws and regulations, the requirements of government units and the review of abnormal incidents of high-speed railway companies, to formulate an annual disaster prevention and rescue exercise training plan, and plan and promote various disaster prevention training and rescue exercises with foreign aid units in various places to familiarize ourselves with the joint command and response mechanism, and improve on-site rescue and prevention capabilities. In 2024, THSRC conducted a total of 99 disaster prevention and rescue drills (training) at various stations, depots, and routes，which 100% completed as per scheduled.

In order to implement consolation and immediate medical care for injured passengers and their families when major disasters happen, THSRC has established the "Care and Consolation Team" in North, Central, and South part of Taiwan to provide relevant support and company, including care and consolation telephone lines, family contact, medical assistance, legal consultation, and funeral and other consultation on various needs. Team members also regularly participate in the annual disaster prevention and relief drills (training), reviewing and optimizing their mobilization effectiveness through actual drills.

Large-Scale Joint Drills and Training

THSRC conducts various disaster prevention drill exercise annually to simulate the response measures after disasters occur, so as to reduce the impact of accidents and improve the overall disaster prevention and response capabilities. After more than three months of discussion and preparation, the "On-Track Passenger Evacuation Drill Due to Slope Failures at the North Exit of Linkou Tunnel" was conducted on the night of May 30, 2024. The drill simulated extreme weather conditions caused by global warming and several days of heavy rainfall. As a high-speed rail train entered the Linkou Tunnel, it encountered a landslide at the tunnel's north exit. The Disaster Warning System（DWS）rockfall detector was triggered, prompting the train to receive an emergency stop signal and activate the Urgent Brake（UB）system. As the train passed the north exit of the Linkou Tunnel, it was struck by the landslide, resulting in damage to the rear carriage and injuries to some passengers. The landslide also disrupted the overhead power lines outside the tunnel, causing a power outage. The authorized train crew promptly guided passengers to evacuate through the emergency escape exit. External emergency response units and the station disaster response team arrived shortly after to assist with the evacuation. In addition to mobilizing relevant company personnel and security contractors, approximately 200 participants took part in the drill. These included teams from the Taoyuan Fire Department, Police Department, Health Bureau, Railway Police Department, and the Railway Bureau, all working together under a coordinated response effort.

On-Track Passenger Evacuation Drill Due to Slope Failures at the North Exit of Linkou Tunnel

The fire brigade assisted in evacuating injured passengers to hospital

The on-site commander of the Ministry of Transportation and Communications conducts command at the forward command post

Transfer of command

Technical engineering team draws up preliminary repair plan

Safety Training Categories in 2024

Internal Training for Site Commanders and Disaster Relief Engineers

- Held one new training session for THSRC site commanders and disaster relief engineers, a total of **43** personnel participated in the training.
- 1 On-site conducting and online retraining for qualified personnel with on-site command in 2024.

Disaster Prevention and Response Mechanisms Seminar

- Invited outsourcing units* along the high-speed railway and supervision units such as the Disaster Prevention and Relief Office of the Executive Yuan, the Transportation Committee, the Ministry of Transportation and the Railway Bureau to participate in the high-speed railway disaster prevention mechanism training, a total of **80** participants.

Emergency Escape Exit Survey

- To help disaster relief personnel along the line familiarize themselves with the traffic flow and operating environment of emergency exits along the high-speed rail, the THSRC has invited the outsourcing units* along the high-speed rail line and emergency passenger operators, etc., to jointly survey the emergency escape port of the disaster relief traffic lines and the operating environment in April and November, will jointly survey the high-speed rail line **184** emergency escape exits, jointly confirm the large-scale disaster relief vehicles in and out of the flow line, disaster relief vehicles assembly location, etc., and included in the revision of the evacuation map for disaster relief units' reference.

Disaster Prevention and Rescue Drills（Training）

- A total of **99** disaster prevention and rescue drills（training）were completed at various stations, depots and routes. The detailed training records are shown in the table below.

* Note：Outsourcing units include the Chemicals Administration, Ministry of Environment, fire protection, police, health department, environmental protection, and medical response center, as well as environmental incidents specialist teams.

2024 Disaster Prevention and Rescue Drills Training Record

	Drill Training location	Station	Route	Building	Unscheduled Test	Others	Total
Number of drills	2024	79	7	5	7	1	99
	2023	80	7	5	7	1	100
	2022	79	7	5	6	1	98

Safety - first 24/7 Monitoring

The command of the overall operation system of THSRC is controlled by the Taoyuan Operation Control Center（OCC）, including route control, signaling and safety interlock, power control, communication, data transmission or monitoring alarms equipment. Through 24/7 real-time monitoring, THSRC keeps abreast of the status of the operation and night maintenance along the entire HSR line while maintaining close contact with the station control centers, depot control centers, and external emergency supporting units to ensure transportation safety.

THSRC OCC

Smooth Travel in Adherence to Commitment

Traffic Dispersion and Transfer Services

Traffic Dispersion Measures

THSRC adopts rigorous internal procedures to draw up dispersion plans and submit them to the Ministry of Transportation and Communications (MOTC) for review before execution. At present, a total of 34 groups of trains are available to provide service, and the planning of the train schedule takes into account the needs of each time period, the expected occupancy rate, and the available fleet resources, and carries out shift planning to maximize the transport energy of the train and meet the travel needs of the public.

Traffic Dispersion Scheduling Measures

Period of Occurrence		Traffic Dispersion Scheduling Measures
Weekdays	Monday to Thursday	Temporarily increase the number of trains according to the number of passengers on the current day.
Peak Weekend Periods	Friday to Sunday	Move certain maintenance operations to weekdays to increase the number of usable trains during holidays. Temporarily increase the number of trains on the current day according to the number of passengers on the current day during the peak weekend period.
During Long Holidays	e.g., Lunar New Year, Tomb-Sweeping Day, etc.	Control maintenance operations and provide maximum ridership to meet transportation demand In order to disperse large numbers of passengers, temporarily increase the number of trains according to passenger demand on the current day during the traffic dispersion period for long holidays.

Overall HSR transport volume increases in 2024. Therefore, THSRC has increased the total travel services per week from 1,039 to 1,060 travel services since 1st of March, and further increase to 1,103 travel services per week since 1st of July. In terms of expanding service capacity, a total of 57,729 train services were operated throughout the year, an increase of 2,738 services compared to 2023.

Transfer Services

THSRC offers transfer or shuttle services in collaboration with various modes of public transportation at various operating locations, including shuttle bus, Taiwan Railways Administration（TRA） Mass Rapid Transit （MRT）, public bus/express bus, taxis, parking lots, car leases, as well as pick-up and drop-off services for the physically challenged passengers. Moreover, THSRC has prepared transfer maps and established a transfer information system for passengers to consult, while providing transfer information at each HSR station on the corporate website and THSRC APP.

Sustainability Commitment

Transportation Inclusion

In order to provide a friendly and inclusive accessible ride environment for all passengers while actively responding to the SDG 9 of "building affordable, safe, eco-friendly, resilient, and sustainable transportation" , THSRC has installed reminder signs at multiple locations in the stations to guide the elderly, wheelchair-bound, physically challenged passengers, and those with large luggage or strollers. Through sound and complete station/train services and facility planning, every passenger will be able to have a pleasant travel experience. Relevant services and facilities are as follows：

Stations

- Improvement on bus platforms at Miaoli Station, Changhua Station, and Yunlin Station was completed in 2024.
- Set up accessible ticket counters/ticket gates/toilets, elevators, and other service facilities are provided, and call bells are installed in the accessible restroom to assist to passengers at any time.
- For elderly passengers traveling alone, passengers in wheelchairs or those with limited mobility, THSRC has specially prepared bus guidance services to assist them in and out of the station. A total number of 90,285 passengers who need guidance were assisted to board the bus in 2024.

Add large luggage storage areas in cars 3, 5, 9, and 11

Update for 700T carriages passenger information display system

New curtains for 700T carriages

Improvement of bus platforms at Miaoli Station, Changhua Station, and Yunlin Station

Trains

- Car 7 is designed as an accessible car, and four seats are reserved for physically challenged passengers' companions to take care of the physically challenged passengers. The seats and accessible restroom are equipped with call bells. The physically challenged passengers can use it to call the train crew for assistance when necessary, and there are also charging sockets for electric wheelchair charging.
- There is a secure and private breastfeeding room at the entrance of car 5 of the THSR train. The train crew will also introduce the breastfeeding room equipment as per the passengers' needs to provide a warm and safe travel environment for mother and baby passengers.
- Large luggage storage areas are added in cars 3, 5, 9, and 11 for storage of luggage as well as folding wheelchairs, mobility aids, and strollers.
- There is a "seat map information system" at the train master compartment with a built-in reminder function for boarding guidance, reminding passengers with disabilities of the boarding section and the passenger assistance items, such as borrowing a wheelchair at the station. The prompt sound and reminder screen in the system will be turned on before passengers get on/off the train, so that the train crew can provide more complete and considerate services quickly and accurately.

Internally, THSRC also arranges train guidance service courses for new station staff and train crew members to learn guidance operations for wheelchair-bound and visually impaired and other disadvantaged groups of passengers. In addition to arranging external lecturers to explain service skills, practical experience trainings are also arranged for colleagues to enable them to better understand the practical operation precautions and meet the needs of passengers.

Technology

Innovation and Technology

2. Technology
Innovation and Technology

Subchapter Title	Sustainability Topics	Strategies	2024 Goals and Results	Targets（Short term：2025; Mid-long term：2026-2027）
 Sincere Services and Intelligent Transportation	Technological Innovation	▪ Establish the "Origination Process of Business Process Computerization Regulation" and "Acquisition of IT System and System Development Regulation" to ensure that collaborative operations among all departments can smoothly promote innovative services. ▪ Continue to apply new technologies in order to improve the convenience of ticketing services, the smoothness of ticket purchase channels, and the efficiency of train operations, while using digital innovation to meet customers' needs for ticket purchases on mobile devices and strengthening communication immediacy. ▪ Strengthen the service delicacy and accuracy of Artificial Intelligent Customer Service, and continue to improve service quality and efficiency. ▪ Continuously collect opinions through customer satisfaction feedback, and strengthen the efficiency of customer service operations to improve customer experience and the quality of Artificial Intelligent Customer Service responses. ▪ Continuously apply technology to establish operational safety systems and facility protection operations to enhance Intelligent transportation safety and efficiency.	▪ Completed the platform construction of intelligent drone for HSR bridge inspection and pilot training in 2024, which was handed over to the maintenance department for testing and mission execution. ▪ Introducing instant member verification mechanism in multiple ticket purchasing systems, TGo has accumulated 2.934 million valid members by the end of 2024. ▪ In 2024, the T Express App continued to optimize the reserved seat ticket-splitting service and the non-reserved seat ticket purchasing process to enhance the user experience. By the end of December 2024, the cumulative number of the downloads of T Express APP had exceeded 17.07 million. ▪ In 2024, an E-Coupon system was established to replace paper coupons, making the redemption process more convenient. ▪ In 2024, The average accuracy of Artificial Intelligent Customer Service was 96% with average of 97% satisfaction. ▪ In 2024, following a series of targeted optimization initiatives for the wheelchair seat reservation service, the digital customer service team successfully reduced the average service time by 50% and achieved a 400% increase in service usage, significantly enhancing the overall customer experience. ▪ Optimization digital marketing through brand cooperation and established TSHRC membership core's business ecosystem by digital transformation. ▪ Develop Intelligent Safety Cloud System in 2024, promote the Critical Infrastructure Protection（CIP）Operation Platform and Disaster Simulation Drill System（DSDS）.	Short-term ▪ Develop an Intelligent Safety Cloud System. ▪ Disaster drill simulation system construction, testing and training. ▪ Digital platform traffic diversion construction optimization, track collection and application. Mid-term to long-term ▪ Smart Security Cloud Project Phase I acceptance and activation. ▪ Critical Infrastructure Protection（CIP）Operation Platform development acceptance, and commissioning. ▪ Disaster drill simulation system acceptance and commissioning.
 Convenience, Attentiveness, and Maintaining Relationships	Privacy & Information Security Management	▪ The information security management can supervise the development direction and implementation results of information security, so that the information security management system continues to operate steadily. ▪ Perform audit of the relevant departments involved in personal information security management operations as per the "Management System Internal Audit Regulation" so as to keep abreast of the status of each department's implementation of security maintenance measures related to personal information protection. ▪ Develop a procedure for "The Plan of Security Measures for the Personal Information File," and hold meetings regularly for overall examination to ensure that personal information is fully protected. ▪ To provide passengers with safe, convenient and reliable information services, including the collection, processing or use of passengers' personal information. ▪ Continue to supervise colleagues and vendors to implement information security protection work through the verification of ISO 27001 information security management system and the promotion of "information security management system." ▪ Integrate existing safety/response information system to enhance the response efficiency.	▪ In April and September 2024, information security management review meetings were held to report on implementation results and information security issues. ▪ Passed the third-party certification of information security management system conversion in October 2024 to maintain the effectiveness of ISO 27001 information security management system; conducted information security internal audits in April and August 2024 respectively. ▪ Conducted Information security and personal information awareness educational training regularly every year. Strengthened the awareness of information security and personal information protection of employees through education and training. In 2024, 100% of the employees completed educational trainings. ▪ Continuously integrated Safety Mall and Mobile Information/Security incident response information System as a reference for the emergency response center and on-site departments.	Short-term ▪ Hold an information security management review meeting every six months to conduct an overall review to ensure that personal information is fully protected. ▪ Conduct third-party information security management system certification every year to continuously maintain the effectiveness of the management system. ▪ According to the requirements of the ICT security responsibility level, we will continue to handle related operations in three aspects：management, technology, cognition and training. ▪ Optimize and update personal information and information security policies, plan personal information（privacy）and information security education programs, identify personal information（privacy）and information security risks. Mid-term to long-term ▪ Ensure that information security policies are continuously updated. ▪ Continuously ensure that risk is at an acceptable level. ▪ Conduct information and communications security incident drills regularly.
	Quality of Service and Customer Relationship Management	▪ Adopt multiple channels to actively respond to customer feedback and maintain high-level service quality. ▪ Establish "Feedback Collection Channels and Customer Service Operations System" and "Current Customer Complaint Resolution Mechanism" to keep abreast of and respond to customers' needs accurately. ▪ Maintain the safety and quality of travel and transportation through external quality inspection and internal pattern identification. ▪ Strengthen the service quality of attendants, optimize facilities and services of stations and trains, and sell wider variety of products.	▪ Analyze customer opinions received from Contact Us by e-mail, Artificial Intelligent Customer Service, and customer service center to collect passenger feedback and continue to optimize services. ▪ Customer opinions are managed through the system, which automatically notifies and reminds the responsible department to investigate and explain. The responsible department will compile and reply within 7 working days, and the achievement rate was 100% in 2024. ▪ In 2024 the result of the online survey showed the service satisfaction on four major service orientations（ticket services/station facilities and services/car facilities and services/extended transportation service）was 95% high satisfaction rating. ▪ No personal information leakage in 2024.	Short-term ▪ Increase the Artificial Intelligent Customer Service system to 328,000 by 2025（+5%）. ▪ 2025 Customer feedback response rate within 7 days ≥ 99%. Mid-term to long-term ▪ Continuously optimize customer service. ▪ Continuously track the progress of improvements. ▪ Maintain overall customer satisfaction.

Sincere Services and Intelligent Transportation

Through digital transformation, THSRC continues to optimize the "THSRC ITS Smart Railway Services System" to provide passengers with a pleasant riding experience. Improve overall service quality and operational performance through Smart Ticketing Services, Smart Passenger Services, Integrated i-Traveling Information, Smart Train Operation, and Smart Safety & Emergency Management. For specific actions, please refer to the following table:

THSRC ITS Smart Railway Services System

1. Smart Ticketing System

- Complete the software optimization of the ticket counter equipment in the stations and the upgrade of the network equipment.
- In 2024, the T Express App's reserved seat ticket-splitting service and non-reserved seat ticket purchasing process were continuously optimized to enhance the user experience.
- In 2024, in response to digital marketing trends and to achieve environmental sustainability and carbon reduction goals, an E-Coupon system was implemented to replace paper coupons, making redemption more convenient.

2. Smart Passenger Service

- Artificial Intelligent Customer Service provides passengers with 24/7 access to frequently asked questions and customized inquiry services.
- Train and seat details information display on the passenger information display system to assist passenger boarding.
- Multiple payment methods provided for the train services payment include train fare adjustment, on-board serving trolleys, and station bento counters.

3. Integrated i-Traveling Information

- The T Holiday provides diverse travel information and multiple tickets collection channels and offset of travel expenses via membership points.
- The online redemption and seat reservation function of THSR's One-Way Tickets is optimized to make it easier for overseas tourists to buy tickets. From 2022, it has been adjusted to issue magnetic tickets, and passengers can swipe the new format of the ticket to pass through the gates to enter and exit the station.

4. Smart Train Operation

- Adopt the "Train Operation Management Information System（TOMIS）" to consolidate train number, running position, train schedule, and other travel information.
- Introduce graphical data and cross-query functions into various systems to strengthen the efficiency of train operation management.
- The "Intelligent Train Crew Duty Report System（IDRS）" provides crew members with online maintenance and duty roster query to improve the efficiency of transportation management.
- The "OCC Mimic Panel Display Intelligence Integrated System" is planned to analyze the real-time turnout position mapping with schedule route setting, so as to strengthen the safety of train operation management.
- The Railway Incident Information Electronic and Automatic Reporting System（EARS）enables colleagues to quickly respond to major abnormal alarms in the system and won the 2024 Smart Transportation Application Award.

5. Smart Safety & Emergency Management

- Continue to promote the development of the Intelligent Safety Cloud System, integrate and digitize security management and operation information, and provide database integration search, smart query, and security management assistance functions.
- Continue to test a self-owned earthquake early warning technique review and improve the earthquake inspection operations, provide suggestions for the best response decisions, and reduce the risk of earthquake disasters.
- Cooperate with the Industrial Technology Research Institute to develop an application of intelligent drone for HSR bridge inspection maintenance system. In 2024, we completed the platform construction of intelligent drone for HSR bridge inspection and pilot training, which was handed over to the maintenance department for testing and mission execution.

Strengthening Customer Relationships with Optimized Experience

THSRC launched the individual membership mechanism "TGo Membership Program" in October 2017, enabling customers to purchase tickets as THSRC members and accumulate points through consumption to redeem THSR tickets or enjoy discounts, the "TGo Membership Program" has accumulated more than 2.934 million members, which is an 21.4% increase over the previous year. The TGo membership program continues to create cross-industry business opportunities. Accumulated points can be redeemed for products on the "TGo 365" platform, used as discounts on the "T-Shopping," or applied toward THSR ticket fares and travel packages. Through point accumulation and redemption, the program continuously fosters customer engagement and sales, further enhancing the value of THSR's TGo membership.

Promotional Visual for the TGo Membership Program

Innovative Digital, and Real-Time Communication

THSRC is committed to developing a multi-faceted information platform to broadcast public information related to transportation and promotional videos instantly and assists passengers in accessing real-time information related to train schedule. To interact with customers and get real-time feedback and suggestions, THSRC provides information regarding the latest product and service through our Facebook fan page. THSRC's Facebook Fan Page garnered 447,000 fans cumulatively in 2024, and the posts on THSRC's Facebook Page reached more than 6.064 million throughout the year. At the same time, "THSRC App" creates a real-time communication system for consumers to provide customers with more comprehensive digital services member information, itineraries and offers to customers in real time; in addition, the "THSRC App" has accumulated more than 1.643 million downloads.

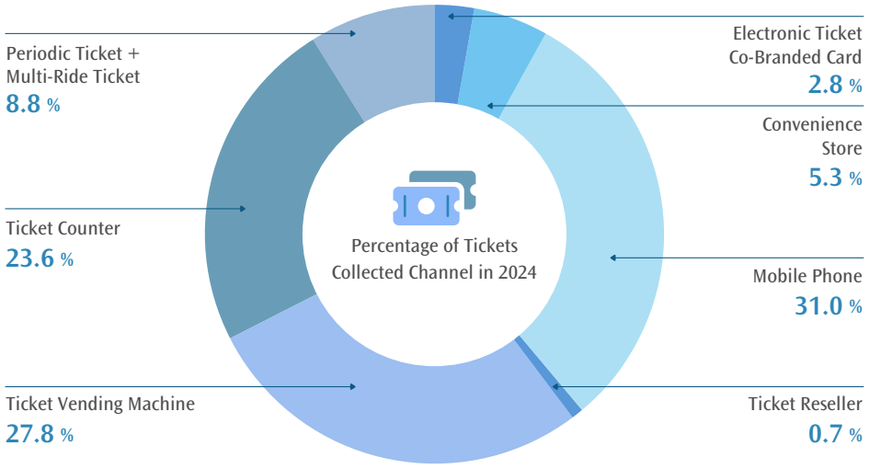
THSRC continues to optimize its membership mechanism and enhance the convenience of ticketing services through multiple channels. The TGo Member ID real-time verification, launched in 2020, improves the accuracy of members' point accumulation when purchasing tickets via various reservation systems, including ticket windows, ticket vending machines, websites, convenience stores, and smartphones. Since August 2022, the "points discount for fares" service has been available through off-site channels, making it easier for members to use the Ignite service. By the end of 2023, passengers logging in to their TGo member accounts can, in addition to using their ID number or membership card number, also choose a "verified mobile phone number" for login verification, further enhancing the convenience of ticketing services.

THSRC continues to enhance the ticketing experience through mobile platforms by promoting the personalized mobile ticketing service, the "T Express App," a new feature allowing passengers to purchase non-reserved seat tickets within stations via the app has been introduced to better align with user habits and needs. The "T Express App" has become one of the primary channels for ticket purchasing and boarding. In 2024, over 25.71 million mobile tickets were issued, and the app accumulated approximately 17.08 million downloads—an increase of 2.08 million compared to 2023. The overall adoption rate of mobile payments reached 46.7%, highlighting the effectiveness of THSR's digitalization efforts.

THSRC Multiple Ticketing Channels

Ticketing Channel	Ticketing Mechanism	Main Update Features in 2024
Each Station	Ticket Window Ticket Vending Machines	▪ Ticket window：New QR Code paper tickets are available for sale, providing clear information on the ride and making it more convenient and friendly for the senior-friendly.
Website	Online Reservation System	▪ In response to the launch of the E-Coupon system, online redemption and fare discount functions are provided. ▪ TGo members can use the accumulated / ignited points function with their verified mobile phone number.
Convenience Store	Convenience Store Ticketing Service System（President Convenience Store, Family Mart, Hi-Life Convenience Store, OK Convenience Store）	▪ In response to the launch of the E-Coupon system, on-site redemption and fare discount functions are provided. ▪ TGo members can use the accumulated / ignited points function with their verified mobile phone number. ▪ 13,400 convenience stores nationwide provide passengers with convenient ticket purchase/collection services 24 hours a day, all year round. At the end of 2024, more than 4.87 million high-speed rail tickets have been issued through convenience stores.
Smartphone	T Express App（including T Express Booking Chatbot）	▪ In response to the launch of the E-Coupon system, online redemption and fare discount functions are provided. ▪ Reduce the interface text according to the customer's own reading comfort. ▪ The voice ticket booking service has added a mobile payment function, making the ticket booking process smoother. ▪ In 2024, the number of tickets paid for through the T Express App reached 32.12 million, and more than 25.71 million mobile tickets were issued, making it the most used ticketing channel for people to purchase high-speed rail tickets.
Gate（Mobile Payment）	EasyCard Co-Branded Card	▪ The EasyCard / Co-branded card can be used for the non-reserved seat service, allowing passengers to ride without having to deposit money or purchase tickets in advance. At the end of 2024, the number of passengers using electronic ticket co-branded cards to travel in non-reserved seats reached 2.17 million throughout the year.
Other	Customer Service Center Group Booking Channels（including station ticket windows, fax and online booking） Airline and Hotel Reservation Systems Special Travel Agency Ticket Management System Online Travel Platform	▪ In 2024, passengers can continue to purchase a variety of Taiwan High Speed Rail "National Travel Package" products easily through online travel platforms such as Klook, KKday, EasyTravel, ibon, THSR TourPlus Package and Lion Travel, allowing passengers to freely match according to their personal preferences and enjoy discounts when purchasing high-speed rail tickets.

Percentage of Tickets Collected Channel in 2024



THSRC Launched New "T-Shopping" Member-exclusive Shopping Platform

In order to bring passengers a more diverse and rich riding and shopping experience, THSRC launched the "T-Shopping" member-exclusive shopping platform in mid-2024, carefully selecting high-quality products and high-speed rail commemorative items that reflect refined lifestyles and incorporate local and cultural elements. It aimed to extend the beautiful memories of the high-speed rail journey into passengers' daily lives and allow them to recall the warm companionship of THSRC along the way. Member points could also be used to offset purchases on "T-Shopping," making the points more practical and convenient.

Easy Access to the Internet

The THSRC completed the installation of network equipment for all 34 full-vehicle trains in 2018 and installed Wi-Fi wireless network hotspots in public areas of 12 stations along the line, providing Wi-Fi network services for station passengers, and implementing the THSRC's commitment of "high-speed travel with uninterrupted on-board connection." As the number of users continues to increase, we will expand the bandwidth of Wi-Fi continuously. Remote monitoring is also set up to ensure the status of the Wi-Fi system equipment on the entire line and trains as well as to improve system stability through real-time remote automatic troubleshooting for achieving orbital intelligent maintenance services and meeting the needs of passengers.

Convenience, Attentiveness, and Maintaining Relationships

Safety and Quality Service

THSRC regularly reviews the effectiveness of quality management through a rigorous quality management system, various quality performance indicators, and quality improvement proposals, and promotes quality policies from top to bottom, so that the spirit of quality becomes the High-speed rail culture, to protect each passenger who trusts THSRC.

Quality Management System（QMS）

The Company introduced the ISO 9001 quality management system since 2005, and annual quality management review meetings are held since 2007, chaired by the General Manager and attended by various company's various supervisors. Since 2010, THSRC has been verified by external third-party annually in accordance with the ISO 9001 international standard. The certification covering the overall core business in "high-speed rail operation, maintenance and passenger service" has been successfully passed. Regarding the regular and irregular inspections conducted by the Railway Bureau of the Ministry of Transportation and Communications, the relevant observations and suggestions issued in 2024 did not immediately affect the operation, and all have been improved and removed from the list. Thus, there are no issues that need to be improved in 2024.

External Quality Inspection Items

Quality Audit and Supervision Department	Items	2022	2023	2024
Third-Party Certification Company	Certification of ISO 9001	ISO 9001 Three-year renewal verification	ISO 9001 Regular audit and verification	ISO 9001 Regular audit and verification
Railway Bureau, MOTC	Annual regular operational inspection and temporary inspection	1 regular inspection 0 temporary inspections	1 regular inspection 2 temporary inspections	1 regular inspection 5 temporary inspections

In order to thoroughly implement quality management, the THSRC regularly checks the latest status of internal operating facilities, equipment and related systems, software and hardware, and ensures that the THSR's quality management system keeps pace with the times through strict control and inspection of internal operating quality and continuously strengthens the operation and maintenance quality.

Examination of Internal Configuration

Items	Content
Main Categories	Core, trackside equipment, track, closed-circuit television, facility, station, maintenance depot, and depot equipment
Total Monitored Items	34,258
Percentage of Configuration Monitored Items	81.47%
Verification Method / Frequency	Internal verification by the Quality Assurance Office/once every quarter

Quality Management Performance Review

THSRC has established various internal performance indicators for quantification of quality and reviewed and improved those tasks by following up on the results quarterly, so as to provide customers with high-quality travel services in line with four major aspects of "safety," "reliability," "efficiency" and "customer satisfaction." The number of serious injuries and deaths caused by traffic accidents on the THSRC in 2024 is 0; while the number of minor injuries to passengers is 2, which is the same as in 2023. The passenger injury rate（minor injuries）of the "safety" performance indicator for the current year is 0.026 per million trips, which meets the set goals/estimates, which demonstrates that we focus on continuing to improve quality management and provide passengers with safe and high-quality travel services.

Quality Performance Indicators

			2022		2023		2024	
Target	Items	Formula	Target / Estimated Value	Achieved Value	Target / Estimated Value	Achieved Value	Target / Estimated Value	Achieved Value
Safety	Passenger Injury Rate（Severe Injury and Death）	Passenger injury（severe injury and death）per million trips	0	0	0	0	0	0
	Passenger Injury Rate（Minor Injury）	Passenger injury（minor injury）per million trips	< 0.06	0.055	< 0.06	0.027	< 0.054	0.026
Reliability	5 Minutes Punctuality Rate（Excluding Natural Disasters）	Number of train runs with delays within five minutes of scheduled time/Total number of train services	> 99.6%	99.64%	> 99.6%	99.66%	> 99.6%	99.90%
Efficiency	Customer Comments & Suggestions Achievement Rate	Number of cases replied within 7 working days / Total number of cases	≧ 99.0%	100%	≧ 99.0%	100%	≧ 99.0%	100%
Customer Satisfaction	Overall Service Satisfaction	Number of respondents giving 5 points and 4 points in the customer satisfaction / Total number of respondents	≧ 95%	94%	≧ 96%	93%	≧ 93%	95%

Since 2011, THSRC had launched an employee suggestion improvement system and introduced quality control circle（QCC）activities every year, encouraging employees to apply innovative thinking and technology as the foundation for developing practical proposals to optimize quality control and operational performance, continuously resolve various issues, and effectively reduce operation and maintenance costs. Since the implementation of the proposed improvement system in 2011, the total savings had reached NT$96 million.

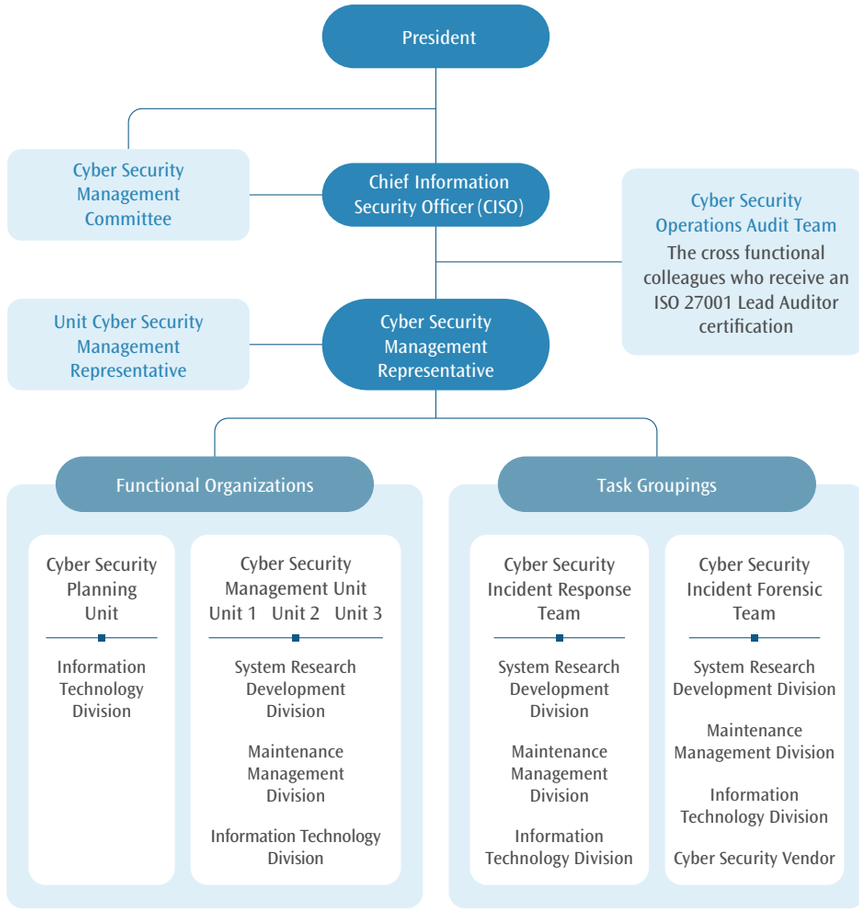
Since 2009, the QCC program had been promoted, which resulted in cumulative savings of over NT$300 million. In 2024, the annual cost savings amounted to NT$10,917,000, with a cumulative manpower saving of 55,000 man-hours, and 7,597 man-hours saved in 2024 alone - significantly improving production efficiency, promoting collective investment, enhancing the quality, safety, and efficiency of high-speed rail services, and further elevating the overall passenger experience. This also reinforced the positive image of THSRC as a company that prioritizes safety and quality. In 2024, the QCC teams of "Dark Circles" and "One-Day Life Circle" were both awarded the highest-level Zhishan Group Silver Tower Award from the Taiwan Continuous Improvement Awards（TCIA）, representing strong public recognition of THSRC's efforts in quality improvement.

"Dark Circles" and "One-day Life Cycle" won the Silver Tower Award in the Zhishan Group of the TCIA

Information Security Management

With the development of technology, online infringements and digital crimes have become more and more frequent, THSRC established the "Information Security Management Committee" in 2017, and appointed information security officers from the company's interdepartmental office to hold information security management review meetings every six months and convene information security officer meetings every quarter. Review the development direction, strategy and related implementation results of information security, so that the information security management system continues to operate steadily. A total of two information security management review meetings and four information security representative meetings were held in 2024. The information security governance report and results have been recorded in the report of the 14th Board of Directors of the tenth session in 2024. For more information about the policies and management plans related to information security, please refer to THSRC Corporate Website.

THSRC Information Security Management Framework



Digital and diverse services have fostered the importance of privacy and information security issues. In order to implement the protection of customer privacy and information security, THSRC not only collects, process, or utilize personal information in compliance with laws and regulations but has also formulated the "Personal Information Protection Policy" and "Rights and Interests Regarding Customer Information Protection," and reviews the personal information protection mechanism through regular meetings. Every year, we regularly hold information security and personal information cognitive training for all employees, for a total of 3 hours per person per year, to strengthen the information security awareness of each colleague. At the end of 2024, the education and training completion rate reached 100%, excluding newcomers and long-term injury and sick employees.

In 2024, THSRC received no customer complaints regarding infringement of customer privacy or loss of customer information. In the future, we will continue to supervise employees and service providers to implement information security protection through external audit and internal control mechanisms. In October 2024, all of the THSRC core information technology systems passed ISO 27001：2022 external verification and continued to maintain the validity of their licenses. As for the personal information security maintenance, THSRC is in accordance with the "The Plan of Security Measures for The Personal Information File" procedure and implementation situation is detailed as follows：

Implementation of Personal Information Security Maintenance Measures

Safety Maintenance Measures for Personal Information Protection Management		Personal Information Management Measures and Implementation Results in 2024
1.	Establish a management organization and allocate considerable resources	Segment representatives formed the "Personal Information Protection Implementation Group." In 2024, there were 17 personal information representatives, and a personal information representative meeting is held every quarter, and a total of four meetings were held in 2024.
2.	Risk assessment and management mechanism for personal information	A three-level management model is adopted as per the security level of personal information files, and risk identification and assessment of personal information files were conducted every year, and personal information files inventory audits were performed twice every year, to maintain the correctness of the "Personal Information File Inventory."
3.	Information security management and accident prevention, notification, and response mechanisms	Information is divided into three types: written forms, electronic files, and system files, and relevant regulations on personal information security incident response, a complete notification mechanism, and a review and improvement policy have been formulated. In 2024, no personal information leakage security incident occurred.
4.	Awareness promotion, education and training	One hour of education and training for new employees and one hour of annual training for all employees.
5.	Equipment safety management	Terminal equipment（including personal computers, notebook computers, and mobile devices）and various types of servers are all handled in accordance with THSRC's relevant information security management regulations.
6.	Overall continuous improvement of personal information security maintenance	The annual audit results are regularly reviewed at the personal information representative meeting and reported to the review meeting of the Information Security Management Committee.

In 2024, some member accounts of the TGo website were credential stuffing and their points were stolen. A total of more than 500 members' TGo membership accounts were abnormally redeemed. A credential stuffing occurs when an attacker uses a compromised username and password combination to attempt to automatically log in to different websites or services. This incident involved criminals obtaining people's mobile phone numbers and passwords from an unknown external source and launching a credential stuffing on the THSRC's membership system. The company immediately launched an investigation and confirmed that the information about members had not been leaked from within THSRC. Although this incident was not attributed to THSRC, in order to protect the rights of members, THSRC has proactively notified affected members, reminded them to change their passwords, and compensated the losses by giving membership points. It has also reported the incident to the relevant authorities and was cooperating with the Ministry of Justice Investigation Bureau to conduct an in-depth investigation. To further prevent similar incidents from happening again, THSRC has strengthened the security measures of the membership system, including adding a login notification function. When a member account has a successful login or redemption action, the system will automatically send a notification email to the member's email address.

THSRC continues to strengthen security operations in 2024, such as the use of the Virtual Private Network (VPN) and the employee remote work emergency measures and security are listed below to improve our information communication security environment：

Availability and Stability

- Increase equipment capacity to ensure sufficient number of employee connections.
- Increase network bandwidth and circuit redundancy to improve network connection stability.
- Cooperate with national information and communications security operation, conduct internal inventory and replace products that endanger national information and communications security, and restrict the use and provision of products that endanger national information and communications security when selecting external business partners.

Security

- Employees log into the company's intranet from the external network and use two-factor authentication.
- If an abnormality occurs, the VPN device will complete the switch within 1 second, and the password and One Time Password (OTP) must be re-verified.

Monitoring Mechanism

- VPN uses two-factor authentication and monitors the source IP of the connection.
- Integrate information security monitoring mechanisms and conduct 24/7 monitoring and reporting through the information center computer room.
- Track usage of high-privileged accounts and user endpoint devices.

In response to the goal of "Accelerating Digital Optimization and Moving Towards Digital Transformation," one of the six strategic directions of THSRC in the medium and long term, while accelerating digital innovation and transformation, we have formulated four development strategies for high-speed rail information technology, including management information digital optimization, maintenance management digital optimization, operation management digital optimization, and marketing digital optimization. The projects and goals we planned to introduce are as follows：

Management Information Digital Optimization

- Build a THSRC Hybrid Cloud to complete the off-site backup mechanism to improve service availability.
- Introduce IT asset and configuration management platforms to ensure consistency of service data, as a way of increasing automation and saving manpower.
- Promote a low-code integration platform and automation equipment to improve efficiency, expand production capacity and reduce labor costs.
- The Application Programming Interface Management (APIM) mechanism was introduced to control the data flow between the Company and its partners to ensure service quality and information security.

Management Information Digital Optimization

- Establish THSRC geographic map to quickly obtain the corresponding mileage assets and maintenance records information, and continue to collect track, tramway and power system detection and maintenance data, and analyze the data to establish the basis for predictive maintenance operations and provide a coordinating mechanism for track maintenance area scheduling to further improve maintenance efficiency.
- Cooperate with the new construction project of Zuoying base to build a base dispatch planning system, implement localization strategy, and enhance the independent maintenance and operation.
- Establish a train scheduling management system that uses optimization algorithms and visual train operation diagrams to shorten the operation time and transportation plans.

Operation Management Digital Optimization

- Establish a new generation ticket booking service system to meet market demand and import cloud computing into station equipment to improve service timeliness.
- The magnetic tickets have been replaced with QR Code paper tickets. Currently, 4 stations have been completed, and it is expected that the entire line will be installed to greatly save electricity before April 2025.

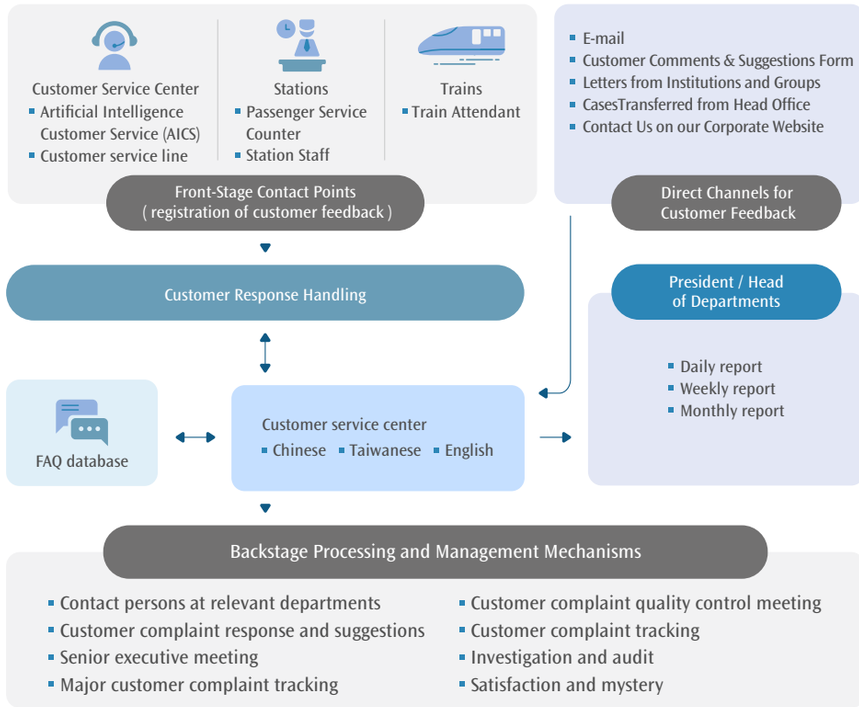
Marketing Digital Optimization

- Through the development of precision marketing using AI, we continue to improve customer segmentation and product preference models, travel demand sales and saleable seat prediction models, and expand the e-Coupon system to increase the company's revenue.
- Develop the T Express sales model in order to provide diversified ticketing services and enhance market competitiveness.
- Establish THSRC Mobility as a Service- TMaaS to meet passengers' digital travel experience through the introduction of new technology applications and create a new business model for THSRC.

Customer Relationship Connections

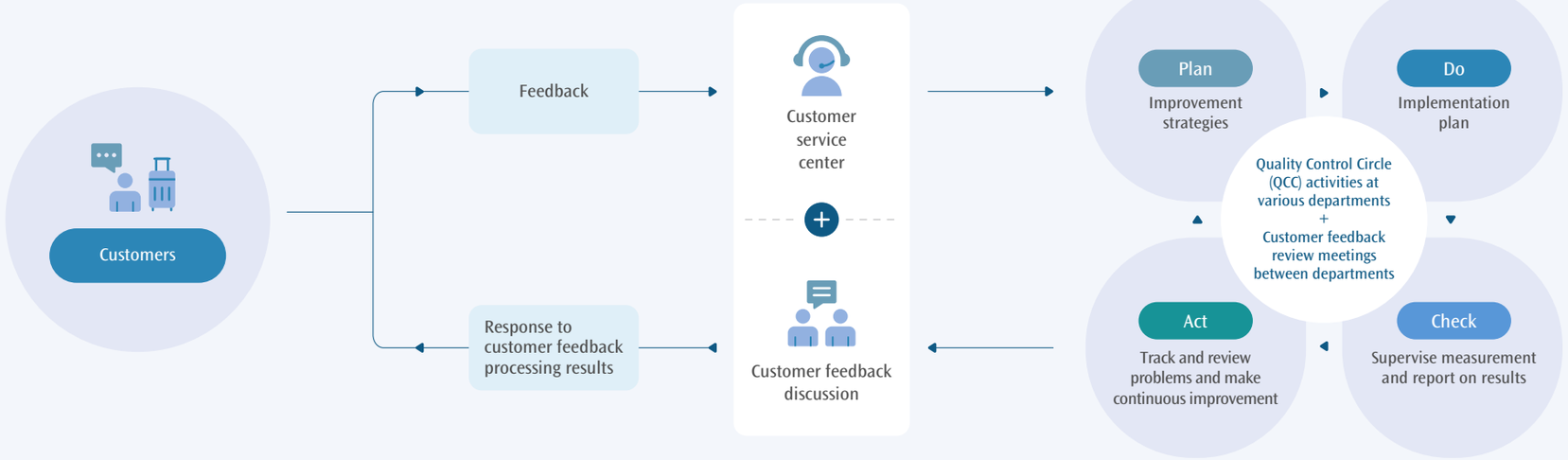
THSRC endlessly creating thoughtful services that exceed customer expectations is the driving force for THSRC's perennial improvement. We have prepared a dedicated management department to open up multiple communication channels to respond to passengers' needs in real time, deepen customer relationships, provide consultation by Artificial Intelligent Customer Service, corporate website e-mail message and other functions, and configure the customer service line service with Mandarin/ Taiwanese/ English responses. The Feedback Collection Channels and Customer Service Operations System are detailed in the figure below.

Current Feedback Collection Channels and Customer Service Operations System



THSRC has set up a Current Customer Complaint Resolution Mechanism to not only provide immediate consolation and attention but also submit customer feedback to the quality management authority and responsible department of each department and the cross-departmental customer opinion review meeting, so as to truly incorporate customer feedback into management and implement improvements. We manage customer feedback in a systematic way, automatically notifying and reminding the responsible department to investigate and explain, and the responsible department will compile and reply within 7 working days, with a 100% achievement rate in 2024. In 2024, the inbound passenger service center and the use of Artificial Intelligent Customer Service inquiries were about 733,000 cases, and the main consultation items were about ticketing, lost items and THSRC promotions. Part of that, Artificial Intelligent Customer Services received 312,000 (accounted for 43%) inquiries or applies for timetables, ticketing problems, guide for travel, properties lost and found services.

Current Customer Complaint Resolution Mechanism



Highlight story ：THSRC's Artificial Intelligent Customer Service

THSRC's Artificial Intelligence Customer Service System was officially launched at the end of 2020, incorporating technologies such as data analysis and sorting, natural language processing, and machine learning. These advancements enable the system to offer passengers 24/7 access to frequently asked questions and personalized inquiry services. The services include online reporting of lost property and boarding guidance. In 2024, through the introduction and promotion of interactive voice announcements and lost property service cards on the customer service hotline, the annual service volume increases by approximately 48% compared to 2023, while self-service lost property reporting and assistance services increase by 85%. Also, the customer service center assists in implementing the wheelchair seat reservation process, including itinerary information collection, user interface operations, and the design and presentation of displayed information. A series of optimization projects are carried out, effectively shortening the average service time by 50% and increasing the usage of this service by 400% compared to 2023, significantly enhancing the overall service experience.

- Upgraded Digital Customer Service
- Significantly Enhanced Lost Property Services
- Optimized Wheelchair Seat Reservation Process
- Integration of AI and Data Analytics

Note：After the Artificial Intelligence Customer Service understands a traveler's questions using natural language processing, it searches the stored information for answers or initiates personalized service processes. The "accuracy" is defined as the cumulative percentage of correctly addressed responses out of the total number of inquiries.

Customers Affirmation

Customers' affirmation and feedback are important indicators for THSRC to review our own quality management performance. Every year, THSRC entrusts a third-party organization（IPSOS in 2024）to conduct a survey on customer satisfaction. In 2024, the average overall service satisfaction of the four major service aspects（ticketing service, station facilities and services, train equipment and services, and station transfer environment and services）obtained through online surveys reached 95%, among which 95%~96% had a high level of attention and 93%~97% had a high satisfaction rating. Moreover, in order to implement operating procedures and specifications, THSRC personnel also often receive recognition and praise from passengers for their attentive and sincere services.

Taiwan

Enhancing Local Connection

3. Taiwan

Enhancing Local Connection

Subchapter Title	Sustainability Topics	Strategies	2024 Goals and Results	Targets（Short term：2025; Mid-long term：2026-2027）
Partner Relationship Management and Sustainable Supply Chain	Sustainable Supply Chain Management	▪ Establish supplier management mechanism（such as signing commitment letter, supplier evaluation, etc.）, strengthen supplier partnerships, and jointly promote a sustainable value chain. ▪ Strengthen partnerships with government agencies and local enterprises, build local supply chains, and promote the overall economic resilience of the industrial chain.	▪ In 2024, THSRC conducted a comprehensive self-assessment to suppliers for the first time. Through questionnaire analysis, suppliers were classified into different tiers, and their sustainability practices were reviewed via both documentary and on-site audits. This process aimed to enhance and strengthen the sustainability and resilience of the supply chain, resulting in the collection of 116 completed commitment and self-assessment forms. ▪ Conducted on-site audits of three suppliers, and none of the suppliers had major deficiencies. ▪ THSRC has set up a self-assessment and complaint channel for suppliers, and corresponding person in charge will provide assistance if the manufacturer has any doubts. In 2024, a total of 1,176 procurement announcement cases were filed by Suppliers in compliance with the THSRC's anti-corruption regulations. ▪ In 2024, THSRC has visited local suppliers 250 times and completed 104 alternative material development projects. From 2011 to 2024, there were a total of 136 alternative developers, saving about 4.1 billion.	Short term ▪ Develop more than two types of alternative materials, including the traction converter intel air filter, and antibacterial handrail products, etc. ▪ Continue to maintain a record of no major nonconformities among suppliers. Mid-long term ▪ Develop more than two types of alternative materials, including the train bluetooth wireless call bell, and doorbell controller, etc. ▪ Continue to optimize the sustainable supply chain management mechanism, and engage with underperforming suppliers to develop improvement plans and action strategies for the future.

Meet the World through Taiwan Itinerary

Enjoy a Local Travel

In April 2024, THSRC launched the "First Stop for a Wonderful Journey" campaign to encourage passengers to take the HSR and conveniently arrange transportation, accommodation, and travel plans all in one place. By actively collaborating with local featured events, we introduced a series of themed travel packages, including "Tainan 400," "Discovered the Sun Moon Lake," "Pingtung Bluefin Tuna Cultural Festival," and "Urban-Rural-Island Tours," inviting travelers to explore Taiwan's rich culture and scenic beauty through the high-speed rail network, and continue to cooperate with the hotel and tourism industry to launch many value-added tourism projects, including "THSRC with Free Hotel" and "THSRC with Free Car Rental." In collaboration with the Tourism Administration, Ministry of Transportation and Communications, the bureau has launched the "Overseas Visitors Ride High-Speed Rail in Taiwan：Buy One, Get One Free!" to promote and activate the tourism benefits of cities along the central and southern high-speed rail routes. Therefore, THSRC has reached an annual tourist number of 4.3 million in 2024. Compared to 2023, the growth rate is as high as 6.8%.

In addition, THSRC has taken on the responsibility of promoting sustainable tourism and has led tourists to respond to the sustainable policy through sustainable tourism projects, stimulating and driving tourism business opportunities on the island. From April to June 2024, the THSRC "High-Speed Rail and Hotel Combo Ticket" launched the "Go! Green Travel" project, encouraging passengers to take the high speed rail, a low-carbon and environmentally friendly green transportation, to reduce the use of disposable amenities for accommodation, and by providing discounts for additional THSR's tickets. In the future, THSRC will continue to address the diverse needs and expectations of various passenger groups by collaborating with tourism industry partners to launch a variety of programs. We will proactively leverage our core strengths to promote sustainable tourism.

We not only promote low-carbon travel initiatives, but also take concrete actions by participating in internationally certified carbon offset travel. In December 2024, we joined the "Low-Carbon Sustainable Itinerary – Zhongxing New Village One-Day Tour" launched by HWAFU TRAVEL SERVICE CO., LTD., a Taiwan Tour Bus operator. This initiative successfully obtained a Gold Standard carbon reduction certificate from an international organization, achieving 1 metric ton of carbon offset. Going forward, THSRC will continue to deepen cooperation with local communities and develop more sustainable travel packages, taking concrete steps to support global sustainable development.

Promotional photo for the "High-Speed Rail and Hotel Combo Ticket"- "Go! Green Travel" project

International Travel Fair

THSRC participated in the Taipei International Travel Fair in 2024, the booth design was inspired by the concept of the "Anywhere Door," symbolizing taking the THSRC allows travelers to quickly reach various destinations and truly experience the beauty of Taiwan. The booth featured a large, reusable LED screen that connected the entire venue, offering visitors an immersive experience of "The Most Authentic Taiwan WAY." During the exhibition, various promotional campaigns such as "T Holiday" and "T-Shopping" were actively promoted. This year's booth design exemplified the company's ESG vision for sustainable transportation by using large-scale electronic displays, replacing single-use materials, and adopting energy-saving lighting throughout the area. From structural design to material selection, every detail reflected THSRC's commitment to putting sustainability into practice through real actions.

THSR Booth at the 2024 Taipei International Travel Fair

Promotional photo of THSRC's "The Most Authentic Taiwan WAY"

Industry Exchanges

THSRC actively responds to international industry trends through technical visits, international observations and local industry-academia cooperation, and continues to improve rail industry technology. In 2024, THSRC participated in 24 public associations as a member (please refer to Table 1 in the Appendix), maintained close cooperation relationship with domestic and foreign transportation rail industries, and jointly promoted the development of Taiwan's rail industry. Through technical collaboration and experience sharing, we continuously enhance the professional knowledge and capabilities of personnel in operation control center, station service/train service, and vehicles, in order to deliver higher-quality and more innovative services to our passengers.

IHRA President Masafumi Shukuri (left), former Chairman of THSRC Yao-Tsung Chiang (right), and former Vice President Chien-Jen Chen (center).

Since joining the International Union of Railways (UIC) in 2009, THSRC has been co-organizing seminars to exchange experience with railway systems or operators around the world, and in 2014, the Company joined the International High-Speed Rail Association (IHRA) as a member, which actively responds to the events and initiatives organized by the international league and associations. In October 2024, the IHRA held its annual forum which was co-organized with THSRC in Taipei where more than 200 high-speed rail operators, experts, scholars and government representatives from 12 countries gathered together to share operational experience and exchange expertise. We arranged technical visits to showcase the achievements of THSRC in recent years in terms of technological innovation and localization to the industry peers all over the world. This is a significant demonstration for enhancing the visibility and influence of Taiwan's transportation capabilities on the international stage.

Local Industry-Academia Cooperation

THSRC has actively signed memorandums of industry-academia cooperation to deepen technology and strengthen the technical strength of the local rail industry through project cooperation and seminars, accelerating the localization of equipment components. In 2024, THSRC completed the development of a programmable signal generator for wind speed, rainfall, and water level, featuring multi-functionality that helps reduce inspection and replacement time and enhances maintenance efficiency. In addition, we proactively established the Pantograph Condition Monitoring System (PCMS) for the 700T trains and collected three months of operational data—including air pressure and vibration—as a reference for future long-term improvement strategies. In the same year, THSRC received an "Outstanding Industry-Academia Collaboration Unit of 2024" by the Chinese Institute of Engineers, and the Chairman was personally honored by the President in recognition of the company's long-term contributions to railway talent development and industry-academia collaboration. In addition, THSRC jointly established a railway equipment laboratory with Kaohsiung University of Science and Technology (TAF certification qualification in 2021), and has developed 37 systems and 4 proprietary instruments so far. THSRC also creates opportunities for young students to explore the railway transportation industry every year. In 2024, THSRC cooperated with 30 colleges and universities to promote internship programs, providing 132 students with internship opportunities in maintenance and transportation jobs.

Industry-Academia Collaboration Achievement – Programmable Signal Generator for Wind Speed, Rainfall, and Water Level

THSRC was received an Outstanding Industry-Academia Collaboration Unit of 2024 by the Chinese Institute of Engineers.

Partner Relationship Management and Sustainable Supply Chain

Sustainable Supply Chain Management

To enhance the overall supply chain sustainability performance, THSRC has formulated a supply chain management structure with reference to international standards and has continued the Company's implementation and optimization through a five-stage process. In 2023, THSRC launched a sustainable supply chain initiative to strengthen the Company's supplier sustainability management mechanisms, establishing a clear sustainable supply chain management policy. Through supplier risk identification, suppliers from various industries are classified and managed accordingly, with written and on-site audits conducted for medium-risk and high-risk suppliers. During the review process, THSRC actively communicates with suppliers and assists them in enhancing their practices related to environmental protection, occupational health and safety, and labor rights, ensuring that the suppliers not only comply with regulations but also advance toward shared sustainability goals with THSRC.

In 2023, THSRC optimized the "Supply Chain Management Policy" and "Supplier Code of Conduct," integrated the existing "Human Rights Policy" and expanded the scope of policy to all partners. These changes were announced to all suppliers in January 2024. We expect to strengthen domestic suppliers' sustainability through management mechanism. To align with global trends, we incorporated human rights and labor practice, safety and health, and environmental protection into the "Supply Chain Management Policy" and "Supplier Code of Conduct," especially improving suppliers' working conditions, gender equality, grievance mechanisms and labor practice issues.

In 2024, THSRC completed the revision of the supplier self-assessment questionnaire, aligning the topics with the contents of the Supplier Code of Conduct, aiming to collaboratively focus on key sustainability issues with supply chain partners. Over 100 completed questionnaires were collected. Based on the analysis of valid responses, suppliers were classified, and following documentary and on-site audits were conducted for those identified as high-risk. The 2024 on-site audits focused on ethics, human rights and labor, safety and health, and environmental protection. No supplier was found to have major deficiencies, nor was any supplier identified as posing significant potential negative social impact. Looking ahead, THSRC will continue engaging with key suppliers through communication, offering improvement suggestions, setting sustainability management goals, and formulating action plans. Through the five stages of its sustainable supply chain management framework, THSRC aims to gradually enhance the sustainability of Taiwan's rail supply industry and jointly build a sustainable supply chain with the Company's suppliers.

To cultivate a "people-oriented" safety culture, THSRC has established the "Safety and Health Policy" and placed strong emphasis on the occupational safety and health performance of contractors. In January 2020, THSRC officially introduced the occupational safety and health management system for contractors, which digitizes processes such as "management regulations signing, pre-construction safety and health education, personnel and equipment checking and inspection, construction work management, high-risk operation control, non-compliance management, and factory evaluation." This system aims to reduce operational risks for contractor personnel. In 2024, no fatal or severe occupational injuries involving THSRC employees or contractors were reported.

Sustainable Supply Chain Management

Supplier Engagement

THSRC continues to communicate with suppliers through diversified channels, strengthen partnerships with suppliers. In 2024, THSRC builds relationships with 740 suppliers, 481 of whom provide materials, mainly equipment parts and vehicle products, and 259 of whom provide labor. To achieve our sustainability goals, we have developed "Procurement Regulations." Sustainability is comprehensively evaluated through the management manual and precautions taken before signing off on instructions. Any supplier who violates these regulations and refuses to rectify the situation within the specified period will have face termination of cooperation. At present, 100% of the newly contracted suppliers comply with the Procurement Regulations. In 2024, there was no termination of cooperation due to supplier's poor ESG performance.

Additionally, since 2019, bidders have been required to commit to cooperating with THSRC's CSR regulations and sign a CSR commitment. Regular project group meetings are held to review the self-assessment forms of contractors. In 2024, all companies participating in public tenders were required to meet THSRC's CSR commitments, and we collected 116 sustainable supply chain self-assessment questionnaires. Furthermore, a total of 1,176 procurement announcement cases complied with THSRC's anti-corruption regulations. For the Company's supplier policy specifications and requirements, please refer to our Supplier Management.

Localized Supply Chain

Local Development

In its efforts to promote the growth of local rail technologies and capabilities, THSRC is committed to localizing the rail supply chain. Through collaborations with government research projects and universities, we are expanding our domestic supplier base and deepening the local supply chain for high-speed rail materials and components. In 2024, we successfully completed 104 alternative sourcing cases, after visiting a total of 250 local suppliers. Through joint work with 136 alternative materials-developing suppliers from 2011 to 2024, we were able to save approximately NT$4.1 billion. In addition to expanding our recruitment of manufacturers, THSRC has also broadened our cooperation with industry, government, academia, and research to jointly developed high-speed railway equipment and system innovation technology. Through these efforts, we have contributed to the localization of railway transportation and achieved our goal of "Localization of Domestic Vehicles." Relevant cooperation projects in 2024 include:

1. Overhead Catenary System Maintenance Vehicle Localization

From September 2018 to March 2024, THSRC collaborated with China Steel Corporation on the first phase of the Overhead Catenary System Maintenance Vehicle localization project. The project integrated component specifications and suppliers. After localizing the equipment, it effectively reduced maintenance and inventory costs while improving maintenance quality. It also enhanced domestic development capabilities and increased the share of localized equipment and materials. By January 2024, 12 maintenance vehicles had been delivered according to the contract, and older models were being phased out in stages. In 2024, the second phase of the Plan was launched, aiming to deliver 12 vehicles within 66 months of signing.

2. Taiwan Design Turnout Control System

In 2021, THSRC's R&D team successfully developed the Taiwan Design Turnout Control System, which had been deployed in 58 locations across Changhua, Yunlin, and Chiayi Stations by 2024. By optimizing the circuit configuration and box design, it not only effectively prolongs the service life of the equipment, but also improves the reliability of the system. In the future, it will be replaced in batches in five years, gradually superseding German made turnout switch control chassis. It is expected that the replacement of the existing chassis of the whole line will be completed in 2026. The "Turnout Control Cabinet" is 100% independently developed. It is the first example in the world of introducing programmable logic control technology into a turnout control chassis, which greatly reduces the probability of relay damage and improves maintenance efficiency. Regarding the aforementioned in-house R&D achievements, the Taiwan Intellectual Property Office granted the "Programmable Logic Controller Turnout Control Cabinet" utility model patent in June 2023 and the "Turnout Control System" invention patent in May 2024.

3. Turnout Monitoring System

In 2021, THSRC independently developed a new generation of local "turnout monitoring system," through the digital transformation project, THSRC redesigned the intelligent turnout monitoring system, in addition to the original monitoring function, and added big data analysis and prediction reports, early warnings, display real-time, and historical analysis reports. Before a turnout fails, maintenance and adjustment can be performed in advance to prevent it before it happens, and can greatly improve system reliability and rapid repair. In April 2024, the new patent for the turnout monitoring system has been approved by the Intellectual Property Office.

THSRC has launched a new 5-year medium and long-term plan from 2023 to create a higher-quality travelling environment for passengers, through working with domestic manufacturers. In 2024, we successfully developed new passenger information display systems and replace the original LED screen form with a 4K high-quality full-color LCD screen, we plan to add passenger elevators at stations, improve train restroom spaces, and continue to increase the localization of maintenance materials in 2025.

New onboard passenger information display system

Highlight story ：Application of intelligent drone for HSR bridge inspection maintenance system in THSRC

About 70% of the tracks of THSRC railway line are located on the bridges and viaducts. In order to improve the efficiency and safety of inspections, and ensure the safety of inspectors, THSRC and ITRI have cooperated to develop an "intelligent drone for HSR bridge inspection maintenance system" to assist personnel in completing inspections in difficult areas. Twenty-seven tests have been carried out in 2023 and, in 2024, both thermal imaging module detection tests were conducted and drone maintenance training was completed. In October, the drone system was handed over to the responsible department to initiate preliminary inspection operations. The system has 3 main features:

- Improved inspection efficiency：Traditional manual bridge inspections, which originally required five months, can now be completed in three months, representing a 40% improvement in inspection efficiency.
- Real-time monitoring of inspection conditions：The drone can access areas that are difficult for human inspectors to reach. In the event of emergencies, it can also be used as an on-site survey tool, providing real-time multi-angle video feeds to assist inspection teams in accelerating decision-making and improving the timeliness and accuracy of subsequent maintenance tasks.
- Smart digital management：By integrating the image system with three-dimensional information of the bridge and digital management tools, a large number of photos can be quickly screened and compared in detail with historical images. The system can automatically identify and annotate abnormal areas - such as power poles, pot bearings, piles, and steel bridges - and generate inspection reports, allowing maintenance personnel to detect potential anomalies in advance and strengthen transport safety proactively.

New intelligent drone and real-time inspection visual analysis management platform

Inspection data is integrated with three-dimensional information of the bridge to perform detailed comparisons with historical photos.

Inspection reports are automatically generated to support digitalized operations management.

Sustainable Procurement

In addition to actively localizing technology and equipment, THSRC has implemented a localized procurement strategy on the premise of ensuring the safety and quality of equipment. This strategy not only decreases reliance on foreign suppliers, but also reduces carbon footprint from overseas transportation, achieving the dual effect of balancing procurement costs and effectively shortening the lead time for equipment conversion. At the same time, local suppliers of rail transportation industry can take this opportunity to obtain certification of the international railway industry standard quality system, greatly enhancing the image and popularity of the domestic rail transportation industry.

In 2024, the total amount of material purchases conducted by THSRC was approximately NT$3.3 billion, where the amount of procurement from local suppliers accounted for 80.5% of the total amount. Meanwhile, the amount of labor service procurement in 2024 exceeded NT$12.7 billion, of which 74.5% came from local service procurement. The figures as at below：

Year	2022	2023	2024
Labor services	90.9%	98.9%	74.5%
Materials	74.0%	60.2%	80.5%

In order to achieve sustainable procurement's goal, we have followed the "Green Procurement Declaration for Private Enterprises and Group" announced by the Ministry of Environment of the Executive Yuan, giving priority to the procurement of products and services with eco-labels, green labels, carbon footprint labels, and carbon reduction labels. In 2024, the total amount of green procurement reached NT$360 million, covering administrative supplies, business machine supplies, drinking fountains, electric refrigerators, and green building materials（such as energy labeling equipment and products with carbon footprint certification）. Moreover, since THSRC has obtained carbon label certification, expenses incurred from employees traveling for business by HSR were also included in the green procurement amount, demonstrating our active decarbonization efforts across operational processes and the value chain.

THSRC not only mandates suppliers to provide products that comply with green procurement but also integrates the supplier's sustainability-oriented performance into the supplier selection criteria, while continuously verifying whether suppliers adhere to environmental regulations. The details of green procurement are as below：

Green Procurement Amount in Recent Years（10,000 NTD）

Year	2022	2023	2024
Administrative Affairs	3,572	1,898	2,408
Cost of Employees Business Travel via THSR	24,737	26,920	27,870
Special Project	N/A	9,209	6,280
Total	28,309	38,027	36,558

Local Business

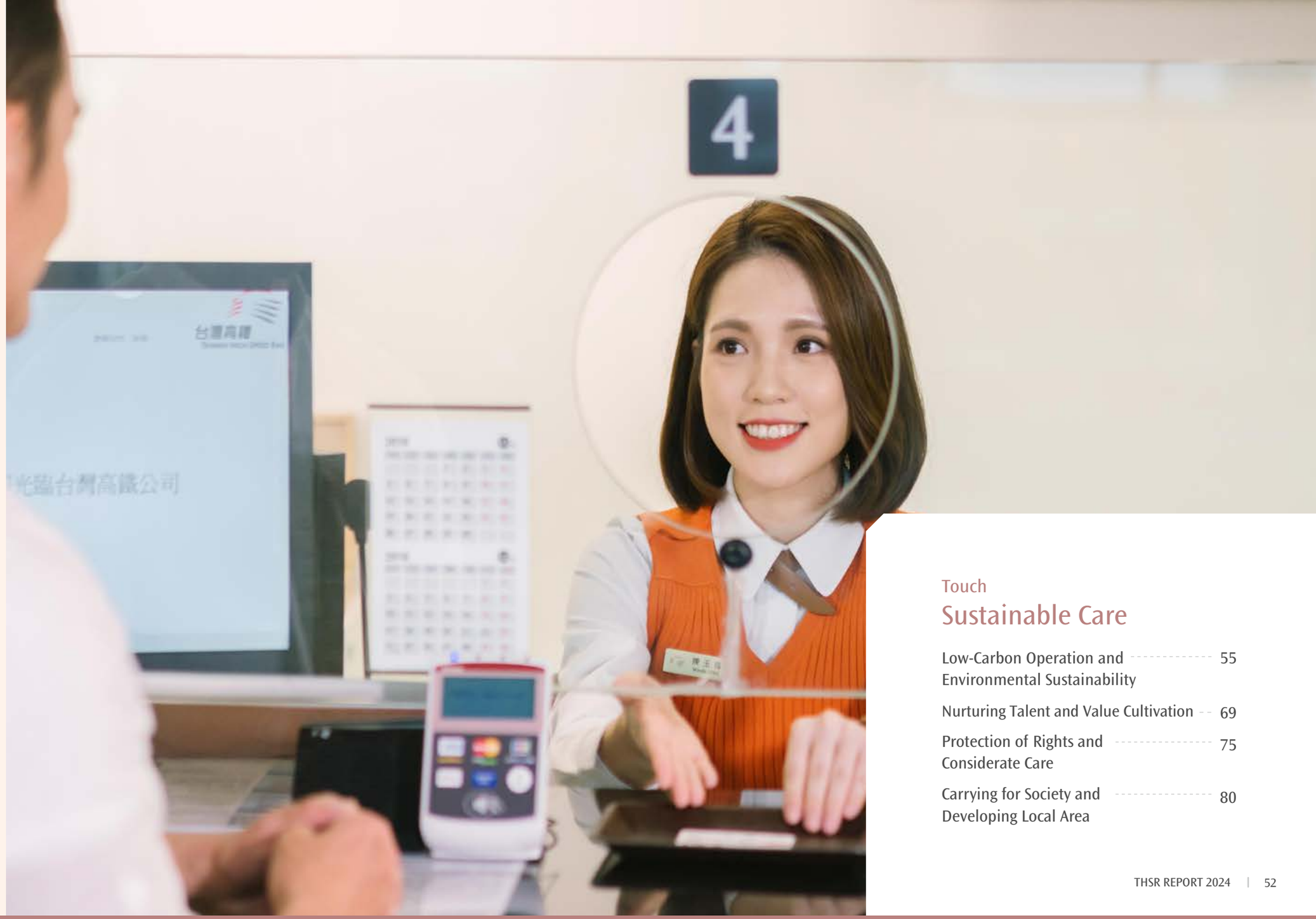
To promote the growth of local industries and capitalize on local business opportunities, THSRC has established station markets and local production halls throughout its operations in Taiwan. These facilities support the production of local raw materials and creating local employment opportunities through concrete actions such as low rental fee for local business.

Local Business stationed in THSRC station market

Security Management and Training

To ensure a highly secure riding environment for both customers and service personnel, THSRC annually commissions security companies to provide professional training for their security staff. The company has also established a security management framework and defined the scope of duties for security personnel. In addition, we have increased communication with these security firms by holding regular bi-monthly meetings to ensure that security personnel comply with THSRC's security management regulations while delivering customer-first service.

Since 2020, THSRC has recruited individuals with prior experience in military or police special task forces, or those holding certified martial arts licenses, to serve as Train-elite security guards after undergoing professional training—strengthening passenger safety on board. Annual professional training for security staff includes operation of security equipment/systems, emergency notification drills, auxiliary security response training, traffic control command, patrolling techniques, integrated combat/self-defense techniques, and basic recognition of suspicious packages and explosives. In 2024, 100% of security personnel received professional training.



Touch

Sustainable Care

Subchapter Title	Sustainability Topics	Strategies	2024 Goals and Results	Targets (Short term: 2025; Mid-long term: 2026-2027)
Low-Carbon Operation and Environmental Sustainability	Climate Change Mitigation and Adaptation	▪ Established operation safety and environmental risks relevant units (e.g., Environmental Management Committee) to strengthen the management and supervision mechanism and effectively implement implementation measures. ▪ Established Greenhouse Gas Inventory Audit List, conduct total inventory and verification, and study and formulate reduction measures and priorities. ▪ Through the Task Force on Climate-related Financial Disclosure, TCFD project , identified climate risks, and inventory of the resilience of high-speed rail in response to climate risks. ▪ Continue to promote the equipment optimization, personnel education and training, to improve energy conservation and carbon reduction.	▪ The company-wide greenhouse gas (GHG) inventory (with 100% coverage) has been verified and obtained ISO 14064-1 certificate. ▪ The total carbon emissions from electricity and fuel consumption in 2024 was 325,887.6 metric tons. The carbon emission per passenger-kilometer was 22.41 grams of CO_2e, representing a 3.46% decrease compared to 22.58 grams in 2023. ▪ Through Equipment elimination and optimization and Energy Saving Driving Programme, Electricity consumption in 2024 was reduced by 4.81% compared to the base year (2010).	Short term ▪ Continue to conduct company-wide greenhouse gas inventory and verification every year. ▪ Continue to operate Energy-saving Train Operation plan. ▪ "Carbon emissions per person-kilometer" aims to reduce by more than 1.5% per year. Mid-long term ▪ Continue advancing the net-zero transition, supporting the government's "2050 Net Zero Carbon Emissions" goal.
	Resource Usage and Management	▪ Establish resources usage and management policies (including electricity, water and waste disposal) , regularly review targets and enhance green action measures (e.g. renewable energy, resources recycling). ▪ Established resource usage and management relevant team (e.g. Energy Conservation Project Team) to improve the management mechanism and effectiveness. ▪ Organize environmental training program to strengthen employees and environmental management representatives of each unit familiarity with environmental laws and regulations and environmental protection awareness, and deepen environmental sustainability development concept. ▪ Improve environmental management and pass external verification by monitoring, performance evaluation and audit.	▪ Continuously pass the ISO 14001:2015 environmental management system re-examination (valid until September 2026). ▪ In 2024, electricity consumption at stations (maintenance depots and stations) increased by 2.75% compared to 2023. Electricity consumption per passenger trip was 1.20 kWh which has been reduce 4% from 1.25 kWh in 2023. ▪ In 2024, water consumption at stations (maintenance depots and stations) increased by 4.88% compared to 2023. Water consumption per passenger trip decreased by 1.04% compared to 2023. In addition, Tainan Station completed its water footprint inventory in 2024 and obtained ISO 14046:2014 certificate. ▪ The recycling rate of natural waste is 26.2%, and there are no oil, fuel, chemical substances, or waste leakage.	Short to Medium and long-term ▪ The average electricity consumption at the station was collaborated with reduced by 0.86%. ▪ The average water consumption per passenger at the station was reduced by 3.42%.
	Ecological and Community Impact	▪ Established environmental protection specification and operation standard (including the natural environment and communities), noise and vibration management, strengthen environmental management mechanisms and effectiveness. ▪ Organize internal and external environmental quality management audits regularly, and continue to improve the management mechanism and effectiveness.	▪ In 2024, 25 internal audits were conducted, and follow-up improvement were reported to the Environmental Management Committee regularly; externally, the audit was conducted by the environmental protection unit. In 2024, there was no penalty imposed due to the pollution of the environment. ▪ In 2024, 15 public complaints were received regarding noise and vibration management. Only 1 case of noise standard violation notified by the local Environmental Protection Bureau for improvement, and no penalty was occurred. ▪ Maintain the annual 1.143 million sponsorship for the Pheasant-Tailed Jacana Ecological Education Park, with a cumulative amount of more than 71 million.	Short to Medium and long-term ▪ Continue conducting internal environmental quality management audits. ▪ Continue handling noise and vibration-related complaints in accordance with the "High Speed Rail Noise Case Handling Process."

Subchapter Title	Sustainability Topics	Strategies	2024 Goals and Results	Targets（Short term: 2025; Mid-long term: 2026-2027）
 Nurturing Talent and Value Cultivation	Talent Retention and Development	▪ Established relevant manpower management and training regulation and procedures (such as recruitment, cultivation, career planning and so on) to improve talent competencies development. Review talent retention and result from the development target and strategies periodically to improve management system.	▪ 2024 annual training plan (including training on employees' core competencies, management competencies and professional competencies), has completed with 77.1 hours of the average number of training hours per capita, an increase of 2.5 hours compared with 2023. ▪ Promote multiple talent development and succession program.	Short term ▪ Continue enhancing employees' professional knowledge and skills to maintain operational capacity; the implementation rate of the annual training programs（by session）exceeds 95%. Mid-long term ▪ Promote multiple talent development programs, with completion rates exceeding 95% for each.
 Protection of Rights and Considerate Care	Employee Care and Labor Security	▪ Established employee care and labor security related committees (such as the Occupational Safety and Health Committee) to strengthen the management and supervision mechanism and effectiveness of the implementation measures. ▪ Formulate policies and regulation for employee care and labor security, and improve management mechanisms and implementation measures (including workplace safety, physical and mental health, human rights protection, etc.) ▪ Regularly review the results of employee care and labor security goals and strategies, and continuously improve.	▪ A total of 333 employees participated in the employee mental health lectures and training courses, and a total of 90 employee care sessions were organized in 2024. A total of 4,842 employees participated in the sexual harassment prevention courses and online training for all staff. ▪ Conduct regular and ad-hoc audit operations. There were 6 occupational accidents in the workplace, with the frequency-severity indicator of 0.07, and 11 traffic accidents outside of the workplace, with the frequency-severity indicator of 0.10, and no occupational disease occurred.	Short term ▪ 2025 Occupational Safety and Health（OSH）management targets：the Total Injury Index for disabling occupational injuries within the workplace shall be ≤ 0.07, and for commuting-related occupational injuries outside the workplace shall be ≤ 0.13. ▪ Continue implementing mental health initiatives and training programs, while providing a gender-equal and inclusive work environment. ▪ Organize sexual harassment prevention campaigns, mental health seminars, and related training courses. Mid-long term ▪ Implement OSH inspections, supervision, and audits, and continuously strengthen employees' safety awareness and risk perception through training, campaigns, seminars, and meetings. ▪ Continue improving initiatives that promote occupational safety and employee health, and develop dedicated tools such as an occupational injury management system and a health management platform to enhance OSH management effectiveness. ▪ Continue holding mental health seminars and trainings, as well as sexual harassment prevention campaigns, extending them to onboarding programs, intern training, and management development courses.

Low-Carbon Operation and Environmental Sustainability

Environmental Sustainability Policy and Management

THSR has set up an Environmental Management Committee with THSRC's Chairman as the convener, and composed of the executives of each department or division, to supervise the development and implementation of internal environmental policies and targets. In 2024, the Environmental Management Committee conducted 25 audits on environmental quality management to assess the actual performance of each depot and HSR station in promoting environmental sustainability. Additionally, the Environmental Management Committee held an "environmental management working conference" every quarter to monitor the progress and performance of each department in promoting environmental projects, ensuring the smooth operation of our environmental management systems. We also promote measures to mitigate environmental impact in compliance with environmental regulations. In 2020, THSRC became the first company in the rail service industry in Taiwan to pass the ISO 14001 environmental management system certification, demonstrating our commitment to environmental protection. In 2023, we passed the ISO 14001 environmental management system re-examination to ensure the effectiveness of our environmental sustainability management implementation, the validity period is from September 24, 2023 to September 24, 2025.

In response to the global Net Zero and carbon reduction trend, we have completed the company-wide greenhouse gas emissions (Scope 1, Scope 2 and Scope 3) inventory and obtained the ISO 14064-1:2018 external verification certificate each year. THSRC is committed to environment protection, raising employees and supplier's environmental awareness, introducing an environmental management system, reducing greenhouse gas emissions and waste, and increasing environmental protection expentidure year by year, with a total investment of NT$ 87.825 million in 2024. Compared with 2023, the expenditure decreased by approximately 15.24% due to the absence of environmental impact assessment variance analysis and the completion of the noise barrier project in Chengbei Village, Miaoli County. We will continue to promote environmental sustainability, including continuous promotion of greenhouse gas inventory and reduction, water conservation and waste recycling and reduction management measures in the future.

Environmental Protection Expenditure in 2024

Environmental Protection Measure (NT$ thousands)	2022	2023	2024
Environmental Impact Assessment and Monitoring (including Miaoli Station, Changhua Station, and Yunlin Station)	2,004	1,499	2,325
Environmental Protection Research (including Pheasant-Tailed Jacana Preservation, greenhouse gas inventory check, and noise research and improvement plan)	5,132	7,932	5,032
Environmental Pollution Prevention (wastewater and waste treatment operation and maintenance at stations and maintenance depots)	86,615	94,187	80,468
Total	93,751	103,618	87,825
Environmental Expenditure Comparison with Previous Year (YOY, %)	-0.5%	10.52%	-15.24%

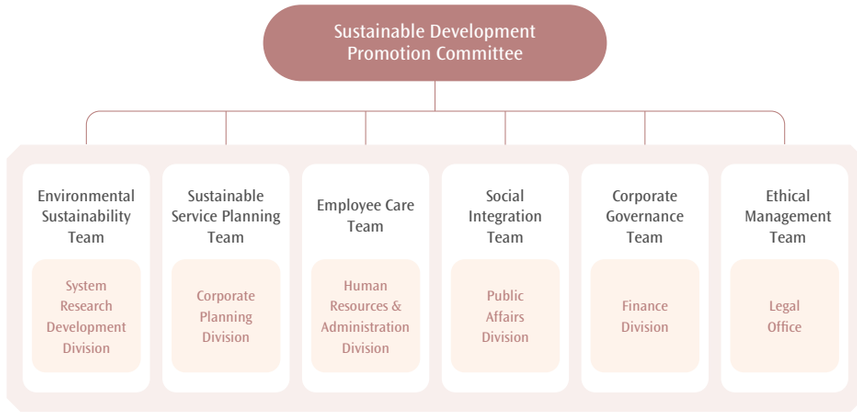
Climate Change Mitigation and Adaptation

In light of the increasing global concern regarding climate change, the government's commitment to achieving net zero emissions by 2050, and the rail transportation industry's response to the threat of climate change, THSRC acknowledges the potential impact and difficulties that climate change may pose to sustainable operations. As a result, THSRC has proactively implemented a range of measures to mitigate and adapt to climate change.

In 2024, THSRC implemented a mechanism to evaluate climate-related risks and opportunities based on the Task Force on Climate-Related Financial Disclosures (TCFD) framework's four major recommendations and eleven recommended disclosures. The objective is to assess the impact of climate change on the Company, implement systematic adaptation measures to mitigate the Company's effects, and improve operational resilience. The TCFD requirements encompass the following four recommendations：

Governance

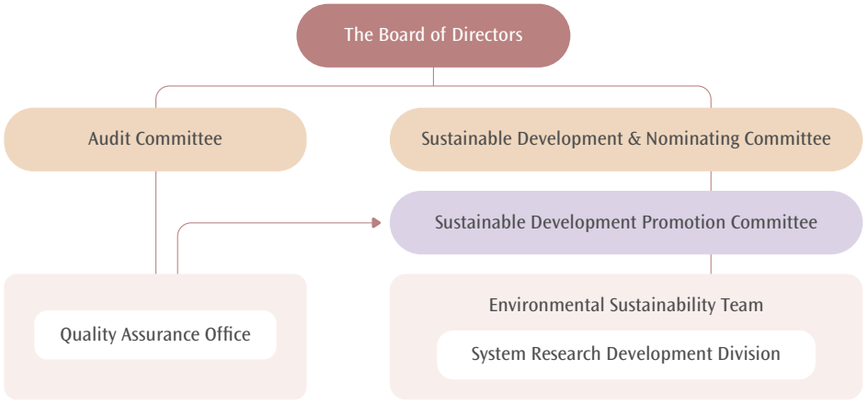
THSRC has established the "Sustainable Development Promotion Committee" under the "Sustainable Development & Nominating Committee" of the Board. The Sustainable Development Promotion Committee is overseen by the Board and the Chairman, and is composed of the President and senior executives from managerial departments. The Sustainable Development Promotion Committee's six sustainability teams continue to focus on internal corporate issues related to sustainable management, and reports implementations and achievements to the Sustainable Development & Nominating Committee and the Board every year. Climate-related governance, strategies, responses, and promotions are coordinated by the Environmental Sustainability Team through jointly formulated strategies, targets, and action plans associated with climate change, nature, and net zero issues.



The Company has formulated "Risk Management Policies," and the Audit Committee under the Board which is responsible for supervising and establishing overall risk management mechanisms, including risk management structures that encompass all Corporation operations. The Environmental Management Committee is responsible for supervising, implementing, and regularly reviewing environmental risks and targets, as well as communicating environmental management matters. The Committee is chaired by the President and is composed of top executives from various departments, facilitating interdepartmental communications that are beneficial for overall operations. A number of interdepartmental working teams have been established under the Environmental Management Committee to implement environmental management tasks. Additionally, risk management structures, risk management promotions, and implementation units are reported to the Board once every year to facilitate monitoring of related climate risks, and to review actions and achievements associated with climate change responses.

In addition, to align with IFRS Sustainability Disclosure Standard S2 "Climate-related Disclosures," the risk management framework has incorporated climate risks, forming a dual-track management mechanism. The overall risk management is supervised by the Quality Assurance Office. At the same time, climate risk-related strategies, metrics, and targets are planned and executed by the Environmental Sustainability Team under the Sustainable Development Promotion Committee, with regular reporting to the Board of Directors and the Sustainable Development & Nominating Committee.

The organizational structure and operational mechanism are as follows.



Responsible Department

Quality Assurance Office

Roles and Responsibilities

Risk Management

Implementation Status

- Each department provides identified risks quarterly, which are compiled into the Risk Register. Risks are categorized into seven major categories: strategic, operational, environmental, financial, information, legal compliance, and ethical risks. Climate-related risks fall under the category of environmental.
- Division-level and above supervisors conduct risk assessment and scoring, and risks are classified into four quadrants. A report is submitted to the Audit Committee once a year.

Responsible Department

Environmental Sustainability Team

Roles and Responsibilities

Climate Risk Strategies, Metrics and Targets

Implementation Status

- Promote the operation of the Environmental Management System.
- Conduct environmental-related inventories and verifications.
- Develop and implement the High Speed Rail Noise Improvement Plan along the railway line.
- Promote the renewal and improvement of energy-related equipment.
- In accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), assess the impact of climate change and implement related adaptation measures.
- Advance environmental sustainability efforts.

Strategy

THSRC conducted a comprehensive assessment of climate change risks and opportunities referring to the TCFD disclosure framework. At the same time, the Company continues to introduce scenario analysis and financial quantification of risks, and the results will be disclosed in subsequent reports. The latest climate risk assessment was completed by the Company at the end of 2024. Taking into account the unique characteristics of the railway transport industry and prioritizing internal natural disaster management practices, the assessment identified 3 moderate risks and 3 high risks from 12 climate-related risks, including 2 transition risks and 4 physical risks. A timeline of potential impacts of climate risks is also incorporated into the transformation plan. The periods of impact are classified as short-term（2024–2026）, medium-term（2027–2035）, and long-term（2035–2050）. The response actions and related financial descriptions for managing climate risks will be disclosed in subsequent reports. Please refer to the table below for the results of this evaluation.

Climate-related Risk Aspect	Climate-related Risk Event	Risk Level and Impact Timeline	Potential Impacts on Value Chain	Potential Impacts on Asset and Facility	Current and Expected Impacts on those Asset and Facility	Financial Impacts (In progress/Short-term/Mid-to Long-term)
Transition Risks	Increased costs from greenhouse gas emissions-Carbon pricing mechanisms	High Risk, Medium-term	Upstream Midstream Downstream	▪ Mainline, stations, maintenance depots, and office buildings. ▪ THSRC's greenhouse gas emissions are primarily from electricity used in operations, accounting for more than 90%, mainly used in the mainline operation.	▪ Currently, THSRC's annual carbon emissions exceed 25,000 metric tons, reaching the threshold for carbon fee collection set by the Ministry of Environment. Electricity used in mainline operations accounts for over 90%. Although THSRC is not listed in the first phase of regulated industries of carbon fee, with the Ministry gradually expanding the scope of industries subject to carbon fee, it is expected that the Company may be included in the future, resulting in additional costs. ▪ Many upstream construction industries related to THSRC are listed in the first phase of carbon fee collection. Therefore, the cost burden of carbon fees paid by contractors may be transferred to the Company, potentially increasing future construction and repair costs of civil tracks and station buildings.	▪ Increased costs leading to reduced operating revenue. ▪ Costs generated from renewable energy procurement / renewable energy certificates or carbon fees. ▪ Instead of feeding into Taipower, solar energy was used by THSRC. This will reduce revenues from electricity sales. ▪ Additional equipment procurement in generating renewable energy would lead to increased operational expenses.
	Transition to low-carbon technologies	Medium Risk, Medium-term	Midstream Downstream	▪ Mainline, stations, maintenance depots, and office. ▪ The primary source of greenhouse gas emissions for THSRC comes from electricity used in operations, accounting for over 90%, with the majority attributed to power consumption by mainline operations.	▪ Taiwan has set a national target to achieve net-zero emissions by 2050. If THSRC fails to transit to low-carbon operations early and replace high-energy-consuming equipment with energy-saving devices and trains, additional costs may arise in the future.	▪ Additional manpower and maintenance costs required to strengthen infrastructure resilience.

Climate-related Risk Aspect	Climate-related Risk Event	Risk Level and Impact Timeline	Potential Impacts on Value Chain	Potential Impacts on Asset and Facility	Current and Expected Impacts on those Asset and Facility	Financial Impacts (In progress/Short-term/Mid-to Long-term)
Pysical Risks	Increased frequency of extreme weather events-Typhoons	High Risk, Short-term	Midstream Downstream	▪ Bridges, slopes, tunnels, and mainlines (sections with high slope vulnerability already identified) ▪ Stations / depots (stations with high flooding potential)	▪ Torrential rain brought by typhoons may cause landslides, damaging bridges, tunnels, and the main line, which could lead to service delays or operational disruptions. ▪ Stations and depots may be flooded by heavy rains, restricting or trapping employees, passengers, and station merchants. ▪ Strong winds caused by typhoons may disrupt trackside equipment and signaling communication systems, affecting train operations. ▪ Under extreme climate conditions, intensified typhoon strength and rainfall may further impact main line operations and commercial activity at stations.	▪ Revenue decline. ▪ Expenses regarding R&D of new disaster prevention technologies. ▪ Additional manpower and maintenance costs required for equipment/facility repairs. ▪ Heavy rainfall caused by typhoons may lead to flooding and water accumulation, resulting in asset impairment.
	Increased frequency of extreme weather events-Heavy rains	High Risk, Short-term	Midstream Downstream	▪ Bridges, slopes, tunnels, and mainlines (sections with high slope vulnerability already identified) ▪ Stations / depots (stations with high flooding potential)	▪ Due to the unpredictability and lack of advance warnings, heavy rainfall is difficult to prepare for. Under worsening extreme weather, it may cause landslides, damaging bridges, tunnels, and the main line, resulting in train delays or operational disruptions. ▪ Heavy rainfall may flood stations and depots, causing obstruction or entrapment for staff, passengers, and station business personnel. ▪ Under extreme weather conditions, intensified heavy rainfall may increase the risk of disruption to main line operations, commercial operations, and asset losses.	▪ Revenue decline. ▪ Asset impairment. ▪ Additional manpower and maintenance costs required to strengthen infrastructure resilience. ▪ Expenses for the implementation and upgrade of automated monitoring systems.
	Increased frequency of extreme weather events-Droughts	Midium Risk, Midium-term	Midstream	▪ Bridges and mainlines	▪ Drought events caused by insufficient rainfall may lead to excessive groundwater extraction by residents along the main line, exacerbating land subsidence, which can affect civil infrastructure and track safety, reduce punctuality, and increase refund risks. ▪ Under more severe drought conditions due to climate change, the impact on main line operations, infrastructure safety, and asset loss may intensify.	▪ Revenue decline. ▪ Asset impairment. ▪ Increased maintenance costs for infrastructure.
	Rising sea levels	Midium Risk, Long-term	Midstream Downstream	▪ Stations / depots (stations with high flood potential)	▪ Rising sea levels may flood high-speed rail operation locations, disrupting evacuation systems, potentially leading to asset impairment and operational disruption. ▪ In the future, sea level rise under extreme climate conditions may cause flooding at stations and depots, further affecting main line operations, infrastructure safety, and asset losses.	▪ Asset impairment. ▪ Additional manpower and maintenance costs required to strengthen infrastructure resilience.

Climate-related Risk Aspect	Climate-related Risk Event	Action in Response	
		Transition Plan	In Progress
Transition Risks	Increased costs from greenhouse gas emissions-Carbon pricing mechanisms	▪ THSRC has implemented an energy resource management system, installed rooftop solar panel systems, and actively procured energy-efficient equipment and introduced new generation rolling stock, which can help improve THSRC's energy use efficiency. ▪ Evaluate the continued increase in the use of renewable energy (e.g., expanding investments in renewable energy and signing corporate power purchase agreements) to reduce carbon emissions and thereby lessen environmental impact. ▪ Continue communicating with upstream contractors to track potential cost transfers in response to regulatory requirements.	▪ Procurement of project-related products with low carbon emissions or high energy efficiency. ▪ Rooftop solar panel systems. ▪ Introduction of new generation rolling stock.
	Transition to low-carbon technologies	▪ THSRC has been gradually replacing old equipment year by year to improve energy efficiency. At the same time, new generation rolling stock have been purchased to help enhance energy use efficiency. The new generation rolling stock are expected to begin operations in 2027.	▪ Procurement of products with low carbon emissions or high energy efficiency. ▪ Introduction of new generation rolling stock.
Pysical Risks	Increased frequency of extreme weather events-Typhoons	▪ THSRC continues to introduce technology to strengthen disaster resilience and early warning capabilities (e.g., collaborating with ITRI to develop a drone track patrol system), and has conducted flood elevation inspections for emergency exits in early-built underground sections and completed necessary flood protection improvements.	▪ Drone track patrol system. ▪ Flood prevention review and subsequent optimization projects.
	Increased frequency of extreme weather events-Heavy rains	▪ In 2024, THSRC continued preventive slope improvement projects and reinforced 9 slope areas to enhance stability. ▪ In the future, slope monitoring and protection mechanisms will be strengthened through the introduction of digital technologies, including updates and upgrades of the automated slope monitoring system.	▪ Annual safety inspection for slopes. ▪ Adoption of digital technologies/tools to optimize inspection efficiency.
	Increased frequency of extreme weather events-Droughts	▪ THSRC conducts water level monitoring at high-risk sections.	▪ Continue to monitor water level in high-risk areas of central and southern Taiwan.
	Rising sea levels	▪ THSRC continues to monitor flooding risks at stations and depots located in lower-lying areas. Annual drill plans are developed to conduct regular and unannounced scenario-based emergency drills, evaluating the familiarity of staff at all levels with emergency response procedures, as well as the effectiveness of relevant plans and measures.	

Based on the results of the climate risk assessment mentioned before, THSRC has established the guidelines for adverse weather operations, and implemented corresponding actions based on physical risks. Currently, the Company has already developed a sound early warning mechanism for climate-related disasters and will further enhance the disaster tolerance of track-related infrastructure and the climate resilience of operating system. This will ensure the provision of safe and secure services, allowing passengers to travel safely.

Physical Risks

Immediacy

Increased frequency of extreme weather events - Typhoons

Contingency measures for different typhoon intensities to enhance the prevention and response to such extreme weather events：

1. Suspension of operations：From the time the typhoon warning is issued, THSRC will have an Emergency Operations Center（EOC）set up to closely monitor the typhoon situation and consider the forecast of strong winds and rainfall in each region before making a decision to suspend operations.
2. Resumption of operation：Normal operations will be resumed gradually after regular line inspections have been arranged, taking into account wind speed, rainfall, and route conditions.

Increased frequency of extreme weather events - Heavy rains

Despite the relatively short forecast period for rainstorm disasters, response is effectively implemented in real time through the following measures：

1. Ensuring safety：Rainfall forecasts are obtainable from both the Central Weather Bureau and private weather forecasting companies. The Company 1）implements train deceleration contingency measures based on actual rainfall and location;2）installs monitors on bridges across rivers and implements operational contingency measures for train deceleration or shutdown, depending on the flood level; 3）assesses the potential impact of disasters and takes contingency measures to move vehicles from underground sections or Wuri base.
2. Maintaining operations：The high-speed rail transportation sector has implemented a natural Disaster Warning System（DWS）along its route. In the event of heavy rainfall causing rockfalls or landslides, THSR can promptly halt train operations. Depending on the situation, the trains can operate in either a "one-way, two-way" or "two-zone operation" mode.
3. The high-speed railway's slopes are characterized by poor geology, resulting in high and steep slope designs. In recent years, extreme weather conditions have caused continuous deterioration of the slopes' internal and external environmental conditions. This has led to changes in stress conditions and other issues that require enhanced slope management and monitoring. By the end of 2024, four slope embankment preventive reinforcement projects had been completed. In the future, we will strengthen the slope monitoring and protection mechanism by introducing digital technology to update and upgrade the slope automated monitoring system, while promoting the second phase of automated monitoring upgrades.
4. Emergency evacuation exits of the Taipei underground section that was constructed in the early years, flood elevation checks were conducted and improvements have been made based on flood protection requirements.

Mid term

Increased frequency of extreme weather events - Droughts

Although drought incidents caused overdrafting of groundwater, making it difficult to make predictions regarding civil facilities, THSRC works with competent authorities to continue monitoring land subsidence along the mainline, and implements timely and appropriate responses.

Long term

Rising sea levels

THSRC continues to monitor flooding risks at stations and maintenance depots in low-lying areas. Plans for drills and training are formulated every year, and we implement regular and unannounced drills for various scenarios to assess employee familiarity with contingency measures for various emergency situations, as well as the effectiveness of related plans and regulations.

One of the six primary axes of THSRC's sustainability strategy, THSRC's medium to long-term strategic blueprint for the next five years, is to address the impact of extreme climate and mitigate disaster risks. To achieve this, THSRC will actively collaborate with government agencies, academic institutions, and relevant industries to enhance climate adaptability, minimize operational disruptions, and reduce financial losses.

Strategy

Adapting to extreme climate and reducing disaster risk

Strategic Planning ▶ Introducing technology to enhance disaster tolerance and early warning capabilities

Focus Areas

- Strengthening toughness/weather resistance of existing facility structures.
- Introducing artificial intelligence and Internet of Things (AI+IOT) technology and strengthens the effectiveness of disaster warning and facility monitoring.
- Introducing telemetry and unmanned drive to improve observation efficiency.

Strategic Planning ▶ Reviewing disaster preparedness in response to extreme climate threats

Focus Areas

- Building operational emergency support and decision support system.
- Developing mobile response information platform.
- Implementing slope safety management and disaster warning and response system.
- Reviewing and implementing the security operations of the basic SOP.

Climate change presents both risks and opportunities for businesses. THSRC is capitalizing on the advantages of low-carbon transportation and plans to enhance the Company's efficiency by investing in renewable energy installations at stations and maintenance depots. The Company's goal is to establish a zero-carbon transport value chain. In addition to addressing climate risks, THSRC aims to offer consumers environmentally friendly, fast, and convenient services, thereby promoting sustainability throughout Taiwan. The following table outlines the climate-related opportunities identified in this review：

Climate-Related Opportunity	Description	Potential Impacts on Value Chain			Potential Impacts on Asset and Facility	Potential Impacts on THSRC
		Upstream	Midstream	Downstream		
Technology : Improving Energy Efficiency	Improve the energy efficiency of maintenance depots and stations, introduce high-performance trains and equipment, and inventory opportunities for greenhouse gas reduction.		✓	✓	▪ Mainline ▪ Stations/ Maintenance Depots	▪ Reducing cost for energy use. ▪ Incorporating high-performance equipment to optimize energy efficiency will increase equipment/system integration costs over the short term. ▪ Energy consumption, operational costs, and carbon fees will be reduced in the long term.
Markets : Changes in Consumer Demand for Green Products and Services	Increased environmental awareness may lead consumers to prioritize more environmentally sustainable low-carbon travel products to increase revenue.			✓	▪ Mainline ▪ Stations	▪ Increase brand value, higher corporate evaluation ratings, and increase investor and shareholder confidence. ▪ As passengers choose more sustainable transportation methods, the demand for passenger capacity increases resulting in revenue growth.

Risk Management

Process for Identifying and Assessing Climate-Related Risks

THSRC has completed the identification of climate-related risks and opportunities by following the TCFD recommendation and utilizing international railway transport industry practices. This was achieved through cross-departmental interviews and discussions, as well as reviewing and incorporating existing internal natural disaster management and response mechanisms. Qualitative assessment was used to determine the impact of climate change on the Company's operations and financial performance. The results will serve as a foundation for future risk review and decision making, with the aim of enhancing THSRC's climate risk management measures and strengthening the Company's ability to respond to climate change.

Identify, Assess, and Manage Climate-Related Risk Process and Integration of Management Systems

THSRC has established "Risk Management Policies" and "Risk Management Procedures." We inventoried and identified possible operational and profitability risks based on operational and business activities, mainly considering the seven aspects of strategy, operations, environment（including climate change risks）, finances, information, legal compliance, and ethics. We also established an operational framework by reviewing the integrity of corporate risk management measures and effectiveness of risk controls as well as assessing risks from material domestic and overseas environmental, social, and governance issues.

All risks（including environmental risks）proposed by our committees are compiled each year along with effective control measures for environmental risks proposed by business units, and are reported to the Board and the Audit Committee. In the future, our risk management units will continue to respond to internal and external changes in environmental conditions, review and amend new risk management policies, strive to implement mid- to long-term strategic plans and targets, strengthen risk awareness at THSRC, and make strides towards a vision of sustainable management.

Indicators and Targets

THSRC has committed to echoing global and domestic carbon reduction and net-zero goals, with the aim of formulating performance reduction and quantitative targets for greenhouse gases, water resource management, and energy management. The achievement rate of each indicator is regularly monitored and reviewed, and internal management policies are adjusted on a rolling basis, based on the results of the annual review, to mitigate the impact of climate change through target management. For information on the relevant target achievements and other environmental-related performance in 2024, please refer to the "Low-Carbon Operation and Environmental Sustainability" subsection in this section.

Energy Management (Note 1)	Profile Disclosure	Annual Average Electricity Saving Rate per Trip Served (Note 2)		
	Target	>0.86%		
	Performance Item	2022	2023	2024
	Total Electricity Consumption (tens MWh)	9,141.130	9,138.384	9,389.449
	Total Number of Passenger Trips (person-times)	54,162,008	73,086,668	78,250,483
	Average Electricity Consumption per Trip Served (kWh)	1.688	1.250	1.200
	Electricity Savings (GJ)	-1,857.3228	98.8607	-9,038.3303
	Electricity Saving Rate per Trip (%)	19.273%	25.916%	4.033%
Water Resource Management (Note 1)	Profile Disclosure	Annual average water saving rate per trip served (Note 3)		
	Target	>3.42%		
	Performance Item	2022	2023	2024
	Total Water Consumption (cubic meter)	648,901	709,144	743,719
	Average Water Consumption per Trip Served (cubic meter)	0.012	0.0097	0.0095
	Water Saving Rate per Trip (%)	11.764%	19.014%	2.045%
Greenhouse Gas Management (Note 1)	Profile Disclosure	The average annual rate of carbon reduction per person-kilometre (Note 4)		
	Target	>1.50%		
	Performance Item	2022	2023	2024
	Total Emissions (metric tons of CO_2e) (Note 5、6、7、8)	316,942.85	317,679.09	325,887.55
	Total Passenger-Kilometers (pkm)	9,338,060,507	12,564,568,569	13,351,195,027
	Average Grams of CO_2e per Passenger-Kilometer (gram of CO_2e/passenger-kilometer)	33.941	25.284	24.409
	Carbon Reduction Rate per Passenger-Kilometer (%)	10.055%	25.507%	3.460%

Note：1. Electricity, water, and carbon reduction rates were all calculated using corresponding intensity indicators, and we have established reduction targets based on the previous year to serve as a basis for internal energy management.
2. The scope of setting indicators and targets encompasses the electricity consumption of HSR stations, including the Taoyuan Operation OMC Building, but excluding commercial areas, parking lots, and public areas shared with the Taiwan Railways Administration (TRA) at Nangang, Taipei, and Banqiao stations, as well as depots. For performance evaluations related to THSR trains and THSRC's headquarters office, please refer to the subchapters titled "Building Low-carbon Trains" and "Optimization of Sustainable Operations."
3. The indicator and target setting scope pertains to water consumption at HSR stations, encompassing the Taoyuan OMC Building but excluding commercial areas, parking lots, and water consumption in public areas shared with TRA at Nangang, Taipei, and Banqiao stations, as well as maintenance depots.
4. The indicator and target setting scope encompasses the electricity and gasoline/diesel fuel consumption of THSR trains, as well as that of HSR stations. This includes the electricity consumption in public areas shared with TRA (at Nangang, Taipei, and Banqiao stations) and Taoyuan OMC Building, but excludes commercial areas and parking lots, depots, and THSRC's headquarters office.
5. The emission factor of electricity is referred to the latest announcement from the Ministry of Economic Affairs.
6. The table is used for internal management and the figures were resulted from THSRC internal surveys of carbon emissions of electricity and gasoline usage covering the entire company, and do not include refrigerant, welding rods, CO_2 fire extinguisher and Scope III emissions.
7. Emission factors for gasoline and diesel fuel in 2022, 2023, and 2024 were corresponding from Version 6.0.4 (June 2019) of the Greenhouse Gas Emission Factor Management Table published by the Ministry of Environment.
8. GHG Emission = the amount of Electricity Consumption / Diesel procurement x the emission factor Global warming potential (GWP): Global Warming Potential (GWP) used in the Greenhouse Gas Inventory is from Intergovernmental Panel on Climate Change (IPCC) 's sixth version assessment report in 2021.

Energy Management

THSRC has implemented energy-saving projects at 5 maintenance depots and 12 stations, and has established a comprehensive energy efficiency improvement plan to develop low-carbon emission green stations with the continued implementation of four major energy-saving schemes "autonomous energy conservation management, reduce electricity consumption, transfer peak electricity usage, and use electricity reasonably." HSR stations are designed with a sustainable environment concept that includes "ecology, energy conservation, waste reduction, and health." Several energy-saving measures are implemented to suit the geographical environment of each station, reducing the load on building materials and air conditioning. THSR Miaoli Station, Changhua Station, and Yunlin Station have respectively received Diamond Level, Gold Level and Gold Level Green Building Certificates and Green Building Certification Plaques issued by the Ministry of the Interior. The maintenance depots prioritize energy reduction planning and several improvement measures for existing equipment to reduce the average energy consumption of passengers served at the stations and maintenance depots.

Energy Conservation Measures to Promote Equipment Replacement at Maintenance Depots and Stations in 2024

	2024 Implementation Progress	Quantity	Location
Air Conditioning	▪ Replacement of traditional split-type air conditioners with high-efficiency split-type air conditioners	39 units	5 stations, 2 depots and Yan Chao Main Workshop
	▪ Replacement of centrifugal chiller at Taoyuan Station and screw-type chiller at Hsinchu Station with magnetic levitation energy-saving chillers	2 units	1 unit at Taoyuan Station and 1 unit at Hsinchu Station
	▪ Upgraded the entire air conditioning unit and replaced the motor with a higher-efficiency model	1 unit	Zuoying Station
Lighting	▪ Replacement of traditional electronic ballast lamps with energy-saving LED lights	10,310 lights	77% replaced at depots、79% replaced at the three new stations and all other stations were fully replaced
Fans	▪ Replacement of high-efficiency axial flow fans and equipped with inverters	12 units	Nangang Station
Elevator	▪ Replacement of hydraulic elevators with machine-room-less traction elevators	3 units	2 units at Taichung Station、1 unit at Zuoying Station

In response to the net-zero strategy, THSRC has built solar power generation facilities at maintenance depots and stations to align with the government's energy transition policy. However, the power generation may fluctuate due to unfavorable weather and natural disasters (such as typhoons). In 2024, the annual solar power generation reached 8,964.004 MWh. The total power generation of the four maintenance depots was 6,566.75 MWh, and the power generated was all sold to Taipower; the total power generation of the six HSR stations was 2,397.26 MWh, of which 176.292 MWh was used by the HSR station, and the rest was sold to Taipower.

Solar Power Generation at Four THSR Maintenance Depots

Maintenance Depots	Installed Capacity (W)	Annual Power Generation (MWh)		
		2022	2023	2024
Wuri Maintenance Depot	1,436.25	1,703.12	1,512.94	1,465.44
Yanchao Main Workshop	3,856.59	4,930.32	4,243.62	3,555.10
Zuoying Maintenance Depot	1,410.17	962.16	841.71	983.97
Liujia Maintenance Depots	499.72	576.48	588.24	562.23
Total amount at all four maintenance depots	7,202.73	8,172.08	7,186.51	6,566.75

Solar Power Generation at Six THSR Stations

Stations	Installed Capacity (W)	Annual Power Generation (MWh)		
		2022	2023	2024
Miaoli Station	72	28.53	20.06	17.63
Changhua Station	99.38	46.04	68.73	60.69
Yunlin Station	93.18	91.44	97.43	97.96
Tainan Station	499.72	670.51	664.59	646.85
Chiayi Station	968.44	1,005.50	1,046.06	1,014.01
Taoyuan Station	499.84	529.12	590.07	560.10
Total amount at all six stations	2,232.57	2,371.16	2,486.96	2,397.26

Total Energy Consumption (Note 1)

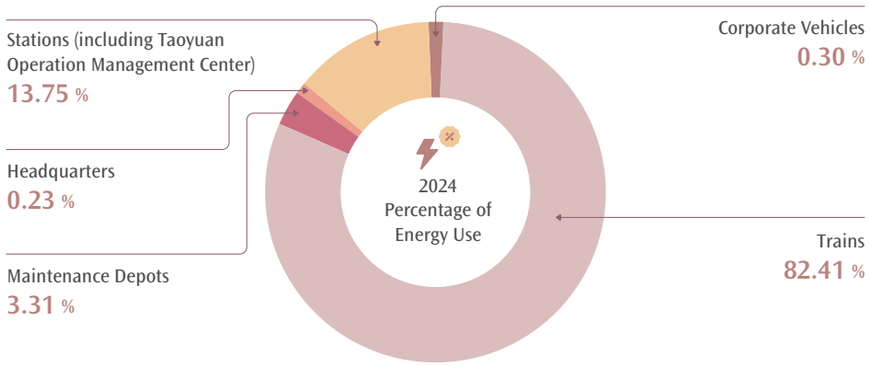
Unit：GJ

Type (Note 3)	Trains	Stations						Headquarters		Corporate Vehicles		Total Amount				
		Maintenance Depots			Stations（Including Taoyuan Operation Management Center and the Public Area of the Shared Station with Taiwan Railway）											
	Electric Power	Electric Power	Renewable Energy (Note 2)	Diesel Fuel	Electric Power	Renewable Energy	Diesel Fuel	Electric Power	Renewable Energy (Note 2)	Gasoline	Diesel Fuel	Gasoline	Diesel Fuel	Electric Power	Renewable Energy	Total Energy
2022	1,844,543.43	66,633.02	0	7,625.20	318,996.18	597.70	197.43	3,907.56	0	2,555.57	3,807.31	2,555.57	11,629.94	2,234,080.18	597.70	2,248,863.39
2023	1,909,693.44	65,724.83	0	9,804.97	322,996.76	670.42	167.06	2,751.22	0	2,310.99	4,538.18	2,310.99	14,510.20	2,301,166.25	670.42	2,318,657.87
2024	1,964,782.99	67,200.29	0	11,746.83	327,093.04	634.65	172.69	5,418.78	0	2,922.54	4,205.93	2,922.54	16,125.45	2,364,495.11	634.65	2,384,177.75

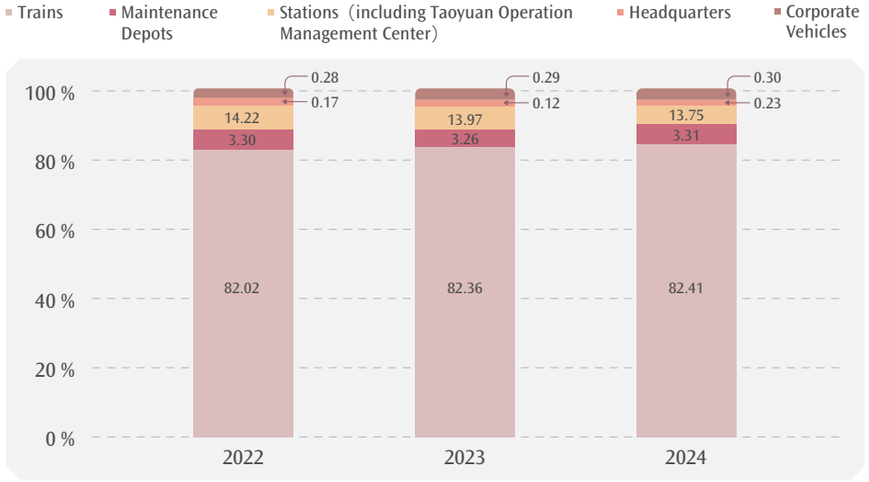
Note：1. THSRC used the Energy Product Unit Heating Value Table as specified in the 2016 Energy Statistics Handbook published by the Bureau of Energy, the heating value of 1 liter of diesel fuel for motor vehicles is 7,800 Kcal/L, and the heating value of diesel fuel is 8,400 Kcal/L, which is 4.187KJ per Kcal; 1 KWh= 0.0036GJ.

2. Solar power generation facilities at four maintenance depots of Wuri, Yanchao, Zuoying, and Liujia were installed on the rooftop area of these maintenance depots rented by operators in the electric power industry. Electric power generated by such equipment was sold to Taiwan Power Company, so there was no data of green power consumption. As there is no renewable energy equipment installed at the headquarters, there was no data of green power consumption, either.

3. The scope of energy consumption in each year are constant as whole TSHRC, included all trains, maintenance depots, statios, Taoyuan Operation Management Center, headquaters and corporate vehicles.



Percentage of Energy Use



According to THSRC's 5-year medium-to-long term strategy plan, initiatives have been implemented to improve building energy consumption efficiency, increase electronic devices energy efficiency and also carry out green material projects. Since 2019, the Head Office has fully replaced all lighting with LED fixtures and installed heat-insulation films on curtain walls. By the end of 2024, these have saved a total of 183,960 kWh of electricity, reducing approximately 95 metric tons of CO_2e emissions. In 2024, the Taoyuan Operation Control Center also replaced 725 traditional lighting fixtures with LED tubes, which is estimated to save 47,632 kWh of electricity annually, equivalent to a reduction of approximately 25 metric tons of CO_2e.

As consumers' awareness of sustainability rises, THSRC has also reduced the use of magnetic and paper tickets through various innovative ticketing services, including the issuance of commuter passes/multiple-ride tickets and the mobile ticketing function of the T Express App. In 2024, these two services reduced ticket usage by a total of 31.11 million tickets, with a cumulative reduction of 180 million tickets to date, providing passengers with a more sustainable, low-carbon, and convenient travel experience.

In response to the paperless era, the number of digital official documents reached 52,115 in 2024, saving approximately 625,380 sheets of paper, which is equivalent to conserving 75 trees and reducing 900 kilograms of carbon emissions (calculated based on data from the Environmental Quality Protection Foundation).

Greenhouse Gas Management

Greenhouse Gas Emissions

THSRC adopts the operational control approach to conduct annual greenhouse gas inventories and obtains third-party verification in accordance with ISO 14064-1:2018. In April 2025, THSRC completed the inventory and verification of the 2024 greenhouse gas emissions, covering both the entire company (Scope 1 and 2) and the supply chain (Scope 3), with a coverage rate of 100%. The inventory scope included 12 Stations, 5 maintenance depots, the headquarters office, the Taoyuan Operations Management Center, and the main line (trains and roadside equipment). We are committed to continuing to promote environmental sustainability in the future, including continuing to conduct greenhouse gas inventory and verification, and promoting energy conservation and carbon reduction measures, with short-, medium-, and long-term reduction targets set to reduce carbon emissions per person-kilometer, in order to achieve net-zero emissions across THSRC's operations. The primary sources of Scope 1 emission include greenhouse gases generated from gasoline, diesel, and refrigerants. Scope 2 emissions mainly come from purchased electricity. The greenhouse gas emissions and reduction targets are shown in the table below：

Unit：metric tons CO_2e

Greenhouse Gas Emissions		2022 (Note 3)	2023 (Note 3)	2024 (Note 3)
Scope 1：Direct Greenhouse Gas Emissions		6,310.52	8,373.35	8,637.63
Scope 2：Greenhouse Gas Emissions from Input Energy (electricity).		309,005.65	318,094.69	313,256.10
Scope 3：Indirect	Greenhouse Gas Emissions from Transportation (carbon emissions from upstream transportation and distribution of goods, employee commuting, business travel).	3,702.02	4,752.97	4,835.63
	Greenhouse Gas Emissions from the Organization's Use Products (emissions from purchased goods, emissions generated upstream of energy resources, emissions from capital goods, emissions from solid and liquid waste disposal).	90,337.37	112,296.30	102,021.23
	Greenhouse Gas Emissions from the Organization's Products (downstream leased assets emit electricity/tap water).	8,144.82	8,483.40	8,804.83
	Greenhouse Gas Emissions from Other Sources	NA	NA	NA

Note：1. Greenhouse gas emission inventory in 2022 included whole company, including 12 stations, 4 maintainance depots, Headquarters office, Taoyuan Operation Management Center and main line (trains and roadside equipment); and followed with ISO 14064-1:2018 standards which obtained in 2023,September. As the calculation of electric power emission in 2022 was updated in 2023, so the data was different from that in THSRC's 2022 and 2023 Sustainability Reports.
2. The 2023 greenhouse gas inventory and verification operations achieved a 100% coverage rate, including 12 stations, 5 maintenance depots, the Headquarters office, the Taoyuan Operation Management Center, and the main line (trains and roadside equipment). The ISO 14064-1:2018 verification certificate was obtained in September 2024; the 2024 emission verification was completed in April 2025 under the ISO 14064-1:2018 standard.
3. The emission factors for gasoline and diesel in 2022 and 2023 refer to Version 6.0.4 (June 2019) of the Greenhouse Gas Emission Factors Management Table published by the Ministry of Environment; the 2024 factors were based on the "Greenhouse Gas Emission Factors Calculation Table" announced by the Ministry of Environment on February 5, 2024.
4. Greenhouse gas emissions are calculated as electricity consumption or gasoline/diesel consumption × emission factor × global warming potential (GWP) = metric tons of CO_2 equivalent emissions. The GWP values used in the inventory are based on the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report published in 2021.
5. The types of greenhouse gases emitted included sulfur dioxide, methane, nitrous oxide, fluorocarbon, perfluorocarbons, and sulfur hexafluoride.

In 2024, THSRC completed the inventory of 9 categories under Scope 3, which were externally verified as well as Scope 1 and 2. The Company will continue to expand the Scope 3 inventory coverage.

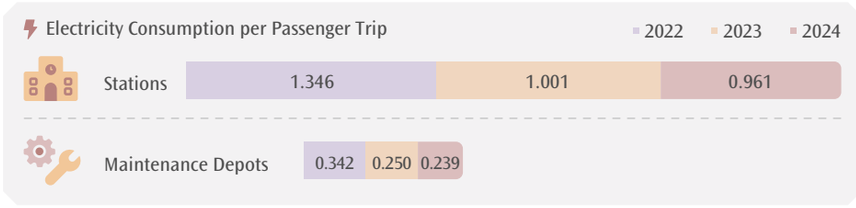
Scope 3 Emission Inventory and Methodology Description（2024 Emissions）

Scope 3 / Own Operation Categories (Note 2)		Greenhouse Gas Emissions (Metric Tons CO_2e)	Subtotal
Upstream Transportation and Distribution (Note 3)	▪ Emissions from Upstream Transportation and Distribution	282.30	-
Employee Commuting	▪ Emissions from Employee Commuting – Automobiles	2,984.76	4,437.41
	▪ Emissions from Employee Commuting – Taxi	125.80	
	▪ Emissions from Employee Commuting – MRT	1,326.85	
Business Travel	▪ Emissions from Business Travel – MRT	0.12	115.92
	▪ Emissions from Business Travel – Taxi	0.95	
	▪ Emissions from Business Travel – Airplane (Note 4)	114.85	
Purchased Goods and Services	▪ Emissions from Purchased Goods – Materials and Supplies for Services	36,553.79	36,765.14
	▪ Emissions from Purchased Goods – Tap Water	211.35	
Fuel- and Energy - Related Activities (not included in Scope 1 or 2)	▪ Upstream Emissions from Energy Sources	63,641.22	-
Capital Goods	▪ Emissions from Capital Goods – Equipment Procurement	97.12	-
Waste Generated in Operations	▪ Emissions from Solid and Liquid Waste (Note 5)	1,507.73	-
Upstream Leased Assets	▪ Emissions from Electricity Use of Upstream Leased Assets	9.78	10.02
	▪ Emissions from Tap Water Use of Upstream Leased Assets	0.24	
Downstream Leased Assets	▪ Emissions from Electricity Use of Downstream Leased Assets	8,775.25	8,804.83
	▪ Emissions from Tap Water Use of Downstream Leased Assets	29.58	
Including 12 stations, 5 Maintenance Depots, the Headquarters Office, the Taoyuan Operation Management Center, and the main line (trains and roadside equipment)			
Data Coverage Rate (Note 1)			100%
Indirect Greenhouse Gas Emissions from Other Sources	▪ No Significant Emissions	NA	-
Total			115,661.69

Notes：1. Data coverage is 100%.
2. To maintain consistency in terminology disclosure within the report, the terms used follow Scope 3: Indirect Emissions of the GHG Protocol. Corresponding terms from ISO 14064-1:2018 are:
   • Upstream transportation and distribution, business travel, and employee commuting correspond to "Category 3 – Indirect greenhouse gas emissions from transportation."
   • Purchased goods and services, fuel- and energy-related activities, capital goods, waste generated in operations, and upstream leased assets correspond to "Category 4 – Indirect greenhouse gas emissions from products used by the organization."
   • Downstream leased assets correspond to "Category 5 – Indirect greenhouse gas emissions from products provided by the organization."
3. Emissions from upstream transportation and distribution are calculated using the distance-based method, based on supplier transport distance, cargo weight, and corresponding emission factors.
4. International air travel emissions are calculated using the ICAO Carbon Emissions Calculator for each flight.
5. Waste emissions are calculated using the categorized waste method, based on Industrial Waste Report and Management System of Resource Circulation Administration Ministry of Environment. Emissions are computed according to the type of treatment method and corresponding emission factors, and transportation emissions are based on the distance-based method using waste weight, transport distance, and relevant emission factors.

Building Low-Carbon Trains

THSRC utilizes the industrial benefits of low-carbon transportation to offer passengers environmentally friendly, fast, and convenient transportation services while effectively mitigating the environmental impact of operations. However, in 2024, the electricity consumption per trip at THSR stations and bases is 0.961 kWh and 0.239 kWh, respectively, electricity consumption per trip has decreased year by year（see the table below）. When calculated in terms of the passenger-kilometer carried by THSRC in 2024, the Company was able to reduce CO_2e by 1,108,149 metric tons compared to smaller passenger cars. When calculated against the annual carbon absorption of 389 metric tons per Da-An Forest Park（source：2019 Bureau of Energy, Ministry of Economic Affairs）, this reduction is equivalent to the carbon uptake of 2,849 Da-An Forest Parks.



External Affirmation

"Carbon Footprint label of High Speed Rail Transportation Services" and "Carbon Footprint of Passenger Transportation Between Stations" verification certificate and label.

In 2020, we applied to the Ministry of Environment for an extension and were awarded a renewed carbon footprint label, which valid until December 16, 2025. As we have achieved our carbon reduction commitment of reduction by more than 3% within three years（by 4.92% in practice）, we were awarded a "Carbon Reduction Label."

From 2010 (base year) to the end of 2024, THSRC has promoted energy - saving programs through the "Train Energy Conservation Team," continuously improving the energy efficiency of train operations. A cumulative total of 26,909 MWh of electricity has been saved, and 13,293 metric tons of CO_2e emissions have been reduced. The table below shows the amount of electricity saving and carbon reduction in the past three years.

Energy-Saving Train Operation Performance

Year	Annual Electricity Saving (MWh) Base Year 2010	Annual Carbon Reduction (metric tons) Base Year 2010
▸ 2022 - 12th year since launch	25,520	12,989
▸ 2023 - 13th year since launch	14,812	7,317
▸ 2024 - 14th year since launch	26,909	13,293

Note：1. THSRC used the 2010-2023 National Electric Power Emission Factor published by the Bureau of Energy and calculated emissions in 2024 using emission factors in 2023.
2. Only electricity consumption in train operation was included. Electricity consumption for lighting and air-conditioners on trains was not included.
3. The original annual carbon savings in 2023 as compared to those in 2010 were 7,332 metric tons, which was adjusted to 7,317 metric tons in the recalculation due to the adjustment of the 2023 emission factors.

Use of Water Resources and Wastewater Treatment

THSRC has implemented three major strategies, namely water conservation, use reduction, and recycle and reuse. Meanwhile, established an Energy Conservation Project Team to hold quarterly review meetings to examine the progress of implementation and actively practice water resource management. In 2024, the water saving rate at stations reached 2.045%. THSRC continued to conduct the Tainan Station water footprint inventory for 2022 and 2023 in accordance with ISO 14046:2014 (the verification certificate was obtained in November), allowing for a more systematic reduction in water consumption per passenger.

THSRC used the water resources management tool of the World Resources Institute (WRI) for risk assessment. THSRC's water intake source is in the fifth range of 2.6-3.0 in a medium-to-low stress region. THSRC stations, maintenance depots, and THSRC's headquarters office use tap water as the source of water rather than groundwater.

Regarding waste water management, THSRC has set up waste water treatment plants at various maintenance depots and Taoyuan, Hsinchu, Miaoli, Taichung, Changhua, Yunlin, Chiayi, and Tainan Stations. Professionals with wastewater treatment licenses classified and treated the sewage to meet the standards for effluents (Note). The remaining stations directly discharge sewage into sewers with sewage treatment fees paid regularly. Moreover, environmental management audits performed, THSRC complies with the "Water Pollution Prevention and Control Measures Plan" and the requirements of environmental laws and regulations. A report was filed on the quality and quantity of effluents from the sewage treatment plants as scheduled.

Unit：million liters

	2022	2023	2024
Total Water Withdrawal	653.4	714.5	748.3
Total Water Discharge	276.1	343.4	346.9
Total Water Consumption	377.4	371.1	401.4

Notes：1. The effluent standard complies with the effluent standard limit of the "specially polluted sewer system in other designated areas or places" specified under the Water Pollution Control Act, which includes water temperature < 35 °C (October to April) < 38 °C (May to September), pH value between 6.0 and 9.0, oil and fat <10 mg/L, suspended solids <30 mg/L, chemical oxygen demand <100 mg/L, biochemical oxygen demand <30 mg/L.
2. The increase of total water withdrawal in 2024 was mainly due to the increase in traffic volume by 7.07% compared with 2023.
3. Due to adjustments in unit conversion for 2024, the data in this table is slightly different from the previous data.

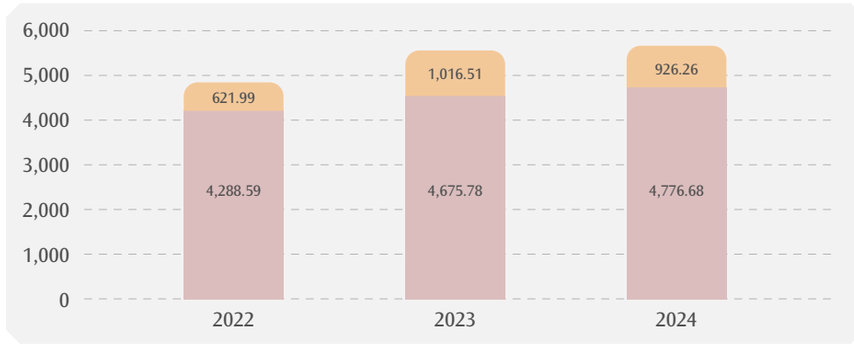
Waste Disposal

THSRC is committed to reducing the amount of waste and increasing the rate of recycling. The recycling of waste, including the resources generated from train maintenance operations and transportation services, as well as the recycling, clean-up, and disposal of and general industrial waste and waste at all HSR maintenance depots and stations are all processed by qualified licensed operators. Non-recyclable general industrial waste is ultimately disposed in incinerators. THSRC also manages the contractors through a contract mechanism to facilitate supervision of their compliance with relevant waste regulations. In 2024, the total amount of waste treated was 7,081.93 metric tons, and1,852.42 metric tons of waste were recycled, with a recycling rate of approximately 26.2%. The recyclables are classified into waste paper, waste plastic, scrap iron and others (including scrap copper, scrap aluminum, waste lighting sources, waste lead storage batteries, and waste glass containers, etc.), covered by 31.59%, 10.72%, 35.92% and 21.77%, respectively. In 2024, no breach of contract occurred, and no leakage of oil, fuel, chemical substances, or waste occurred.

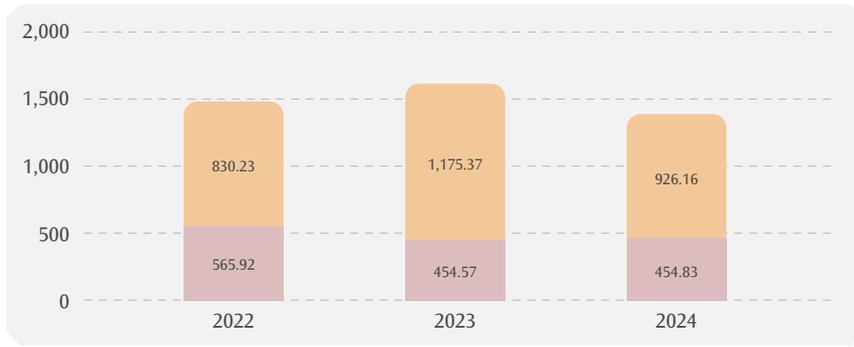
THSRC not only urges the implementation of internal waste management, but also actively encourages suppliers to take actions. In our contracts with contractors, we require them to properly clean and dispose of the waste generated. Furthermore, the awareness-increasing session in meetings on interface agreements and work meetings with contractors, we supervise each contractor's implementation of waste treatment measures through on-site audits.

In 2024, THSRC invested approximately NT$804.68 million in waste water and waste treatment. These projects included equipment maintenance, equipment expansion and repairs, coagulants, precipitants, and disinfectants, water quality inspections, commissioning of sludge collection and disposal, and outsourcing of waste collection and disposal.

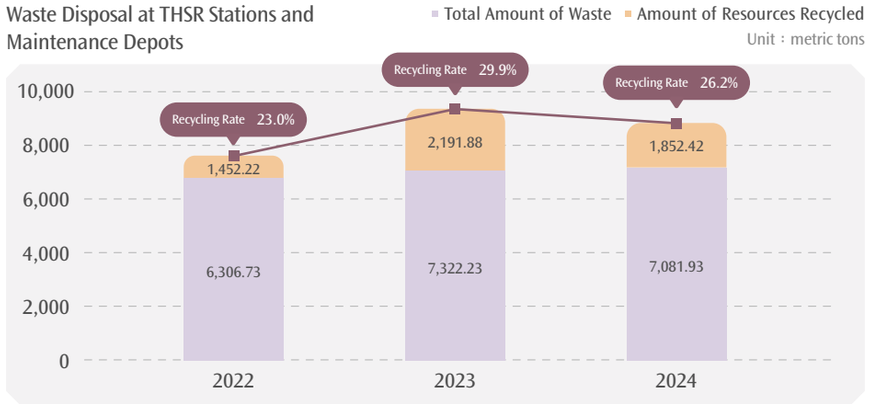
Waste Disposal at Stations



Waste Disposal at Maintenance Depots



Waste Disposal at THSR Stations and Maintenance Depots



Total Weight of Hazardous and Non-Hazardous Waste

Unit：metric tons

Environmental Indicators		2022	2023	2024
Total Amount of General Industrial Waste (Note 1)		6,292.87	7,322.18	7,058.29
The Total Amount of General Industrial Waste Recycled		1,452.22	2,191.88	1,852.42
Type and Amount of Waste Recycled and Disposed（qualified service providers were commissioned）	Waste paper	418.89	732.93	585.16
	Waste Plastics	152.77	156.54	198.50
	Scrap Metal	622.17	925.77	665.43
	Others（including scrap copper, scrap aluminum, waste lighting sources, waste lead storage batteries, and waste glass containers）	258.39	376.64	403.33
Total Amount of General Industrial Waste Incinerated		4,840.65	5,130.30	5,205.87
Type and Amount of Waste Incinerated（qualified service providers were commissioned）	Domestic Waste	3,380.79	3,755.58	3,910.52
	Liquid Manure	1,210.95	1,213.26	1,162.24
	Waste Wood	142.26	73.16	44.21
	Others（including waste lubricants, waste paint, and inorganic sludge）	106.65	88.30	88.91
Total Amount of Hazardous Industrial Waste (Note 2)		13.86	0.05	23.64
Total Amount of Hazardous Business Waste Recycled and Processed		13.86	0.05	23.64

Notes：1. The waste from the headquarters office is processed by the building management unit altogether, and the waste from trains is included in that from stations or maintenance depots for processing altogether, so the relevant data has been included in this table.
2. "Hazardous industrial waste" is nickel-cadmium batteries.

Air Pollution Management

THSRC's main operating mode relies on the power system. Although there are no issues with air pollutant emissions during regular operation, a small amount of emissions may still be generated during train maintenance at the Yanchao Main Workshop. In this regard, the automated spray painting factory of Workshop was constructed since 2021 and was expected to be completed by the end of 2025 with air pollution control equipment, including manual painting factory, adding a central control system, automatic painting robot arm, electric self-propelled trolley（replacing bogie）, automatic car washing (sewage recycling) equipment, and grinding and lifting platform and pulse bag dust collectors, activated carbon adsorption equipment, as well as catalyst incineration towers and other equipment, which are used to treat dust and volatile organic compounds（VOCs）generated during the spray painting process of trains. It is anticipated to be effective in the prevention and control of air pollutant emissions.

THSRC also obtained a stationary pollution source installation permit, and a stationary pollution source operation permit. Additonally, a report is regularly filed every quarter in accordance with the Ministry of Environment's "Administrative Measures for the Reporting of Stationary Pollutant Emissions in Public and Private Places." THSRC not only continues to perform environmental monitoring and environmental protection work through the Company's environmental management system, but conducts audits on the treatment of wastewater, waste and air quality at the Company's stations and maintenance depots through external environmental protection teams as well. In 2024, there was no punishment or penalty imposed by the competent authority due to environmental pollution.

In 2024, the total air pollution emissions from THSRC were 9.24 metric tons. Please refer to the table below for the emissions of different types of gases：

0（metric tons）

Nitrogen oxides（NOx）、Sulfur oxides（SOx）
Persistent Organic Pollutants（POP）
Hazardous Air Pollutants（HAP）

9.20（metric tons）

Volatile Organic Compounds（VOC）

0.04（metric tons）

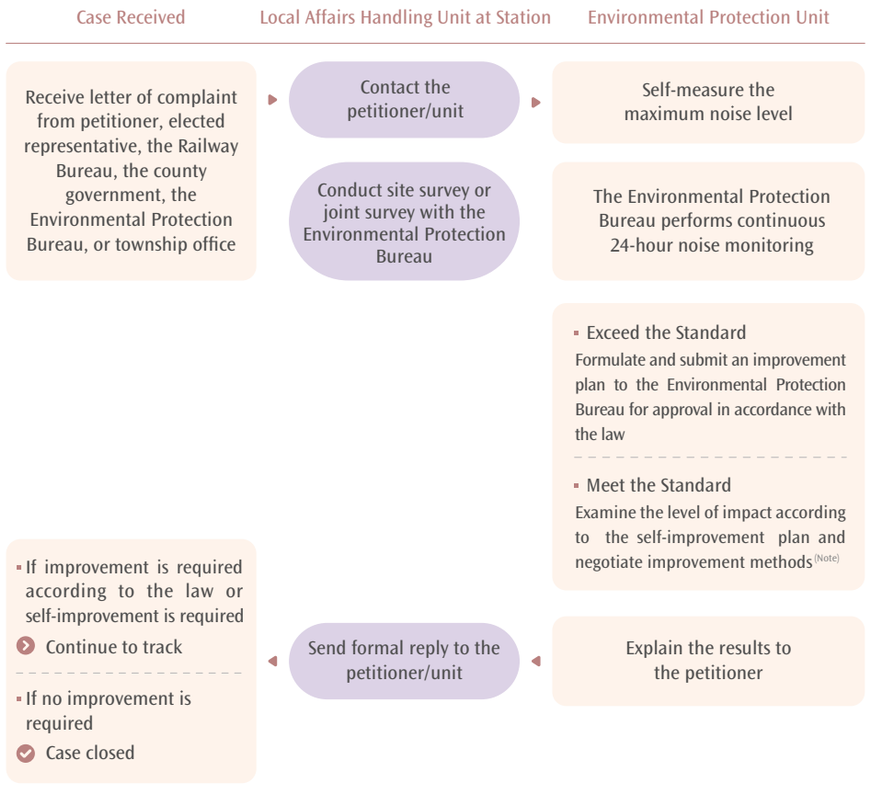
Particulate Matter（PM）

The impact of the pandemic in recent years has led consumers to increasingly prioritize indoor air quality, HSR trains are equipped with a highly efficient "Circulation Ventilation System" that continuously draws fresh air from outside the train while in motion and at stops. On average, the system can replace the air in each car every 6 to 8 minutes. Fresh air is filtered through two stages in the air conditioning system before entering the cabin, while the air in the aisles and toilets is prioritized for removal. THSRC regularly cleans and replaces the filters to maintain air quality and promote passenger health, providing a fresh, clean, and comfortable travel environment. In compliance with the "Indoor Air Quality Management Law" of the Ministry of Environment, THSRC has commissioned an inspection and measurement agency to conduct indoor air quality monitoring at each station every two years, based on guidelines outlined in the "Indoor Air Quality Inspection and Measurement Management Regulations for Publicly Announced Establishments." Monitoring of indoor air quality is conducted at all stations, with parameters including carbon dioxide, carbon monoxide, formaldehyde, total volatile organic compounds, bacteria, fungi, PM10, PM2.5, and ozone. The monitoring results have consistently met the "Indoor Air Quality Standards."

Noise and Vibration Management

THSRC has formulated the "High Speed Rail Noise Improvement Plan" and the "Noise & Vibration Petition Treatment for HSR During Operation," and established the "High Speed Rail Noise Case Handling Process" to implement the most complete noise handling and prevention procedures. Executives at each station participate in activities and communicate with local opinion leaders and residents to achieve a win-win situation through communication. In 2024, THSRC deal with 15 high-speed railway noise issues along the line and 1 case occurred in Zhongshan Rd, Luzhu District, Taoyuan City, has exceeded the requirements of the "Land Transportation System Noise Control Standards." THSRC has properly handled the issue with noise improvement plan, other issues were related on night-time operation noise affected to neighbourhood. THSRC will improve communication with neighbourhood to notify them 1-2 weeks in advance, and also we reduced the broadcast volume during night-time operation. In 2024, 1 violation of noise issue was notified by the local Environment Protection Bureau that required improvement. Please refer to the table below for relevant handling conditions.

THSRC Noise Petition Handling Process



Note：The level of impact is determined in accordance with the technical specifications for environmental impact assessment set by the Environmental Protection Agency（EPA）.

Number of Noise Petitions and Related Handling Statuses in the 3 Most Recent Years

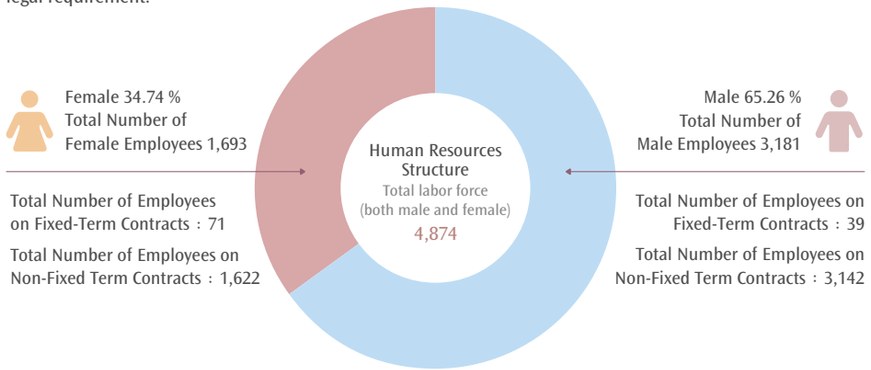
Year	Number of Issues	Need to be Improved	Description of Petition Cases Requiring Improvement
2024	15	1	This noise petition is in Luzhu District, Taoyuan City. In this case, residents complained about the noise from high speed rail, so the Department of Environmental Protection, Taoyuan conducted 24 -hour noise monitoring in October, 2024. The results showed that the average maximum volume of the high speed rail in this area exceeded the requirements of the "Land Transportation System Noise Control Standards." THSRC has appropriately addressed this issue through the dedicated task force.
2023	16	1	This noise petition is in Zhongli District, Taoyuan City. In this case, residents complained about the noise from high speed rail, so the Department of Environmental Protection, Taoyuan conducted 24 -hour noise monitoring in October, 2023. The results showed that the average maximum volume of the high speed rail in this area exceeded the requirements of the "Land Transportation System Noise Control Standards." THSRC has appropriately addressed this issue through the dedicated task force.
2022	19	1	This noise petition is in Waipu District, Taichung City. In this case, residents complained about the noise from high speed rail, so the Department of Environmental Protection, Taichung conducted 24-hour noise monitoring in October, 2022.The results showed that the average maximum volume of the high speed rail in this area exceeded the requirements of the "Land Transportation System Noise Control Standards" and it was required to formulate a noise improvement plan within 180 days upon receipt of the notification from the competent authority. THSRC has appropriately addressed this issue through the dedicated task force.
Total			50 Issues, 3 Need to be Improved

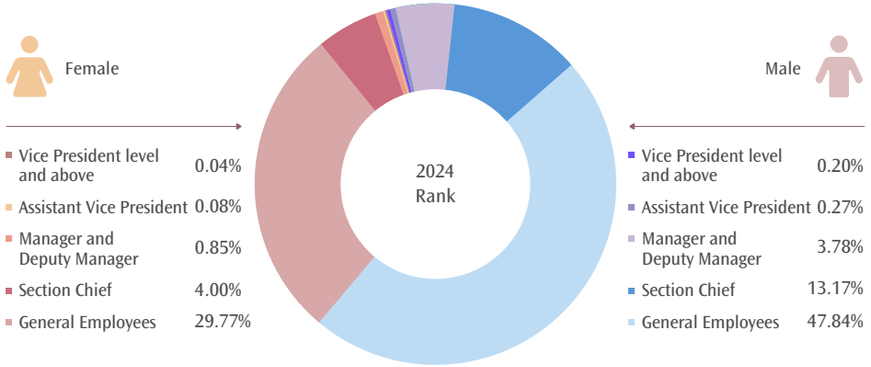
Nurturing Talent and Value Cultivation

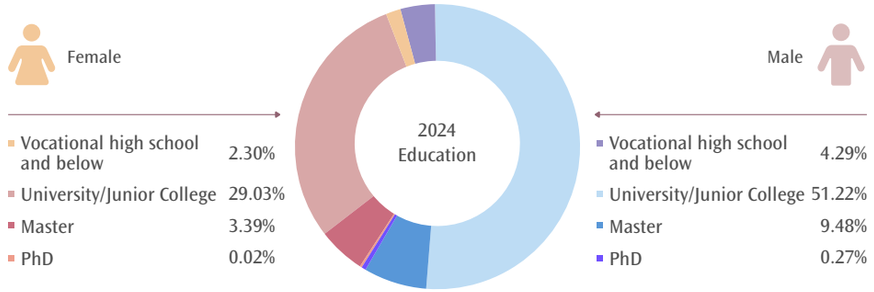
Inclusive and Equal Employment

THSRC continues to attract a diverse range of professional talent, adhering to the principle of "the right person for the right job" as the core concept for recruitment, appointment, and remuneration design. The Company actively seeks to enhance workforce diversity and does not discriminate based on race, color, religion, gender, or nationality in talent selection. THSRC complies with relevant domestic laws, such as the Labor Standards Act, the Employment Service Act, and the Act of Gender Equality in Employment, when setting employee salaries, tenure, working conditions, and employment rights. This demonstrates THSRC's comprehensive and diverse employment system. The Company employs local talent, and 100% of senior management (supervisors at the department or office level and above, as well as those responsible for finance, accounting, internal audit, and corporate governance) in its key operating locations in Taiwan are ROC nationals.

THSRC is committed to complying with regulations that support the employment and development of disadvantaged groups. Through various recruitment channels, we achieve the goal of diversifying our workforce. To this end, we have established a recruitment section on our website to hire staff with mental and physical disabilities based on job characteristics. In 2024, we employed 43 employees with disabilities, including with severe disabilities. Additionally, we recruited a total of 55 indigenous people. Both exceeded the legal requirement.



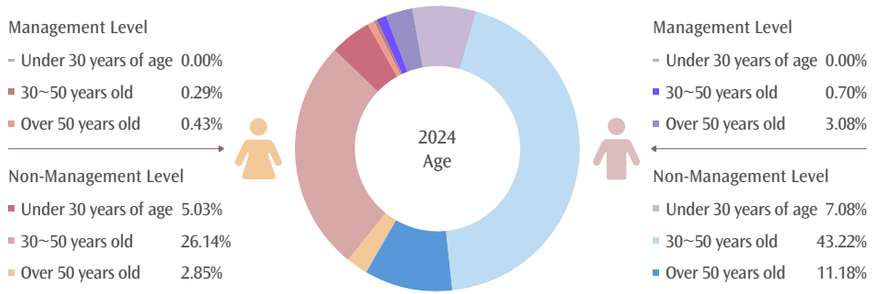




Other Diversity Indicators

Female	
Indigenous employees	0.25%
Disabled employees (Note 5)	0.23%

Male	
Indigenous employees	0.88%
Disabled employees (Note 5)	0.66%



Type	Male	Female	Nothern Region	Central Region	Southern Region
Employees on Fixed-Term Contracts	39	71	37	33	40
Employees on Non-Fixed Term Contracts	3,142	1,622	2,319	685	1,760
Full-Time Workers	3,181	1,693	2,356	718	1,800
Total number of employees	3,181	1,693	2,356	718	1,800

Notes：1. Fixed-term contract employees are mostly front line interns（including station, service, and maintenance interns）. Non-fixed term contract employees are full-time employees.
2. The management level is defined as supervisors of section chief level and above.
3. In 2024, no gig economy, part-time workers or non-employee workers（such as dispatched personnel）were employed.
4. The calculation formula is the number of people in the particular group / Total labor force.
5. The calculation of data on employees with disabilities did not include employees on unpaid leave. In 2024, THSRC employed a total of 43 employees with disabilities, including 9 with severe disabilities, which was higher than the 1% employment requirement as stipulated in the prevailing regulations.
6. Human resources structure from 2022-2023, see Tables 3 in the Appendices.

2024 Statistics of New Employees

		Male		Female	
		Number	Percentage (%)	Number	Percentage (%)
Type	Train staff	15	3.01%	55	11.02%
	Station staff	57	11.42%	140	28.06%
	Operational control personnel	7	1.40%	2	0.40%
	Drivers	6	1.20%	1	0.20%
	Maintenance personnel	147	29.46%	7	1.40%
	Others	39	7.82%	23	4.61%
Age	Under 30 years old	178	35.67%	195	39.08%
	30-50 years old	89	17.84%	32	6.41%
	Over 50 years old	4	0.80%	1	0.20%
Total		271	54.31%	228	45.69%

Notes：1. The formula for calculating the new employee rate is the number of new full-time employees in each category in the year / the total number of new full-time employees in the year
2. For the data on new employees from 2022-2023, see Table 4 in the Appendices.

2024 Statistics of Resigned Employees

		Male		Female	
		Number	Percentage (%)	Number	Percentage (%)
Type	Train staff	3	1.51%	19	9.55%
	Station staff	21	10.55%	30	15.08%
	Operational control personnel	5	2.51%	3	1.51%
	Train Driver	4	2.01%	0	0.00%
	Maintenance personnel	62	31.16%	0	0.00%
	Others	38	19.10%	14	7.04%
Age	Under 30 years old	51	25.63%	19	9.55%
	30-50 years old	59	29.65%	41	20.60%
	Over 50 years old	23	11.56%	6	3.02%
Total		133	66.83%	66	33.17%

Notes：1. The formula for calculating the turnover rate is the number of full-time employees in each category who leave the company in the year / the total number of full-time employees who leave the company in the year.
2. For the data on resigned employees from 2022~2023, see Table 5 in the Appendices.
3. Above total number of 199, included 7 deaths（natural deaths）and 20 retirements.

Complete and Perfect Salary and Benefit System

THSRC implements human rights policies, values the rights and welfare of the Company's employees and offers industry-competitive salaries and benefits, regularly reviews the remuneration policy with reference to the results of market remuneration surveys, evaluates the remuneration and related systems for directors and managers, and makes recommendations to the Remuneration Committee and the Board of Directors for approval. Taking into account the rights and interests of shareholders and employee compensation, salary adjustment is carried out to provide industry-competitive salary and benefits according to their work experience, educational experience, expertise and so on but without discrimination based on gender, race, religion, and political position. In 2024, THSRC was ranked as a constituent stock of the Taiwan Employment Creation 99 Index, as one of the top 99 leading companies in terms of the scale of employees in Taiwan.

The starting salary of THSRC junior employees in each job category is higher than the basic salary in Taiwan and does not differ due to gender. As most of THSRC's technical professionals are males, and their salaries are higher than other positions due to the nature of the professional services, there is a difference in the salary ratio of females to males in the general positions, with the ratio of salaries for section chief and managerial staff being comparable; Due to the relatively small number of staff at the Assistant Vice President or Vice President level, and the fact that salaries are influenced by the length of service in that position which resulted in a relatively large difference in the ratio of female to male salaries, but no significant difference, demonstrating the equality of THSRC's remuneration policy. Besides, in order to protect secondees' and contract employees' rights, their salaries are determined and approved by THSRC, and THSRC will inspect manpower agencies' labor contracts and salary-related documents to protect such employees' labor rights.

In 2024, the turnover rate of all THSRC's employees was 4.08%, which was higher than 4.55% in FY2023. This indicates that our efforts to create a happy and fulfilling workplace have been well recognized by employees. We will continue to attract more talent and inject diversity and vitality into the THSRC family. In order to enhance the competitiveness of THSRC talent recruitment and enhance stability of the operation, the Company has increased the starting salary of new employees in specific positions such as maintenance since January 1, 2024, and the "annual salary increase" has be implemented since April 1, 2024. The average salary increase of approximately 4.9%, which has exceeded the previous salary adjustment since 2015, demonstrating the effort of THSRC on sustainability and talents management. THSRC is committed to build a happy workplace countinously to attract more talents and inject diversity and vitality into the company.

Comparison with Basic Salaries in Taiwan

Item	Female	Male
Local Basic Salary（NT$）	27,470	
Starting Salary for Junior Staff（NT$）	33,800	33,800
Ratio of Starting Salary for Junior Staff to Local Basic Salary	1.23	1.23

Ratio of Basic Salaries of Females to Males (Note)

Rank	Female	Male
Vice President level or above	1	1.07
Assistant Vice President	1	1.07
Manager and Deputy Manager	1	0.99
Section Chief	1	1.00
General Employees	1	1.10

Note：THSRC calculates the ratio of basic salary of females to males based on the fixed monthly salary paid to non-fixed term contract employees every month.

In 2024, there were 4,742 full-time non-supervisory employees in THSRC, an increase of 93 people over the previous year. The total salary was NT$5,627,469 thousands, the average salary was NT$1,187 thousands, and the median salary was NT$1,099 thousands. Compared with the previous year, the total salary increased by NT$610,045 thousands, the average salary increased by NT$108 thousands, and the median salary increased by NT$108 thousands.

Information on Salaries of Full-Time Non-supervisory Employees

Item	Unit		Annual variation
Number of full-time non-supervisory employees	Number	▪ 2023：4,649 ▪ 2024：4,742	2.00%
Total salary of full-time non-supervisory employees	NT$ thousands	▪ 2023：5,017,424 ▪ 2024：5,627,469	12.16%
Average salary of full-time non-supervisory employees	NT$ thousands	▪ 2023：1,079 ▪ 2024：1,187	10.01%
Median salary of full-time non-supervisory employees	NT$ thousands	▪ 2023：991 ▪ 2024：1,099	10.90%

The 2024 annual total salary of THSRC is calculated based on the salary information of full-time employees without executive positions. However, to meet the statistical requirements of "the top individual" and "other employees," executive positions are also included in the calculation. The highest paid individual in the Company earned an annual total salary 6.88 times higher than the median annual salary of employees. Additionally, the annual increase in the salary of the highest paid individual was 0.5 times higher than the annual increase in the median annual salary of employees.

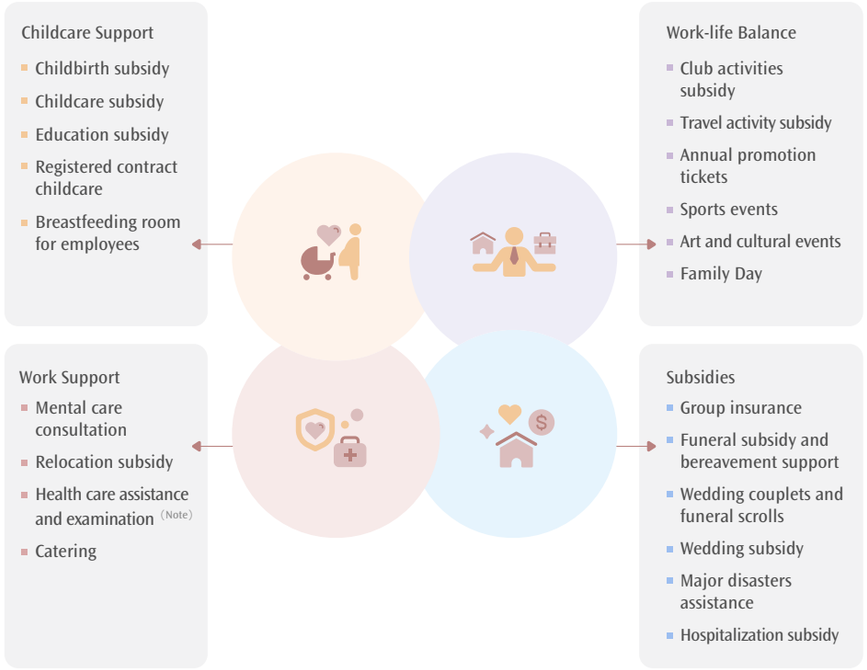
THSRC adheres to the concept of "happy employees create a joyful and touching riding experience for passengers," provides a transparent and fair compensation system, as well as multiple benefits such as childcare support, work-life balance, work assistance, and subsidies. We have established an employee welfare committee in accordance with the law and regularly review our internal welfare policy through market surveys conducted by external consulting companies to ensure competitiveness. THSRC also explores ways to protect employees' wages and career development without restrictions, encourage employees "Worry-Free about Pregnancy, Childbirth, and Childcare." For employees who apply for statutory unpaid leave, including parental, injury, illness, and military service, regardless of gender, if the Company implements a salary adjustment during the unpaid leave, the annual salary adjustment system can still be applied after reinstatement to protect their working conditions. In 2025, THSRC will launch the "THSRC Project of Childcare" to introduce incentive and subsidy policies for childbirth, parenting, and education, including cash allowances and two days of paid family care leave - benefits superior to statutory requirements - to attract and retain talent, and to continue building a sustainable and happy enterprise.

Statistic of THSRC's parental leave

Item	2023			2024		
	Male	Female	Total	Male	Female	Total
Number of employee eligible for parental leave in the current year (Note)	207	142	349	199	108	307
Number of applicants for parental leave in the current year	26	156	182	26	134	160
Number of employee to be reinstated in the current year (a)	24	114	138	28	96	124
Number of employee reinstated in the current year (b)	24	99	123	26	82	108
Reinstatement rate in the current year (%) (b/a)	100	86.8	89.1	92.9	85.4	87.1
Number of employee reinstated last year (c)	30	73	103	24	99	123
Number of employee reinstated in the previous year but return to work for more than one year (d)	25	62	87	21	69	90
Retention rate of reinstatement last year (%) (d/c)	83.3	84.9	84.5	87.5	69.7	73.2

Note：The number of eligible applicants for maternity leave and paternity leave will be counted in accordance with the relevant laws and regulations.

THSRC Employee Benefits and Work Support Programs



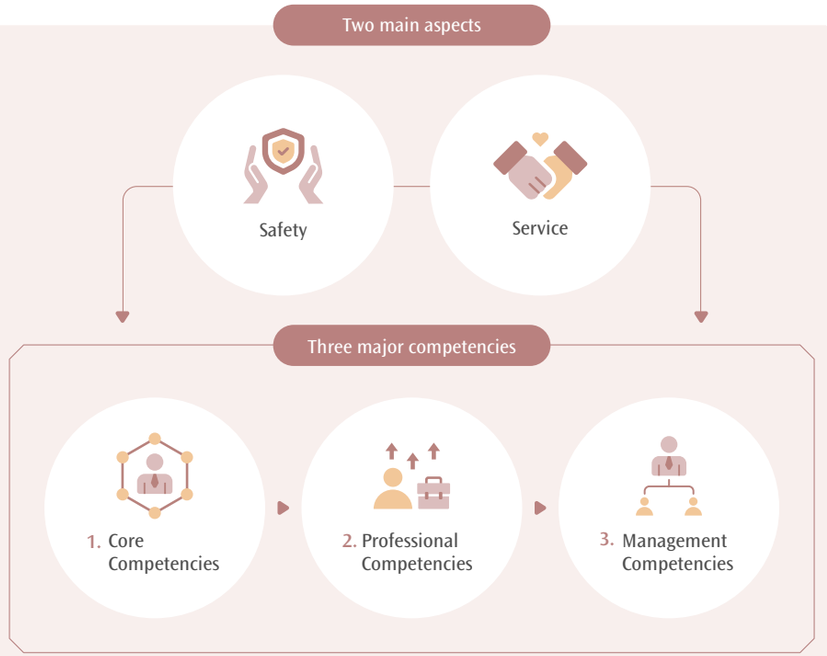
Note：THSRC's health examination measures are superior to those stipulated in the relevant laws and regulations, where general employees aged 45 years old and above undergo health examination once a year, and those aged under 45 years old undergo health examination once every two years, while train personnel undergo health examination once a year. The 2024 annual health examination for general and train personnel was completed from March to August, and 100% of train personnel completed the health examination.

Comprehensive Employee Training

Training Based on Three Major Competencies

THSRC places great emphasis on the development of employee competencies. To ensure the integration of training and practice, the Company plans employee education and training based on two main aspects："safety" and "service." THSRC also strengthens the professional knowledge of the three major competencies, namely core competencies, professional competencies, and management competencies. To cultivate professional talents in the transportation industry and stimulate employee enthusiasm for learning, the Company combines multiple learning channels, including external training, online digital courses, and practical exercises. THSRC has established a "Training Management and E-Learning System" and a mobile learning app to effectively monitor the learning process and enhance learning efficiency.

In 2024, the number of people who participated in digital learning was 81,112, with an average of 6,759 participants per month. And a total of 447 online courses were offered in 2024, representing a 60% increase compared to 2023. In order to synchronize employees' career growth with the company's growth, we set up complete functional development blueprint, and provide various training to improve their capability according to different career development stages, covering all colleagues from new comer to supervisors at all levels, with a total of 538 learning courses in 3 major competencies in 2024.



Core Competencies
Applicable Personnel：All employees

Key Content：
Related training to shape employees' values, safety, quality, and services

Progress：
1. THSRC offers online courses, including train assistant, ethics and integrity education and training, confidential information protection operations, and information security and management. These courses enable employees to acquaint themselves with THSRC's culture of integrity and respond prudently to information security incidents, thereby preventing unlawful activities.

Implementation results in 2024：
1. 100% of employees completed train helper training.
2. 100% of employees completed ethics and integrity training.
3. 100% of employees completed training in confidential information protection operations and information security and management.

Professional Competencies

Applicable Personnel：
All employees

Key Content：
Related training to enhance job knowledge and skills required by employees

Progress：
1. THSRC's frontline technical and service personnel are required to pass certifications and participate in incident simulation drills to ensure a consistently high level of sensitivity to transportation safety.
2. THSR train drivers are required to complete over 1,000 hours of professional driving courses and pass THSRC's internal training test to obtain driving certification. Additionally, they must pass the high-speed rail train driving license test administered by the MOTC before they can commence their duties as a train driver.

Implementation results in 2024：
1. 99% of railway maintenance personnel obtained professional certification
2. 100% of employees completed train personnel skill test training

Management Competencies

Applicable Personnel：
Junior, middle, and senior supervisors

Key Content：
Related training to advance management philosophy and thinking, strategic thinking, planning and organization, and leadership among supervisors

Implementation results in 2024：
1. 100% completion rate for the "Building a Results-Driven Accountability Culture Workshop" and "Trust-Based Leadership and High-Performance Team Buildin Workshop"
2. 100% of employees completed management ability evaluation training

Progress：
1. To cultivate supervisors' competencies and strengthen management efficiency and quality, THSRC has formulated various strategic thinking and leadership training courses.
2. Planned a two-day, "Effective Communication and Cross Department Negotiation Workshop," "Breakthrough Thinking and Decision Making Workshop," "Performance Enhancement and Subordinates Coaching Workshop," "Creative and Innovative Thinking Development Workshop" and "Continuous Improvement & Decision-making Quality Enhancement Workshop" for individual managers.
3. All supervisors undergo scientific assessment to evaluate their managerial competence, and training is provided based on the gap between the assessment results and their current competencies. In 2024, 20 new supervisors received evaluation and the total number of evaluated supervisors to 296 by the end of the year. To enhance management performance, training courses such as "communication ability," "cognitive ability," "supervisory ability," "accountability" and "innovative" and will continue to be arranged, and "The Management Learning Passport" will remain in operation.

Talent Development Plan

THSRC has implemented the "Career Path" talent development plan, designed different retention and career development paths for outstanding talents in front-line units and colleagues in different positions, and planned relevant manpower allocation based on the annual manpower assessment to meet various business units manpower needs. Based on organizational needs and personal development, we provide annual promotion opportunities for outstanding talents to achieve the purpose of motivating and retaining talents. For those who are interested in In-charged of management positions and meet the requirements, they can also expand their career path and fully realize their potential through the "Job Promotion" channel.

Starting from 2022, THSRC would plan a specific career development path for maintenance and operation employees, and expects maintenance professionals to learn diversified skills and enhance communication skill through different job experiences, expand future maintenance and operation supervisors, and improve the efficiency of company operations. In 2024, a total of 124 maintenance personnel have been trained, 55 have completed the training, and 69 are still in training. By 2024, we have cultivated a total of 19 station masters, 23 train supervisors, 22 chief controllers, 19 deputy station managers, 21 operation team leader, 19 controller supervisors, 35 station supervisors, and 32 station train controllers, 1 train driver and 3 train controllers.

As the company grows, methods for nurture future successors, build a talent pool and talent echelon is one of the company's important strategies. In 2019, THSRC launched the management capability evaluation project, through scientific evaluation tools, inventory and confirm the gaps between supervisors' management ability and potential, improve all supervisors' management skills and capabilities, and then select high-potential talents, establish personal development plans for cultivating future successors. From 2019 to 2024, a total of 296 managers at all levels have been evaluated for their management abilities and develop their learning passports. Several key talent training such as "communication skills," "cognitive skills," "supervisory skills," "accountability" and "innovation" have been carried out based on their lacking competencies.

Management Competency Learning Passport Program for Supervisors

Workshop on Building a Results-Driven Accountability Culture

Workshop on Trust-Based Leadership and High-Performance Team Building

Internal Lecturer Cultivation

To enhance the professional knowledge and technical expertise of THSRC employees and to meet the growing demand for self-provision of professional courses, THSRC is committed to developing internal lecturers in areas such as safety, service, and technical services. These individuals are recommended or selected by senior colleagues or supervisors from relevant units and are qualified as internal lecturers after completing training courses and practical exercises. In 2024, THSRC successfully trained 41 qualified internal lecturers. The training primarily focuses on professional functions, with management functions as a supplementary component. In 2024, the total number of internal lecturer training hours was 345,646, with 983 internal lecturers participating in the courses, average of 352 hours for each internal lecturer.

Internal lecturer training courses

Internal lecturer training courses

Results of Education and Training Programs

To ensure the effectiveness of internal education and training, THSRC has established a curriculum satisfaction survey mechanism and devised an improvement plan based on the scores. In 2024, the overall employee satisfaction, regardless of training category, was 4.7 points out of 5, demonstrating THSRC's commitment to talent development and its deep trust and recognition among employees. Going forward, THSRC will integrate internal and external resources to enhance the organization's learning ability and employees' self-growth, as well as cultivate their all-round competence.

The table below shows the number of training hours for different ranks and categories of THSRC employees in 2024. Due to the adjustment of annual training items, the number of training hours for new employees and employees in various positions increased compared to 2023：

2024			
	Female	Male	Total
All Employees at THSRC			
Number of Training Hours Per Capita（hours）(Note 1)	69.4	81.1	77.1
Average Number of Training Hours Per Training Session（hours）(Note 2)	3.7	3.4	3.5
Average Number of Class Hours Per Different Job Rankings (Note 4)			
Vice President and above	11.0	18.1	16.9
Assistant Vice President	27.4	33.9	32.3
Manager and Deputy Manager	40.1	66.1	61.4
Section Chief	46.4	65.5	61.1
General Employees	73.5	87.1	81.9
Average Number of Class Hours Per Different Categories (Note 5)			
Train staff	85.8	91.5	87.1
Station staff	80.7	67.1	75.7
Operational Control Personnel	192.6	148.4	157.3
Train Drivers	104.4	89.1	90.4
Maintenance Personnel	172.7	96.7	97.1
Others	36.9	49.0	44.3

Notes：1. Training hours per capita = Total training hours 375,555/Total number of trainees 4,874. The training hours per capita of males and females differ from each other mainly because of the ratio of males and females and different professional training attended due to job differences.
2. Average number of training hours per training session = Total training hours 375,555/Total number of training session 107,512. "Average number of training hours per training session" aims to present the number of training hours per training session for each person every year.
3. The calculation encompasses both fixed-term and non-term contract employees. Fixed-term contract employees primarily consist of front-line interns, including station, service, and maintenance interns. Non-term contract employees, on the other hand, are full-time employees.
4. In 2024, the total training hours increased compared to 2023, mainly due to a larger intake of new employees in train service, traffic control, and maintenance positions who were required to undergo professional training.
5. Average number of training hours per different job levels is calculated as: Total number of training hours for a job levels/Number of employees trained at the particular job ranking throughout the year.
6. Average class hours for different categories is calculated as：Total number of training hours for a particular category/Number of employees trained for a particular category throughout the year. For the training hours from 2022-2023, please refer to Table 6 in the Appendices.

Talent Management and Motivation

THSRC conducts an annual performance appraisal for all employees and supervisors, which determines their ratings based on the appraisal results, assists employees to review their capabilities and performances. Performance interview session has been set up to ensure effective communication between supervisor and employees, to achieve the purpose of feedback,guiding and motivation,as a basis for future career development.

The ratings are classified into five levels, namely "Outstanding," "Significantly Exceeds Requirements," "Exceeds General Requirements," "Meets Requirements," and "Requires Improvement due to Inability to Perform Existing Work." Employees who receive the last rating are "required to undergo performance counseling to enhance their work," and unit supervisors provide necessary assistance and counseling to address the causes of poor performance. In 2024, the total number of full-time employees who underwent performance appraisal is 4,656, with only 5 employees who did not complete their appraisals due to their illness or departure during the appraisal period. The number of completed appraisals accounted for 99% of the total number of appraisals due.

THSRC's Performance Appraisal Process

1. Performance Guidance

After Key Performance Indicators (KPIs) are set, supervisors manage appraisees' performance on a daily basis, routinely review the progress of target achievement, provide employees with the support required to complete their jobs and feedback regarding work results, attitude, and behavior. Supervisors also assist employees in achieving their KPIs through work guidance and assistance.

2. Performance Interview

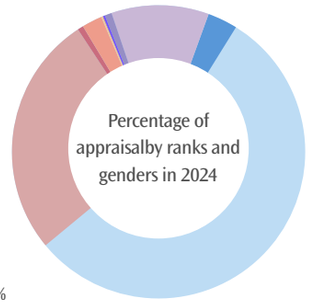
Employees and supervisors discuss about the achievement of work performance, and "competencies." Supervisors provide appropriate feedback, assist and counsel their subordinates to enhance/improve their performance, discuss about employees' individual development plans, and plan specific approaches.

3. Annual Appraisal Results

Appraisal results will be used as the basis of reference for training and development plans, job transfers, promotions, salary adjustments, bonus distribution, etc. for employees.

Female 35.03 %
Total 1,629

Vice President level and above	2	0.04%
Assistant Vice President	3	0.07%
Manager/ Deputy Manager	23	0.50%
Section Chief	8	0.17%
General Employees	1,593	34.25%



Male 64.97 %
Total 3,022

Vice President level and above	9	0.19%
Assistant Vice President	13	0.28%
Manager/ Deputy Manager	128	2.75%
Section Chief	32	0.69%
General Employees	2,840	61.06%

Protection of Rights and Considerate Care

Human Rights Policies and Employee Care

In 2018, THSRC formulated a "Human Rights Policy" that was approved by the chairman and announced as the highest guiding principle of human rights governance for the Company. The Company support and adhere to the principles and spirit of international human rights conventions such as the United Nations "Universal Declaration of Human Rights," the "Guiding Principles on Business and Human Rights," the "Global Compact," and the International Labour Organization's "Declaration of Fundamental Principles and Rights at Work." Furthermore, we have implemented a management approach to human rights issues that protects all employees who may be at potential risk and ensures that each employee is treated fairly and with respect. In future, the polices would extended to entire value-chain including our contractors, first-tier suppliers and passangers to avoid the violation of human rights（such as forced labor and child labor）.

Additioinally, THSRC plans to regularly conduct human rights risk assessments in the future, based on the UN Guiding Principles on Business and Human Rights. This will involve reviewing our operations and the entire value chain activities, collecting feedback on human rights risks from key stakeholders, identifying significant human rights issues across the THSRC's upstream, midstream, and downstream operations, and evaluating potential risk groups. For relevant significant human rights risk incidents, THSRC will establish complaint mechanisms and propose corresponding human rights risk management systems（including developing mitigation and remediation measures）to reduce the likelihood of occurrence.

Human Rights Risk Management

THSRC's primary risk concerns include freedom of association, care for vulnerable groups, the prohibition of child labor, the elimination of all forms of forced labor, the eradication of discrimination in employment and career advancement, prevention of human rights violations, and safeguarding of a safe working environment. To address these human rights risks, we have implemented a comprehensive management mechanism and internal regulations to monitor, track, and assess the effectiveness of risk mitigation and remediation measures. Our goal is to eliminate any violations and abuses of human rights and ensure that all employees are treated with dignity.

Human Rights Issues	Identified Stakeholders	Human Rights Policy	Implementation of Human Rights Risk Mitigation Measures
Freedom of association	Employees	To guarantee the freedom of employees to choose their purpose for association, to establish associations, and to decide whether or not to participate in the formation of associations and related affairs.	▪ The freedom of association for employees is upheld, with over 100 distinct associations formed. ▪ To protect the right to solidarity among staff. Currently, the Company has two trade union organizations: the Corporate Trade Union and the Industrial Trade Union. We regularly convene meetings with these unions to foster harmony and enhance labor-employer relations.
Caring for the vulnerable	Employees/Travelers	Focusing on public policies and various public welfare initiatives, engaging in activities of civic organizations, charitable public welfare groups, and local government agencies related to community development and education.	▪ Employment of individuals with disabilities and indigenous peoples in compliance with the law and offer group insurance, bereavement care, inpatient medical care, and major disaster relief. ▪ To provide ride guidance services, accessible seats, elevators, parking spaces and accessible toilets. We are dedicated to providing a passenger-friendly, barrier-free environment and planning complete service packages.
Prohibition of child labor	Recruitment and employment in accordance with the law and no child labor is employed	Zero child labor under the age of 15.	▪ To protect children's right to education, the Company has excluded child labor under the age of 15 when selecting candidates, and no child labor is currently employed by the Company.
Elimination of all forms of forced labor	Employees	Employees must not be compelled to work through violent means, coercion, detention, or any other unlawful methods.	▪ Personal identification documents will not be withheld when registering, and no fees are required to be paid in advance. ▪ Unless otherwise stipulated by law（court deductions, employee deductibles, employee benefits, union dues, etc.）, wages shall be paid in full. ▪ Employees provide labor on their own initiative.
Eliminating discrimination in employment	Employees/Job Seekers	To avoid all forms of discrimination and differential treatment, to implement diversity in the workplace, and to promote equality at work.	▪ Recruitment process is free from discrimination of any kind. ▪ THSRC provides nursing rooms for employees to support our breastfeeding policy. ▪ Employees of all genders who apply for statutory leave without pay（for childcare, injury/illness, or military service）are eligible for the annual salary adjustment system upon their return to work. In 2024, a total of 160 employees applied for childcare leave without pay, with 26 male applicants and 134 female applicants.
Putting an end to human rights violations	Employees	To guarantee that employees have proper avenues for clarification and recourse in case their lawful rights and interests are violated, and are not subjected to any type of unfavorable treatment.	▪ Establish measures for sexual harassment prevention, complaint procedures, and "Mental Health Protection Regulation," and publicly disclose them in the workplace. Additionally, implement a two-tier complaint handling mechanism and a strong internal grievance system to ensure that all employee issues are handled appropriately. ▪ Individuals who violate or fail to comply with laws, regulations, and internal company policies will be subject to disciplinary action in accordance with relevant reward and punishment measures.
Anti-sexual harassment and anti-workplace violence	Employees	To ensure that individual employees can have appropriate channels for clarification and grievance when their legitimate rights and interests are infringed, and are not subject to any form of adverse treatment.	▪ THSRC has established procedures for handling sexual harassment, including complaints, deliberations and other measures . Immediate psychological counseling is provided to victims of such incidents, and all staff members are continuously educated on the prevention of sexual harassment and related legal issues. No internal sexual harassment cases were substantiated in 2024. ▪ In addition, THSRC has established Workplace Misconduct Prevention Program, which identified unlawful infringement risks through caring visit and workplace hazards assessment to strengthen workplace safety and maintain employee's physical mental health.

Note：The term "employees" in this table includes regular employees, domestic contract-based employees, and foreign contract-based employees.

Training in Human Rights

Course Title		Course Content	Participants	Number of Participants	Engagement Rate (Note)
Elective Course	Workplace Misconduct Prevention and Interpersonal Boundaries Communication	Anti-sexual harassment and anti-workplace violence	All employees	333	6.8%
Required Course	Seminar on Gender Friendly Workplace -Prevention of Sexual Harassment in the Workplace	Anti-sexual harassment and anti-workplace violence	All employees	4,842	99.3%

Note：Engagement Rate = total number of participants / total number of employees of THSRC in the current year

Labor Relations and Employee Care

THSRC highly values the opinions and rights of all employees and recognizes that effective two-way communication is a crucial component of sustainable business operations. On March 31, 2022, THSRC achieved a significant milestone by signing a collective agreement with the corporate trade union for the first time. This achievement demonstrates the commitment of THSRC and the corporate trade union to collaborate and enhance the rights and interests of employees. The collective agreement includes fundamental regulations on the agreement's status, validity, and scope of application, as well as 13 articles on business leave for trade union councils and supervisors, official leave for the four statutory meetings, provision of clubhouse facilities, assistance in commuting to meetings, and assistance in labor education and training. This agreement applies to approximately 2,200 employees, which is 51% coverages. As the current collective agreement's content is based on the Company's existing labor conditions, the labor conditions and benefits of other employees not covered by this agreement, except for labor education activities, remain unaffected.

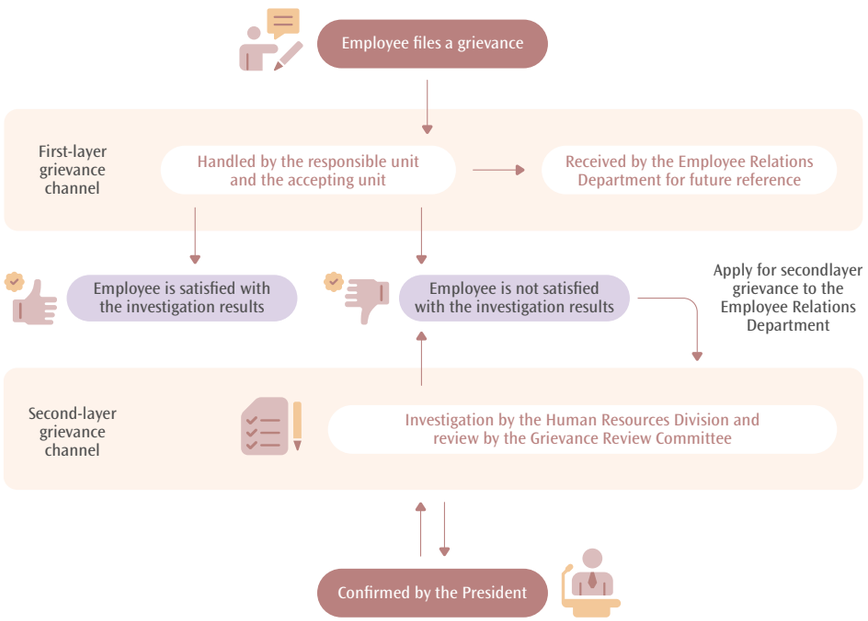
THSRC acknowledges and upholds the right of the Company's employees to freely associate and conducts regular meetings to engage with both unions（monthly meeting with corporate union and a bi-monthly meeting with industrial trade union）, as well as quarterly employee-management meeting with each business unit and 18 areas , ensuring that their voices are heard. In 2024, the main discussion topic covered the breakfast provision for station maintenance staff, suggestions on talent retention strategies, adjustment of shift duty allowance subsidies. As a result, several initiatives were implemented, including providing breakfast for maintenance personnel, introducing a new night shift allowance, improvement of work processes, etc.

THSRC has implemented internal care measures in compliance with the "Act of Gender Equality in Employment" and "Labor Health Protection Regulations" to ensure employee well-being. Additionally, the Company has established the "Mental Health Protection Regulation" to cater to the diverse needs of the Company's employees. THSRC continuously introduced an external "employee assistance program, EAP" to create a more employee-friendly work environment. This program aims to assist employees in addressing various issues, provide timely support and assistance, and maintain their physical and mental health. Further details are as follows：

Act of Gender Equality in Employment	▪ THSRC has established baby care rooms and breastfeeding rooms for employees, encouraging and supporting breastfeeding policies, and establish sexual harassment prevention measures and grivances procedures.
Labor Health Protection Regulations	▪ THSRC has established infirmaries at the headquarters office, Operation Management Center (OMC) building, and maintenance bases. Additionally, the Company has set up health rooms at HSR stations that exceed the standards required by relevant laws and regulations. These facilities are intended to provide employees with access to emergency medical assistance.
Mental Health Protection Regulations	▪ In the event of an accident, team supervisors, accident investigation units, and human resources personnel will collaborate to ensure the mental health protection of employees. ▪ We collaborate with pertinent departments to offer health consultations, work allocation recommendations, and mental health consultations to employees who are facing mandatory retirement, major injuries or illnesses, or are adjusting to reinstatement to duty. In 2024, we provided assistance to a total of 90 employees. ▪ According to the relevant government policies to protect employees' physical and mental health and employees' needs, we have formulated employee mental health lectures.
Employee Assistance Programs	▪ Provide service cards, electronic direct mailers, and publicity seminars to promote and introduce the employee support program. ▪ Provide 24-hour telephone consultation, counseling, crisis intervention, and protection plans to assist employees in resolving organizational and personal issues that may affect work performance A total of 122 employees were consulted in 2024. ▪ Provide a physical and mental health care platform which links relevant welfare and health information to allow employees to seek suitable assistance resources based on personal needs. ▪ Provide monthly physical and mental related publicity, self-assessment of emotional stress, and other new knowledge of mental health, and plan to conduct mental health lectures based on employees' mental health needs.

The chart below illustrates the procedure for addressing employee grievances at THSRC. In 2024, a total of 7 complaints were filed, primarily concerning interpersonal and management matters. All cases were resolved in accordance with the established employee complaint process, and all responses and cases were concluded. THSRC endeavors to enhance awareness of the process through trade union and labor-management conferences. Going forward, THSRC will remain committed to proactively addressing employee complaints to foster harmonious labor-management relations and cultivate a transparent workplace environment.

Employee Grievances Process



THSRC is committed to eliminating sexual harassment and has established the "Sexual Harassment Prevention and Handling Regulation". Through physical and online education and training for supervisors and all employees, as well as specialized training for departments where sexual harassment incidents occur, we continuously conduct awareness and legal education on sexual harassment prevention for all personnel, drawing upon the circumstances of various past cases.

Additionally, a Sexual Harassment Complaints Committee has been established, consisting of 13 members on a rotating basis, including internal members, external experts, and academics with legal backgrounds who serve as investigation and deliberation members. THSRC has developed a reference list of proposed sanctions and a scale of sanctions for sexual harassment cases to ensure open and fair criteria for scrutiny and to protect the physical and psychological safety of workers in the THSRC workplace. Should any such incidents occur, the company will also provide immediate psychological counseling assistance to the individuals involved, offering them channels for psychological recovery and support to ensure their mental and physical safety is restored. In 2024, 4,842 peers attended online e-learning courses, related to sexual harassment prevention, achieving a 99.3% participation rate.

Occupational Safety and Health

Occupational Safety Management Mechanism and Effectiveness

THSRC has implemented an occupational safety and health management system since the inception and continues to enhance the performance. In 2017, the Company achieved dual certification for the Taiwan Occupational Safety and Health Management System (TOSHMS) CNS 15506 and the International Certification of Occupational Safety and Health Management System OHSAS 18001, following a successful third-party accreditation. In 2020, THSRC passed an external review and obtained certification for (TOSHMS) CNS 45001 and ISO 45001, which have been routinely validated annually since. The Company's occupational safety and health management system encompasses stations, maintenance depots, facilities, and office spaces. At the end of 2024 the system covered 4,874 workers and 343,359 contractors.

In accordance with the provisions of the Occupational Safety and Health Act, THSRC has formulated the "Safety and Health Policy" and regularly convenes the "Occupational Safety and Health Committee." The committee comprises one chairman, one executive secretary, and 18 members, including seven labor representatives, accounting for one-third of all committee members. The Company also holds occupational safety and health management meetings to encourage all units and labor representatives to jointly review various occupational safety and health issues. The resolutions are announced through internal and external websites.

In order to cultivate and internalize the occupational safety and health culture, THSRC continuously implements various occupational safety and health training for new comer and in-service personnel by categorized employees into for supervisors, general employee and maintenance personnel. In addition, for colleagues engaged in high-risk operations, training including production machinery, mobile elevating work platforms, hoists, construction, hypoxia operations, electric welding, and chemical use and disposal were provided as to strengthen our employees' emergency response capabilities. In 2024, a total of 4,712 employees completed these training sessions, totaling 21,270 hours. Please refer to the following table for detailed training information：

Category of Occupational Safety and Health Education Training	Number of Employees Trained	Number of Training Hours
Supervisor	24	136
General Employees – three hours every three years	489	1,467
General Employee - one hour per year	1,729	1,729
Maintenance personnel - high risk	745	4,899
Laws and regulations	1,725	13,039
Total	4,712	21,270

THSRC has implemented the "Hazard Identification, Risk Assessment, and Risk Control Procedure" to address occupational hazards and reduce the likelihood and severity of occupational accident. This procedure involves identifying hazards, inspecting existing protective facilities, conducting risk assessments, and implementing control measures. THSRC has also adopted a hierarchical control system to eliminate hazards and minimize risks. Each unit has trained hazard assessment personnel who disclose hazard assessment information on the internal platform and re-check the effectiveness of hazard control measures annually to continuously mitigate and control the risk of each operation. In 2024, THSRC completed over 14,705 hazard identifications and risk assessments.

Hazard Identification, Risk Assessment and Risk Control Procedure

THSRC reminds all workers to actively report any situations that may cause occupational safety and health accidents by memorandum quaterly to reduce and avoid the risk. THSRC encouraged the reporting of Near Miss Report and integrates them into the "Voluntary Safety Reporting Platform ." In 2024, there were 206 Near Miss Report in THSRC, and 125 Near Miss Report were being confirmed. In addition, we continuously remind our employees of safety-related precautions through the "Occupational Safety and Health Bulletin Board," "Safety Slogan," "Consultative organization meeting," and also reminder email from the Occupational Safety and Health Office.

If a worker discovers that there is a risk of immediate harm when performing his/her duties, the "Occupational Safety and Health Act" shall prevail in priority, and the worker can stop the operation and retreat to a safe place. The immediate supervisor who is informed will initiate subsequent measures to eliminate hazardous situations to ensure the safety of workers. In case of a disaster, after the internal and local competent authorities are informed, THSRC will immediately initiate an investigation process as per the "Occupational Accident Notification and Investigation Process," with the aim of handling the incident effectively and alleviating the negative impact as quickly as possible. During the investigation, the immediate unit supervisor of said worker will lead the occupational accident investigation team to carry out the investigation jointly with labor representatives to ensure labor rights.

Occupational Accident Notification and Investigation Process

On-Site Notification

- Request personnel in charge of job sites to report occupational accidents immediately after confirming the number of victims, the initial severity of injuries and the sequence of events in occupational accidents according to the severity of these accidents.

Send Notifications to Local Labor Inspection Agencies

- Accidents involving death, at least three victims, or at least one victim who needs to be hospitalized for treatment at the workplace of THSRC have to be reported to local labor inspection agencies within eight hours after such accidents take place, and to supervisors using the occupational accident notification system.

Subsequent Investigation

- Assign suitable personnel to form an investigation team together with labor representatives and the representatives of the Occupational Safety and Health Office to conduct investigations of accidents.
- Identify the direct, indirect, and basic causes for occupational accidents.
- Draw up an occupational accident investigation report, and continue to track the implementation of relevant improvement measures set out in the report.

THSRC has established measurable and trackable indicators for evaluation, supported with periodic and non-periodic inspections and audits. The table below outlines the achievement of our occupational safety and health management goals for THSRC employees, contractors, and suppliers, as well as our occupational safety indicators for 2024.

Occupational Safety and Health Objectives and Effectiveness (Note 1)

2024		Target	Actual data		
			Male	Female	Total
THSRC Employees	Frequency-severity indicator for occupational accidents at the workplace (Note 2)	0.07	0.00	0.07	0.07
	Frequency-severity indicator for traffic related accidents outside the workplace	0.14	0.03	0.07	0.10
Contractors/ Suppliers	Number of people in fatal accidents	0	0	0	0
	Number of people in accidents involving at least three victims	0	0	0	0

Notes：1. The settlement date for occupational safety and health management targets was December 31, 2024.

2. Frequency-severity indicator = $\sqrt{\left(\frac{\text{Disabling Injury Frequency Rate} \times \text{Disabling Injury Severity Rate}}{1{,}000}\right)}$

3. In 2024, THSRC employees experienced a total of 11 traffic accidents outside the workplace.

In 2024, THSRC reported no fatalities or serious injuries resulting from occupational accidents among the Company's employees. The number of occupational accidents causing temporarily incapacity in the workplace was 6. Falls were the primary cause of occupational injuries, followed by collison by personnel. Workers who are not employees but whose work and/or workplace is controlled by the organization did not experience any occupational injuries resulting in "death" or "affecting more than three people." THSRC regularly publicizes the occupational accident cases and false alarms that happened to colleagues through multiple communication methods such as email, occupational safety and health bulletin board, agreement organization meeting, and toolbox meeting. As well as inviting occupational safety and health experts to give safety culture lectures to establish a safety culture. The management level strengthens on-site management and inspections, strives to instantly eliminate and improve unsafe conditions, and reminds colleagues to pay attention to work safety in real time.

Under the principle of "non-hidden reporting," all occupational accidents on THSRC have been reported accurately in 2024, as well as no occupational disease-related incidents. In the future, we will continue to optimize occupational safety and health management measures to raise employees' awareness of safety protection.

Occupational Safety Index (Note 1)

2024	Employees	Contractors
Number of deaths resulting from occupational injuries	0	0
Ratio of deaths resulting from occupational injuries (Note 2)	0	0
Number of severe occupational injuries	0	0
Ratio of serious occupational injuries (Note 3)	0	0
Number of disability occupational injuries on record	6	0
Ratio of occupational injuries on record (Note 4)	0.12	0
Main categories of occupational injuries	Fall (3)	-

Notes：1. This table has been computed in compliance with the Occupational Safety and Health Act, the definition of occupational disasters, and the indicators released by the Global Reporting Initiative (GRI).
2. Ratio of deaths resulting from occupational injuries = (Number of fatal occupational injuries/Total working hours) x 200,000.
3. Ratio of severe occupational injuries = (Number of severe occupational injuries/Total working hours) x 200,000. Note: 0 employees for 0 day; 0 contractors for 0 days.
4. Ratio of disability occupational injuries on record = (Number of reported disability occupational accidents/ Total working hours) x 200,000. 6 employees for 7 days; 0 contractors for 0 days. This calculation has excluded Notes 2 and 3.
5. Total working hours for employees were 9,668,912 hours. For contractors, the total working hours were calculated as: annual cumulative number of people entering and leaving the venue (343,359 people) * 8 hours per day = 2,746,872 hours

Employee Health Management Mechanism and Effectiveness

The main pillars of the THSRC employee health promotion are："health management," "health protection," "health promotion," "legal compliance affairs" and so on., By the results of employees' physical examinations, questionnaire feedback, and the holding of various health promotion activities and lectures, we hope that our employees will strengthen their attention to their own health, and through the information provided by various activities, they can change their lifestyles and develop healthy habit.

THSRC has consectutively passed the "Healthy Workplace Certification - Health Promotion Label" certification of the National Health Administration for second times (certification every 3 years), and actively implements a smoke-free environment in the workplace. It has been awarded the sports enterprise certification mark of the Ministry of Education for three times, which shows that the company's investment in promoting employee health and sports has been affirmed. The health promotion activities carried out in 2024 are as follows：

Health Promotion Activities

Infectious Disease Prevention	▪ A total of **694** people received publicly funded influenza vaccinations (433 people received the flu vaccine and 261 received the COVID-19 vaccine). ▪ Health screenings provide free measles antibody screenings to enhance immunization boosting measures.
Occupational Health Services	▪ In 2024, there were a total of **149** on-site occupational health services by occupation physician.
Chronic Disease Prevention and Health Education Promotion	▪ **13** educational articles on health were distributed through e-newsletters, High-Speed Vision, and occupational safety articles. These articles covered a variety of topics, such as chronic disease prevention, infectious disease prevention, healthy sleep, metabolic syndrome, balanced nutrition, and weight management. ▪ We identified **31** patients for care. We then conducted occupational medicine interviews and follow-ups, achieving a **100%** completion rate.
Health Promotion – The Activity of Weight Loss for Your Health	▪ Considering obesity as the main cause of chronic diseases, the "The Activity of Weight Loss for Your Health" was continuously organized, with a total of **1,000** people participating, with a total weight loss of **2,798** kg and a waist circumference reduction of **5,679** cm.
Health Promotion – Lifestyle Assessment and Experience Camp	▪ We held our first "Lifestyle Assessment and Experience Camp" focusing on high-risk employee health promotion activities. This event invited employees who were identified as high-risk from the previous year's health check-ups to participate in promoting lifestyle medicine. A total of **48** individuals completed both stages of participation.
Health Promotion – Home Workout Online Courses	▪ We organized **4** online courses to promote home workout. The topics included "Super Slow Jogging, Practical Home Bodyweight Strength Training, and Cardiorespiratory Endurance." A total of **619** employee attendances were recorded.
Health Promotion – Health Fitness Assessment	▪ To help employees understand their physical fitness, activity levels, and suitable fitness activities, thereby encouraging good exercise habits. A total of **228** employees participated.
Maternal Health Protection	▪ Encourage pregnant women to schedule appointments with specialist doctors for consultations. These consultations assist women in becoming aware of workplace risks, adapting to work, and addressing work placement issues. The campaign successfully completed **34** consultations.
Health Seminars	▪ We delivered **15** health lectures focusing on the six pillars of lifestyle medicine. The lectures cover a range of topics including healthy diet, prevention of chronic diseases and nursing. The program attracted a total of **2,235** participants, reflecting a **28%** increase in participation rate compared to the previous year.
Employee Medical Check-up	▪ The medical check-up rate of pre-employment and in-service driving personnel is **100%**. The participation rate of the active general staff in medical check-ups was **99.5%**.

Notes: 1. THSRC's medical check-up measures exceed legal requirements: Employees aged 45 and above will receive a check-up annually, while those under 45 receive one every two years. Driving personnel receive a check-up annually.
2. Contractors can also access health promotion services (excluding annual medical check-ups).

"T-SPORT" series of activities for THSRC personnel

THSRC devised a program called "T-SPORT" to promote healthy exercise habits and alleviate stress among the Company's employees. The initiative aimed to foster team bonding and enhance staff cohesion through healthy cooperation and competition. The outcomes of the project are outlined below：

Summer Marathon

- The event was launched to encourage colleagues to upload their mileage records and share photos of their athletic achievements on the online platform via smart carriers. The objective was to cultivate exercise habit among THSRC personnel, and to encourage departmental colleagues to engage in fitness activities, strengthen cohesion and identity, and maintain a robust physique. In 2024, The event garnered participation from **2,984** employees, with **2,501** individuals completing the race, resulting in a completion rate of **84%**. The total mileage covered by participants was an impressive **422,575** kilometers.

Ball games

- The sports activities comprised "badminton," "billiards," "slow-pitch softball," "basketball" tournaments, with a total of **53** teams and approximately **700** employees participating with great enthusiasm in 2024. These events have provided an opportunity for colleagues to improve their physical health and communication skills in the post-pandemic era.

Promoting the personal health of colleagues through active communication which will also enhance bonding between colleagues

Carrying for Society and Developing Local Area

THSRC has been operating for over a decade, providing convenient transportation services that promote intercity exchanges and activate local industry development. In addition to fulfilling our responsibilities in the travel industry, THSRC has also invested in the social welfare sector, aiming to contribute to society through our corporate influence and fulfill our responsibility as a social citizen. In 2024, we invested nearly NT$27 million in sponsorships for various social welfare activities to promote co-prosperity in Taiwan.

THSRC has been a longstanding supporter of railway culture and has invested in the development of the arts. In 2024, we sponsored the "ONESONG ORCHESTRA 2024 TAIWAN New Year Concert" and the "Paper Windmill 368 Townships Children's Art Project-Sustainable Journey," among other events. Further details on THSRC's initiatives to promote arts and culture, social care, and ecological restoration will be provided in subsequent sections.

Enhancing Arts and Culture

THSR ART Together Program

Since 2015, THSRC has been promoting the "THSR ART Together Program" to provide a free station space for experienced groups and individuals to perform singing, dancing or musical performance. As of the end of 2024, the project has facilitated 755 groups with a total of 21,150 participants at 9 THSRC operating stations. We hope that through the "THSR ART Together Program," art can become more accessible to the public, allowing passengers to experience a beautiful and touching artistic atmosphere up close during their journey.

"THSR ART Together Program" provides performance venues free of charge, enhancing the artistic and cultural atmosphere of our stations.

THSRC supported local cinema through a special movie screening event for the domestic film "Tales of Taipei."

Arts and Culture Extravaganza of THSRC

To encourage employees to engage in arts and cultural activities, enrich their lives, and broaden their horizons outside of work, THSRC hosted the "Arts and Culture Extravaganza of THSRC" series in 2024. This series featured a diverse lineup of events: Ju Percussion Group and Con Bello Symphonic Band for family viewing; Greenray Theatre and Tang Mei Yun Taiwanese Opera for all-age enjoyment; the hit musical "Classic Broadway Musical - Mamma Mia!" ; and heartwarming movie screenings like "Tales of Taipei" and "Doubles Match." A total of 26 events were held, with 2,156 employees and their families participating, showcasing the company's commitment to employee well-being and its dedication to cultivating local culture.

Promotion of Railway Culture - Taiwan High Speed Rail Museum（THSR Museum）and Oiran Train Scenic Park

Taiwan High Speed Rail Museum（THSR Museum）

THSRC actively promotes railway cultural education, welcoming public exploration of the Company's extensive collection of artifacts. Dating back to the construction phase, THSRC meticulously gathered items from various sections, including civil engineering, tracks, stations, depots, and core mechanical and electronic engineering. The collection encompasses a wide array of items: diverse design blueprints and data, contract texts and signing stationery, tools and equipment used during project execution, various celebratory items and souvenirs, and even project personnel identification, personal effects, and religious artifacts. This comprehensive effort positions THSRC as a pioneer in collecting railway industry artifacts. In 2003, the Company launched the "THSR Memorabilia Collection Project" and showcased the collection of cultural relics at the "THSR Museum." The museum has received over 27,000 visits and has become a vital platform for promoting high-speed railway culture and public services. We also offers a "Digital & Virtual Navigation for Taiwan High Speed Rail Museum" on the THSR Museum website, providing VR guided tours of themed areas. This allows the public to freely explore the story of the high speed rail and gain railway knowledge without geographical restrictions. By the end of 2024, there have been 150,000 cumulative visits.

Oiran Train Scenic Park

To ensure the safe operation of Taiwan High Speed Rail's 700T trains upon official launch, THSR's core system contractor specially converted a 0 series Shinkansen train car from Japan（the world's first commercial high-speed rail system）into a "Structure Gauging Vehicle" in 2004. The Structure Gauging Car was used for the measurement of the building limits of the entire high-speed rail line. Upon the completion of the task, it is stored in Liujia Maintenance Depots, and later it has been transfered to THSRC as collection. In 2018, Literary and Historical Research and Remediation Project was launched, it was relocated and officially displayed to the public at the Tainan Station Square after restoration on December 22, 2023. Because of the detection probe surrounding the body of the renovated 0 series, the contractor engineer complimented it as the hairpin of the Oiran of the highest grade geisha in the Edo period of Japan, and nicknamed it "Oiran Train," which also became the origin of the name of the "Oiran Train Scenic Park."

Oiran Train Scenic Park

Czech Railway Technology Delegation

Promotion of Social Care

The High-Speed Educational Endowment Program

THSRC has organized 14 consecutive sessions of "The High-Speed Educational Endowment Program" activities. In 2024, to help bridge the learning gap for children with disabilities and disadvantaged children, THSRC continued the Company's partnership with the After School Association of Taiwan. We invited generous donations from all sectors, raising over NT$10 million. This is expected to support 2,342 children and families in remote areas. Over the past 14 years, this program has cumulatively raised over NT$176 million in charitable funds, successfully helping more than 33,000 children attend school and grow happily. We hope to deliver warmth and care to every corner of Taiwan through the love collected via High Speed Rail trains and stations.

Children from the After School Association of Taiwan visited the THSR Museum.

Annual THSRC Winter Outreach Blood Drive

Since 2012, THSRC has organized a "Annual THSRC Winter Outreach Blood Drive" at the Company's headquarters office and stations at the end of each year. The event has garnered active participation from numerous enthusiastic employees, caring travelers, and the public, adding warmth to society. In 2024, a total of 1,646 people responded to the event, donating 2,536 units of blood. Cumulatively, the event has raised more than 28,000 units of blood, creating a warm atmosphere during the cold winter months when blood inventory levels were insufficient.

THSRC employee enthusiastically participate in donate blood.

2024 THSRC organized "THSRC Smiling Train Charity Program" outings with social welfare organizations.

THSRC Smiling Train Program

Since 2009, THSRC has implemented the "THSRC Smiling Train Program," collaborating with non-profit and social welfare organizations worldwide to offer free or discounted HSR train travel to disadvantaged individuals. This initiative has enabled them to experience the convenience and efficiency of HSR service while also providing opportunities to explore the unique customs and beauty of various counties and cities in Taiwan. As of 2024, the "THSRC Smiling Train Program" has aided 902 disadvantaged groups, with a total of 150,303 passengers benefiting from the program.

HSR Camps for Talent Cultivation

Since 2008, THSRC has organized winter and summer "HSR Camp" activities for students. The camp activities are categorized into four groups based on school age：college, high school vocational, junior high school, and national. Each group conducts one batch during the winter holidays and two batches during the summer holidays, totaling 12 batches annually. In 2024, 277 students participated in the events and caused hugh response.

Elementary school participants of THSR Camp visited Wuri Depot

Promotion of ecological restoration

Local Commitment to Pheasant-Tailed Jacana Preservation

To safeguard the habitat and survival of the Pheasant-Tailed Jacana, THSRC has collaborated with government and non-governmental organizations to establish the "Pheasant-Tailed Jacana Ecological Education Park." We not only actively collaborate with experts and scholars, but also seek the participation of volunteers. Over the past 26 years, THSRC has invested over NT$71.03 million in Pheasant-Tailed Jacana preservation. According to statistics from the Wild Bird Society of Tainan, the number of breeding growth of Pheasant-Tailed Jacana groups in the park's habitat has significantly increased from 9（including females, males, and fledglings）in a single year in 2000 to 24 in a single year in 2024. The expansion of the Pheasant-Tailed Jacana population's habitat area has resulted in a rise in the number of Pheasant-Tailed Jacanas in the Greater Tainan region from 275 in 2009 to 3,030 in 2024, demonstrating the effectiveness of our promotion of Pheasant-Tailed Jacana preservation. THSRC has not only constructed a "Pheasant-Tailed Jacana Preservation Park" but has also actively promoted ecological education, assisted in the creation of park instruction facilities, and designed display and interactive areas to showcase the effects of restoration efforts. Since its establishment, the "Pheasant-Tailed Jacana Ecological Education Park" has received nearly 292,000 visitors up until 2024. This park not only offers the public an opportunity to learn about the ecology of Pheasant-Tailed Jacanas but has also gained recognition from international ecological conservation organizations, making it a rare and successful example of "coexistence between development and conservation."

Environmental Sustainability Action

THSRC has been promoting the "Trash Collection - Sustainable Beach Action" beach cleanup event since 2016. To date, over 4,100 participants have enthusiastically joined, cumulatively clearing 19,931 kg of marine waste. In 2024, this initiative expanded into the "Environmental Sustainability Action," which includes two "One-Day Farmer" events and two beach cleanups. These activities aim to implement environmental protection concepts, foster enthusiasm for joint ESG goals, and realize the vision of a low-carbon lifestyle.

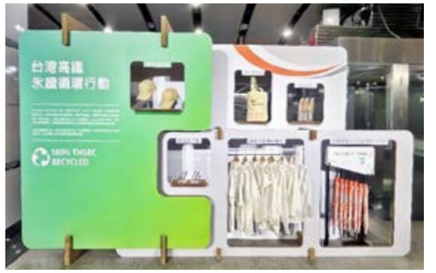
Over 150 THSRC employees participated in a beach cleanup, embracing a green lifestyle.

THSRC employees demonstrate their commitment to protecting the land, caring for the local environment, and valuing natural resources through their actions.

"100% THSRC Recycled" — Resource Regeneration, Carbon Reduction Ahead

THSRC responds to the nation's 2050 net-zero goal by launching several "Sustainable Circularity Initiatives" under the concept of "100% THSRC RECYCLED." This includes developing eco-friendly uniforms, shared umbrellas, baseball caps, pens, and shopping bags, as well as foldable umbrellas, all made from recycled PET bottles and microwave food containers collected from all THSRC stations. Furthermore, THSRC has replaced the seat headrest covers and hot beverage cup lids on trains with reduced-plastic materials.

In 2024, these efforts successfully reduced 17 metric tons of waste, equivalent to a reduction of nearly 48 metric tons of carbon emissions. Through waste regeneration, THSRC is taking concrete action to fulfill the Company's commitment to corporate sustainable development. The Company will continue to amplify the carbon reduction efforts through these "Sustainable Circularity Initiatives" in the future, thereby realizing its business philosophy of sustainable co-prosperity.



THSR 100% THSRC RECYCLED Campaign：Achievements Display Area from the Press Conference

Appendices

Table 1 THSRC Industry Associations Participation in 2024

No.	Industry Association Participated	Description
1	International Union of Railways (UIC)	Exchange and collaboration with international railway operators
2	International High Speed Rail Association	Exchange and collaboration with international high-speed rails
3	Chung-Hwa Railway Industry Development Association	Development and promotion of the railway industry
4	Chinese Institute of Transportation	Development and promotion of the railway industry
5	Rail Engineering Society of Taiwan	Development and promotion of the railway industry
6	Supply Management Institute, Taiwan	Exchange in procurement-related expertise and participation in related courses
7	Taiwan Railway Economic Development Association	Development and promotion of railway industry
8	Chinese Society for Quality	Exchange in quality management and participation in related courses
9	Taiwan Visitors Association	Tourism development and business promotion exchanges
10	Intelligent Transportation Society of Taiwan	Development and promotion of the transportation industry
11	Chinese Institute of Engineers	Exchange and promotion of civil engineering technology
12	Taiwan Stock Affairs Association	Exchange in stock affairs-related expertise and regulatory advancement
13	Taiwan Corporate Governance Association	Development and exchange in corporate governance
14	The Institute of Internal Auditors - Chinese Taiwan	Development and promotion of internal audit
15	Computer Audit Association	Development and exchange in corporate governance
16	Association of Industrial Relations, R.O.C.	Development of labor relations and participation in regulatory courses
17	Accounting Research and Development Foundation in Taiwan	Exchange and promotion of accounting business
18	Taiwan Railways Tourism Association	Development of railway tourism and business promotion and exchange
19	Chinese East Asia Economic Association	Tourism development and business promotion and exchange
20	Chinese Society of Mechanical Engineers	Development and promotion of the railway industry
21	Center for Corporate Sustainability - Taiwan Institute for Sustainable Energy	Development and promotion of sustainability
22	Taiwan Contact Center Development Association	Passenger service quality improvement and communication
23	Taiwan LOHAS Association	Embracing an aging society, promoting sustainable living and fostering a culture of friendliness and LOHAS
24	Taiwan Listed Companies Association	Sharing and exchangeing information of the latest industry trends and global developments

Table 2 Information on Members of the Board of Directors

Title	Names of Board Members	Basic Conditions			Professional Competency							Relevant Academic Experience in the Transportation Industry	Committee Member			
		Nationality	Gender	Term	Marketing Technology	Operation Management	Legal Practice	Financial Accounting	Leadership Decision-Making	Industrial Knowledge and Operation	Crisis Management and International Market View		Audit Committe	Remuneration Committee	Project Committee	Sustainable Development & Nominating Committee
Chairman	Che Shih	Republic of China	Male	2025/6/13~present	■	■			■	■	■	■				■
Independent Director	Kenneth Huang - Chuan Chiu	Republic of China	Male	2023/5/25~present	■	■	■		■	■	■		■	■		■
Independent Director	Duei Tsai	Republic of China	Male	2023/5/25~present	■	■			■	■	■		■	■	■	■
Independent Director	Ming-Teh Wang	Republic of China	Male	2023/5/25~present	■	■	■		■	■	■		■		■	■
Independent Director	Pai-Ta Shih	Republic of China	Male	2023/5/25~present	■	■		■	■	■	■		■	■		■
Independent Director	Yung-Cheng (Rex) Lai	Republic of China	Male	2023/5/25~present	■	■			■	■	■	■	■	■	■	
Director	Kung-Yeun Jeng	Republic of China	Male	2025/6/23~present	■	■			■	■	■	■				■
Director	Zhen-Jun Yang	Republic of China	Male	2023/5/25~present		■			■	■	■	■			■	
Director	Yu-fen Hong	Republic of China	Female	2023/5/25~present	■	■			■	■	■					■
Director	Wei-Cheng Hsieh	Republic of China	Male	2023/5/25~present		■			■	■	■				■	
Director	Chien-Chih Hwang	Republic of China	Male	2023/8/4~present	■	■			■	■	■					
Director	Ming-Chang Wu	Republic of China	Male	2024/12/11~present	■	■			■	■	■					
Director	Shien-Quey Kao	Republic of China	Female	2023/5/25~present	■	■		■	■		■				■	
Director	Mao-Hsiung Huang	Republic of China	Male	2023/5/25~present	■	■			■	■	■				■	
Director	Yi-Ling Wu	Republic of China	Female	2024/1/31~present	■	■			■	■	■					
Former Chairman	Yao-Chung Chiang	Republic of China	Male	2023/5/25~2025/1/10	■	■			■	■	■	■				
Former Director	Ming-Chou Yang	Republic of China	Male	2023/5/25~2024/12/5	■	■			■	■	■					
Former Director	Huan-Tung Tseng	Republic of China	Male	2024/1/19~2025/3/14		■		■	■	■	■					
Former Director	Tung-Ling Wu	Republic of China	Male	2025/3/14~2025/6/23		■			■	■	■					

Table 3 Human Resource Structure (1)

		2022		2023	
		Male	Female	Male	Female
Fixed-Term Contract	Contract Employees	14	40	43	66
	Secondee Employees	0	0	0	0
	Outsourced Employees	0	0	0	0
Total Number of Employees on Fixed-Term Contract		14	40	43	66
Total Number of Employees on Non-Fixed Term Contract		3,064	1,560	3,068	1,569
Percentage of Male-to-Female		65.8%	34.2%	65.5%	34.5%
Total Number of Employees		3,078	1,600	3,111	1,635

Table 3 Human Resource Structure (2)

			2022		2023	
			Male	Female	Male	Female
Rank		Vice President and above	0.21%	0.04%	0.23%	0.04%
		Assistance Vice President	0.30%	0.09%	0.29%	0.08%
		Manager and Deputy Manager	3.44%	0.86%	3.56%	0.86%
		Section Chief	12.18%	3.31%	12.85%	3.77%
		General Employees	49.66%	29.88%	48.62%	29.70%
Education		General and Vocational High School and Below	3.72%	0.47%	4.49%	1.71%
		University/Junior College	52.20%	30.23%	51.27%	29.29%
		Masters	9.60%	3.48%	9.54%	3.43%
		PhD	0.28%	0.02%	0.25%	0.02%
Other Diversity Indicators		Indigenous Employees	0.81%	0.26%	0.84%	0.25%
		Disabled Employees	0.77%	0.47%	0.72%	0.29%
Age	Management Level	Under 30 Years Old	0.00%	0.00%	0.00%	0.00%
		30-50 Years Old	1.52%	0.62%	1.29%	0.57%
		Over 50 Years Old	2.63%	0.34%	2.97%	0.44%
	Non-Management Level	Under 30 Years Old	8.04%	5.28%	7.40%	4.66%
		30-50 Years Old	45.02%	25.89%	43.85%	26.40%
		Over 50 Years Old	8.59%	2.07%	10.05%	2.38%

Note：1. The management level is defined as supervisors of section chief level and above.
2. The calculation formula is the number of people in the particular group/total labor force.
3. Due to the rounding of the presented data, the sum of the data may not be exactly 100%.

Table 4 Statistics on New Employees

		2022				2023			
		Male		Female		Male		Female	
		Number	Proportion	Number	Proportion	Number	Proportion	Number	Proportion
Category	Train Staff	0	0.00%	0	0.00%	23	5.69%	31	7.67%
	Station Staff	33	14.86%	59	26.58%	58	14.36%	107	26.48%
	Operation Control Personnel	8	3.60%	0	0.00%	8	1.98%	5	1.24%
	Train Driver	0	0.00%	0	0.00%	0	0.00%	0	0.00%
	Maintenance Personnel	76	34.24%	2	0.90%	121	29.95%	6	1.49%
	Others	21	9.46%	23	10.36%	26	6.44%	19	4.70%
Age	Under 30 Years Old	97	43.69%	64	28.83%	149	36.88%	142	35.14%
	30-50 Years Old	40	18.02%	19	8.56%	85	21.04%	26	6.44%
	Over 50 Years Old	1	0.45%	1	0.45%	2	0.50%	0	0.00%
Total		138	62.16%	84	37.84%	236	58.42%	168	41.58%

Notes：1. The number of new hires in 2023 increased significantly compared to 2022 due to the gradual subsiding of the pandemic and a sharp rebound in transportation volume, leading to higher manpower demand.
2. The new hire rate is calculated as: The number of newly hired full-time employees in each category during the year / The total number of newly hired full-time employees in the year.

Table 5 Statistics on Employee Turnover

		2022				2023			
		Male		Female		Male		Female	
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Category	Train Staff	2	1.19%	7	4.17%	7	3.24%	13	6.02%
	Station Staff	13	7.74%	17	10.12%	31	14.35%	30	13.89%
	Operation Control Personnel	5	2.98%	1	0.60%	8	3.70%	2	0.93%
	Train Driver	3	1.79%	0	0.00%	3	1.39%	0	0.00%
	Maintenance Personnel	79	47.02%	2	1.19%	86	39.81%	1	0.46%
	Others	27	16.07%	12	7.14%	20	9.26%	15	6.94%
Age	Under 30 Years Old	50	29.76%	12	7.14%	68	31.48%	23	10.65%
	30-50 Years Old	64	38.10%	26	15.48%	71	32.87%	37	17.13%
	Over 50 Years Old	15	8.93%	1	0.60%	16	7.41%	1	0.46%
Total		129	76.79%	39	23.21%	155	71.76%	61	28.24%

Note：The turnover rate is calculated as: The number of full-time employee departures in each category during the year / The total number of full-time employee departures in the year.

Table 6 Training Hours

Year	2022			2023		
Gender	Male	Female	Total	Male	Female	Total
All Employees at THSRC						
Average Number of Training Hours Per Capita	72.0	38.4	60.5	83.0	58.7	74.6
Average Number of Training Hours Per Training Session	2.6	1.7	2.3	3.2	2.8	3.0
Average Class Hours for Different Ranks						
Vice President and above	9.4	14.4	10.2	21.9	13.3	20.6
Assistance Vice President	32.7	18.2	29.4	30.1	30.6	30.2
Manager and Deputy Manager	39.0	27.7	36.7	65.1	50.2	62.2
Section Chief	53.6	35.9	49.9	77.6	51.6	71.7
General Employees	79.3	39.1	64.2	86.3	60.0	76.3
Average Number of Class Hours for Different Categories						
Train Staff	19.3	22.9	22.1	96.5	60.2	68.3
Station Staff	59.9	60.2	60.1	61.5	70.0	66.8
Operation Control Personnel	145.9	90.2	134.5	118.7	120.8	119.1
Train Drivers	113.0	59.0	108.7	73.3	29.6	69.7
Maintenance Personnel	90.0	63.8	89.9	100.7	149.6	100.8
Others	33.0	24.3	29.6	60.2	43.4	53.6

Table 7 Sustainable Development Performance Indicators for Senior Executives

Target	ESG Sustainable Development Performance Indicators	Weight	Description
President	Environmental Sustainability	8%	Establish THSRC's overarching sustainable development strategy and supervise promotion of sustainable development policies. For more details on business plans, please refer to the "senior executives" section below.
	Service Sustainability	6%	
	Employee Care and Social Inclusion	5%	
	Corporate Governance and Ethical Management	6%	
Senior executives	Environmental Sustainability	9%~12%	Promote environmental sustainability action plans to fulfill social responsibilities, including： 1. Implementing replacements and upgrades for energy-consuming site facilities. 2. Implementing energy and carbon reduction plans. 3. Implementing adaptation plans in response to climate change impacts. 4. Implementing plans associated with greenhouse gases, carbon footprints, water footprints, and net zero emissions.
	Service Sustainability	2%~9%	Promote service sustainability action plans for continued enhancement of travel quality and customer satisfaction, including： 1. Linking local culture and activities, promoting eco-friendly travel products, and invigorating national tourism. 2. Optimizing tangible and intangible facilities associated with travel services.
	Employee Care and Social Inclusion	5%~10%	Promote employee care and social inclusion action plans to build a friendly workplace, improve social inclusion, and exert THSRC's positive influence, including： 1. Hosting employee care events, health lectures, and other activities to promote physical and mental health. 2. Hosting courses and implementing professional personnel training plans associated with eradication of human rights violations. 3. Promoting sustainability and recycling activities. 4. Hosting community care activities.
	Corporate Governance and Ethical Management	3%~10%	Promote corporate governance and ethical management policies and mechanisms to maximize stakeholder value, including： 1. Optimizing financial structures, capital management, and tax planning. 2. Meeting corporate governance evaluation indicators, passing external evaluations, and receiving verification. 3. Implementing legal compliance plans. 4. Establishing corporate information security defense frameworks. 5. Hosting education and training courses associated with ethical management.

GRI Index

Disclosure	Corresponding to Chapter or Subchapter	Page No	Supplemantary Information
GRI 2: General Disclosure 2021			
2-1 Organizational Details	▪ About this Report	02	
2-2 Entities included in organization's sustainability reporting	▪ About this Report	02	
2-3 Reporting period, frequency and contact point	▪ About this Report	02	
2-4 Restatements of information	▪ About this Report	-	No restatement of information during the reporting period
2-5 External Assurance	▪ About this Report ▪ Appendices	02 83	
2-6 Activities, Value Chains and Other Business Relationships	▪ Operating Bases and Services ▪ Ticket Purchase Channels ▪ Inclusive and Equal Employment	14 40 69	
2-7 Employees	▪ Inclusive and Equal Employment	69	
2-8 Workers who are not employees	▪ Inclusive and Equal Employment	69	
2-9 Governance structure and composition	▪ Corporate Governance Structure and Committees	18	
2-10 Nomination and selection of the highest governance body	▪ Corporate Governance Structure and Committees	18	
2-11 Chair of the highest governance body	▪ Corporate Governance Structure and Committees	18	
2-12 The highest governance body in overseeing the management of impacts	▪ Corporate Governance Structure and Committees	18	
2-13 Head of impacts management	▪ Corporate Governance Structure and Committees	18	
2-14 The highest governance body in sustainability reporting	▪ Corporate Governance Structure and Committees	18	
2-15 Conflict of Interest	▪ Corporate Governance Structure and Committees	18	Concerning "b.ii. cross-shareholding with suppliers or other stakeholders", "b.iii. the existence of controlling shareholders", "b.iv. Interested groups and their relationships, transactions and outstanding balances,"please details "Annual report of the shareholders' meeting" and "Annual financial statements"
2-16 Communication of critical concerns	▪ Stakeholder Identification and Engagement	05	
2-17 Collective knowledge of the highest governance body	▪ Corporate Governance Structure and Committees	18	
2-18 Evaluation of the performance of the highest governance body	▪ Corporate Governance Structure and Committees	18	
2-19 Remuneration Policies	▪ Corporate Governance Structure and Committees	18	
2-20 Process to determine remuneration	▪ Corporate Governance Structure and Committees ▪ Complete and Perfect Salary and Benefit System	18 70	
2-21 Annual Total Compensation Ratio	▪ Complete and Perfect Salary and Benefit System	70	
2-22 Statement on sustainable development strategy	▪ Message from the Management	03	
2-23 Policy commitments	▪ Ethical Management and Anti-Corruption ▪ Human Rights Policy and Employee Care	24 75	
2-24 Embedding policy commitments	▪ Ethical Management and Anti-Corruption ▪ Human Rights Policy and Employee Care	24 75	
2-25 Procedures to remediate negative impacts	▪ Human Rights Policy and Employee Care	75	
2-26 Mechanisms for seeking advice and raising concerns	▪ Ethical Management and Anti-Corruption ▪ Human Rights Policy and Employee Care	24 75	
2-27 Compliance with laws and regulations	▪ Legal Compliance	23	
2-28 Membership associations	▪ Industry Exchanges ▪ Appendices Table 1	48 83	
2-29 Approach to stakeholder engagement	▪ Stakeholder Identification and Engagement	05	
2-30 Collective bargaining agreement	▪ Human Rights Policy and Employee Care	75	
GRI：Material Topics 2021			
3-1 Process to determine material topics	▪ Identifying and Prioritizing Material Sustainability Topics	07	
3-2 List of material topics	▪ Identifying and Prioritizing Material Sustainability Topics	07	
3-3 Management of material topics	▪ Identifying and Prioritizing Material Sustainability Topics	07	A list of "d. Describe actions taken to manage material topics and associated shocks," "e. Report information on tracking the effectiveness of actions taken," "f. Describe how agreements with stakeholders affect actions taken, and how actions are effective," are provided in this section and indexed to the corresponding sections of each sustainability topic

GRI Index	Disclosure	Sustainability Topics	Page No.
GRI 201：Economic Performance 2016			
201-1 Direct economic value generated and distributed	Enterprise Governance and Operational Performance	▪ Operational Performance	24
201-3 Defined benefit plan obligations and other retirement plans		▪ Inclusive and Equal Employment	69
201-4 Financial assistance received from government		▪ Operational Performance ▪ Stakeholder Identification and Engagement	24 05
GRI 202：Market Presence 2016			
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Talent Recruitment and Development	▪ Operating Bases and Services ▪ Inclusive and Equal Employment ▪ Complete and Perfect Salary and Benefit System	14 69 70
202-2 Proportion of senior management hired from the local community		▪ Inclusive and Equal Employment	69
GRI 203：Indirect Economic Impacts 2016			
203-1 Infrastructure investments and services supported	Local Economic Development and Human Concern	▪ Partner Relationship Management and Sustainable Supply Chain	49
203-2 Significant indirect economic impacts		▪ Carrying for Society and Developing Local Area	80
GRI 204：Procurement Practices 2016			
204-1 Proportion of spending on local suppliers	Sustainable supply chain management	▪ Operating Bases and Services ▪ Localized Supply Chain	14 50
GRI 205：Anti-Corruption 2016			
205-1 Operations assessed for risks related to corruption	Enterprise Governance and Operational Performance	▪ Ethical Management and Anti-Corruption	24
205-2 Communication and training about anti-corruption policies and procedures		▪ Ethical Management and Anti-Corruption	24
205-3 Confirmed incidents of corruption and actions taken		▪ Ethical Management and Anti-Corruption	24
GRI 302：Energy 2016			
302-1 Energy consumption within the organization	Resource Use and Management	▪ Low-Carbon Operation and Environmental Sustainability	55
302-2 Energy Consumption Outside of the Organization		▪ Low-Carbon Operation and Environmental Sustainability	55
302-3 Energy intensity		▪ Low-Carbon Operation and Environmental Sustainability	55
302-4 Reduction of energy consumption		▪ Low-Carbon Operation and Environmental Sustainability	55
302-5 Reductions in energy requirements of products and services		▪ Low-Carbon Operation and Environmental Sustainability	55

GRI Index	Disclosure	Sustainability Topics	Page No.	Supplemantary Information
GRI 303：Water and Effluents 2018				
303-1 Interactions with water as a shared resource	Resource Use and Management	▪ Low-Carbon Operation and Environmental Sustainability	55	
303-2 Management of water discharge-related impacts		▪ Low-Carbon Operation and Environmental Sustainability	55	
303-3 Water withdrawal		▪ Low-Carbon Operation and Environmental Sustainability	55	
303-4 Water discharge		▪ Low-Carbon Operation and Environmental Sustainability	55	
303-5 Water consumption		▪ Low-Carbon Operation and Environmental Sustainability	55	
GRI 305：Emissions 2016				
305-1 Direct（Scope 1） GHG emissions	Climate Change Mitigation and Adaptation	▪ Low-Carbon Operation and Environmental Sustainability	55	
305-2 Energy Indirect （Scope 2） GHG emissions		▪ Low-Carbon Operation and Environmental Sustainability	55	
305-3 Other indirect（Scope 3） GHG emissions		▪ Low-Carbon Operation and Environmental Sustainability	55	The GHG emissions of THSRC for the year 2024 were verified in April 2025 in accordance with ISO 14064-1：2018
305-4 GHG emissions intensity		▪ Low-Carbon Operation and Environmental Sustainability	55	
305-5 Reduction of GHG emissions	Ecological and Community Impact Management	▪ Low-Carbon Operation and Environmental Sustainability	55	
305-6 Emissions of ozone-depleting substances（ODS）		-	-	N/A
305-7 Nitrogen oxides （NOx）, sulfur oxides（SOx）, and other significant air emissions		▪ Low-Carbon Operation and Environmental Sustainability	55	
GRI 306：Waste 2020				
306-1 Waste generation and significant waste-related impacts	Resource Use and Management	▪ Low-Carbon Operation and Environmental Sustainability	55	
306-2 Management of significant waste-related impacts		▪ Low-Carbon Operation and Environmental Sustainability	55	
306-3 Waste generated		▪ Low-Carbon Operation and Environmental Sustainability	55	
306-4 Waste diverted from disposal		▪ Low-Carbon Operation and Environmental Sustainability	55	
306-5 Waste directed to disposal		-	-	N/A

GRI Index	Disclosure	Sustainability Topics	Page No.
GRI 401：Employment 2016			
401-1 New employee hires and employee turnover	Employee Care and Labor Protection	▪ Inclusive and Equal Employment	69
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Talent Recruitment and Development	▪ Inclusive and Equal Employment ▪ Complete and Perfect Salary and Benefit System	69 70
401-3 Parental leave	Talent Recruitment and Development	▪ Complete and Perfect Salary and Benefit System ▪ Human Rights Policies and Employee Care	70 75
GRI 402：Labor / Management Relations 2016			
402-1 Minimum notice periods regarding operational changes	Employee Care and Labor Protection Talent Recruitment and Development	▪ Human Rights Policies and Employee Care	75
GRI 403：Occupational Health and Safety 2018			
403-1 Occupational Health and Safety Management System	Employee Care and Labor Protection	▪ Human Rights Policies and Employee Care	75
403-2 Hazard Identification, Risk Assessment and incident Investigation	Employee Care and Labor Protection	▪ Human Rights Policies and Employee Care	75
403-3 Occupational Health Services	Employee Care and Labor Protection	▪ Occupational Safety and Health	77
403-4 Worker Participation, Consultation and Communication on Occupational Health and Safety	Employee Care and Labor Protection	▪ Occupational Safety and Health	77
403-5 Worker Training on Occupational Health and Safety	Employee Care and Labor Protection	▪ Occupational Safety and Health	77
403-6 Promotion of worker health	Talent Recruitment and Development	▪ Human Rights Policies and Employee Care	75
403-7 Prevention and mitigation of occupational health and safety impacts directlylinked by business relationships	Talent Recruitment and Development	▪ Occupational Safety and Health	77
403-8 Workers covered by an occupational health and safety management system	Talent Recruitment and Development	▪ Occupational Safety and Health	77
403-9 Work-related injuries	Talent Recruitment and Development	▪ Occupational Safety and Health	77
403-10 Work-related ill health	Talent Recruitment and Development	▪ Occupational Safety and Health	77
GRI 404：Talent Recruitment and Development			
404-1 Training and Education 2016	Talent Recruitment and Development	▪ Comprehensive Employee Training	72
404-2 Programs for upgrading employee skills and transition assistance programs	Talent Recruitment and Development	▪ Comprehensive Employee Training	72
404-3 Percentage of employees receiving regular performance and career development	Talent Recruitment and Development	▪ Talent Management and Motivation	74

GRI Index	Disclosure	Sustainability Topics	Page No.
GRI 405：Diversity and Equal Opportunity 2016			
405-1 Diversity of governance bodies and employees	Enterprise Governance and Operational Performance	▪ Corporate Governance Structure and Committees ▪ Complete and Perfect Salary and Benefit System	18 70
405-2 Ratio of basic salary and remuneration of women to men	Talent Recruitment and Development	▪ Inclusive and Equal Employment ▪ Complete and Perfect Salary and Benefit System	69 70
GRI 407：Freedom of Association and Collective Bargaining 2016			
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employee Care and Labor Protection	▪ Human Rights Policies and Employee Care	75
GRI 413：Local Communities 2016			
413-1 Operations with local community engagement, impact assessments, and development programs	Ecological and Community Impact Management	▪ Low-Carbon Operation and Environmental Sustainability ▪ Carrying for Society and Developing Local Area	55 80
413-2 Operations with significant actual and potential negative impacts on local communities	Ecological and Community Impact Management	▪ Low-Carbon Operation and Environmental Sustainability ▪ Carrying for Society and Developing Local Area	55 80
GRI 414：Supplier Social Assessment 2016			
414-1 New suppliers that were screened using social criteria	Sustainable Supply Chain Management	▪ Supplier Engagement	50
414-2 Negative social impacts in the supply chain and actions taken	Sustainable Supply Chain Management	▪ Sustainable Supply Chain Management ▪ Supplier Engagement	49 50
GRI 416：Customer Health and Safety 2016			
416-1 Assessment of the health and safety impacts of product and service categories	Quality of Service and Customer Relationship Management	▪ Safety and Quality Service	41
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Quality of Service and Customer Relationship Management	▪ Legal Compliance	23
GRI 418：Customer Privacy 2016			
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Privacy and Information Security Management	▪ Information Security Management	42
Customized topic			
-	Transportation Safety Management	▪ Transportation - Professional Transportation	27
-	Technological Innovation	▪ Technology - Innovative Technology	37

Disclosure of Sustainability Accounting Standards Board

SASB : Rail Transportation（version 2023-12）

Metrics	Unit Of Measure	Code	2024	Other Explainations
Activity Metrics				
Number of carloads transported	Number	TR-RA-000.A	78,250,483 ridership	Due to the nature of THSRC's business, transportation services are mainly measured by number of people. Therefore, the data provided here is the total number of passengers who took THSR trains in 2024.
Amount of postal services transported	Number	TR-RA-000.A	N/A	Due to the nature of THSRC's business, transportation services are mainly measured by number of people. The contract signed with the post office is calculated based on the number of passengers, so there are no data available on the volume of postal services.
Number of intermodal units transported	Number	TR-RA-000.B	N/A	Due to the nature of THSRC's business, transportation services are mainly measured by number of people, and there are no transportation services for goods, so this indicator is not applicable.
Track kilometers Track kilometers include the total length of the route available for the operation of the trains, and include multi-track routes for the calculation. For example, if there are two tracks for each kilometers of route, it should be counted as 2 track kilometers	Kilometers	TR-RA-000.C	The total length of the THSR eastbound and westbound mainlines is 699.4 kilometers.	This data calculation scope covers the mainline and uses kilometers as the unit of measurement.
Revenue Ton Kilometers（RTK） Revenue per ton kilometers（RTK）is defined as the revenue earned from transporting one metric ton of cargo one kilometer. Revenue in metric ton kilometers (RTK) is calculated as the number of transport kilometers per stage * revenue per metric ton of cargo	Amount	TR-RA-000.D	NT$3.83	Due to the nature of THSR's business, transportation services are mainly measured by number of people, and there is no transportation of goods. Therefore, this indicator is presented as "revenue per passenger-mile," which is calculated as follows： * NT$51,248,824,000 in ticketing revenue in 2024 * 78,250,483 passengers in 2024 * The average travel distance per passenger in 2024 was 171 kilometers * Ticketing revenue per passenger = Ticketing revenue / Number of passenger = NT$655 * Revenue per passenger traveling 1 kilometer = Ticketing revenue per passenger / Average travel distance per passenger = NT$3.83 / kilometers
Number of employees	Number	TR-RA-000.E	4,874	THSRC employees calculated here cover contract employees, secondee employees, outsourced employees and employees on non-fixed term contracts.
Greenhouse Gas Emissions				
Gross global Scope 1 emissions	metric tons CO_2-e	TR-RA-110a.1	8,637.63 metric tons CO_2e	The GHG emissions of THSRC for the year 2024 were verified in April 2025 in accordance with ISO 14064-1:2018. For more information on greenhouse gas emissions, please refer to the subchapter entitled "Low-Carbon Operation and Environmental Sustainability" of the report.
Discussion of long-term and short-term strategy or plan to manage Scope1 emissions, emissions reduction targets, and an analysis of performance against those targets	-	TR-RA-110a.2	The electricity which is a Scope 2 emission, using to carry passengers is the major energy consumption by THSRC. The direct GHG emissions in scope 1 mainly come from the use of gasoline and diesel fuel and the escape of air conditioning refrigerants, which are used for engineering maintenance vehicles and emergency generators at the stations. The overall ratio is relatively low, accounting for only 1% to 2% of the total energy consumption, so there is no further emission reduction target for Scope 1 However, in accordance with the Greenhouse Gas Reduction and Management Act, the Company shall follow the "Periodic Regulatory Goals of the Greenhouse Gas Emissions" approved by the government and cooperate with the competent authorities in rail transportation and station operations in pursuing greenhouse gas reduction policies and setting reduction targets. The current target is an annual carbon reduction rate of greater than 1.5% for Scope1 and 2 emissions by 2024, using the amount of carbon dioxide emissions per passenger-kilometer as an indicator. The target has been achieved this year. Please refer to the "Greenhouse Gas Management" section under the chapter titled "Low-Carbon Operation and Environmental Sustainability" in the report for detailed indicators and targets.	For more information on greenhouse gas emissions, please refer to the subchapter entitled "Low-Carbon Operation and Environmental Sustainability" of the report.
（1）Total fuel consumed （2）percentage renewable	Gigajoules（GJ）, Percentage（%）	TR-RA-110a.3	（1）2,384,177.75 GJ （2）0.03 （%）	（1）The calculation of total energy use by THSRC covers the total energy used directly during the reporting period. The data is sourced from the energy product unit heating value table announced in the Energy Statistics Handbook 2016 of the Bureau of Energy （2）The proportion of renewable energy to total energy use by THSRC is calculated as（Renewable energy use / Total energy use）, which is disclosed in percentage（%） as the unit For more information on energy use, please refer to the subchapter entitled "Low-Carbon Operation and Environmental Sustainability" of the report.

Metrics	Unit Of Measure	Code	2024	Other Explainations
Air Quality				
（1）Total emissions of air pollutants （2）NOx（excluding N_2O） （3）Particulate material（PM） （4）Volatile Organis Compounds（VOC）	Metric tonnes	TR-RA-120a.1	（1）9.24 metric tonnes （2）0 metric tonnes （3）0.04 metric tonnes （4）9.20 metric tonnes	（1）The air pollutants disclosed by THSRC cover the air pollutants directly emitted in the course of business operations, including stationary and mobile pollution sources, production plants, office buildings, and transportation fleets, which are calculated using the mass balance method. （2）The emission of NOx is mainly caused by the high-temperature combustion of vehicles, thermal power plants and boilers, and THSRC uses externally purchased or acquired electricity during the entire operation of the trains, so there is no emission of nitrogen oxides. （3）The data of particulate materials（PM10）in 2024 was sourced from the amount reported in the “Stationary Source Air Pollution Control Fees and Emissions Reporting Integrated Management System” of the Environmental Protection Administration. The calculation method is activity intensity x（1 - control efficiency %）x emission factor. （4）Volatile Organic Compounds（VOCs）, measured in kilograms, are calculated based on the percentage content（Y%）of VOC substances（X）such as toluene, xylene, ethylbenzene, etc., within various paint materials（M）used. The formula is as follows： M1*（X1Y1+X2Y2+X3Y3+....）% + M2（X1Y1+X2Y2+X3Y3+....）% + M3（X1Y1+X2Y2+X3Y3+....）% + ...。 For more information on air quality, please refer to the subchapter entitled "Air Pollution Management" of the report.
Employee Health and Safety				
（1）Total Recordable Incident Rate（TRIR） （2）Fatality rate （3）Near Miss Frequency Rate（NMFR）	-	TR-RA-320a.1	（1）0.12 （2）0 （3）2.59	The indicator calculated here covers THSRC's all emloyees. The calculation formula of the indicator is as follows： * Total Recordable Incident Rate（TRIR）is calculated as：（Number of recordable incident / Total working hours）× 200,000 The data for 2024 is calculated as：（6/9,668,912）*200,000=0.12 * Fatality rate of work-related injuries is calculated as：（Number of recordable fatalities / Total working hours) × 200,000 The data for 2024 is calculated as：（0/9,668,912）*200,000=0 *Near Miss Frequency Rate（NMFR）is calculated as：（Count of near miss incidents / Total man-hours）× 200,000 The data for 2024 is calculated as：（125/9,668,912）*200,000=2.59
Competitive Behavior				
Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	NTD	TR-RA-520a.1	0	The Company has no legal proceedings related to the anti-competitive conduct provisions in 2024. High-speed rail transportation is a key infrastructure in Taiwan. THSRC plays a role as a service provider. For a long time, legal compliance has been regarded as a material topic of sustainable development. We not only formulate legal compliance promotion plans, but also track legal compliance risks through quarterly legal compliance representative meetings, and regularly report the tracking results to the Board of Directors to minimize regulatory risks. For more information on legal compliance, please refer to the subchapter titled "Sustainable Governance – Legal Compliance, Ethical Management and Anti-Corruption" of the report.

Metrics	Unit Of Measure	Code	2024	Other Explainations
Accident and Safety Management				
Number of Accidents and Incidents	Number	TR-RA-540a.1	In 2024, there was 1 fire accident of a maintenance engineering vehicle.	The statistical standards for the number of accidents and incidents refer to the definitions in Chapter 6 of the "Railway Rules," and the scope of disclosure covers collisions, derailments, fires, railway crossings, casualties, equipment damage, operation interruptions, and other accidents. In 2024, there were no major accidents on THSRC, and there was a fire accident involving a maintenance engineering vehicles, with no injuries on site and no impact on the operation. After subsequent review, THSRC has completed the relevant hazard identification and implemented mitigation measures to prevent similar incidents from occurring. THSRC has always regarded operational safety as its highest responsibility since it began operations and has consistently regarded safety management as a material topic of sustainable development. For more information on operational safety and risk management, please refer to the subchapter entitled "Safety Services and Responsible Transportation" of the report.
(1) Number of accident releases (2) nonaccident release (NARs)	Number	TR-RA-540a.2	(1) 0 (2) 0	THSRC mainly provides human-based transportation services. Hazardous substances are not handled and transported in its general operation and transportation process, so this indicator is not applicable.
Number of Federal Railroad Administration (FRA) Recommended Violation Defects	Number	TR-RA-540a.3	13 cases (to be categorized as observations rather than deficiencies).	The proposed calculation of the number of violations and failures refers to the provisions of Article 47 of the "Implementation Measures for the Supervision of Local Private and Special Railways." The Railway Bureau of the Ministry of Transportation and Communications regularly inspects the violations and failures of high-speed railways, including the organizational status, operating status, financial status, engineering status, driving safety management status, locomotive and vehicle maintenance status, route construction and maintenance status, and other related matters. In 2024, the Railway Bureau conducted an annual periodic inspection (proposed 6 items for observations and 19 items for suggestions) and 5 interim inspection (proposed 7 items for observations and 6 items for suggestions). For more information on quality management, please refer to the subchapter entitled "Convenience, Attentiveness, and Maintaining Relationships" of the report.
Frequency of internal railway integrity inspections (Number of inspections per week × Inspected track kilometers / Total main track kilometers)	%	TR-RA-540a.4	50 %	This indicator is calculated on the basis of (Number of inspections per week × Inspected track kilometers) / (Total main track kilometers). In 2024, a track length of 699.4 kilometers of THSRC were inspected twice a week (including northbound and southbound mainline tracks), primarily for track irregularity inspections and routine checks. Therefore, applying the formula yields a railway integrity inspection frequency of (2 inspections per week × 174.85 kilometers) / (699.4 kilometers) = 50%., For more information on operational safety and risk management, please refer to the subchapter entitled "Safety Services and Responsible Transportation" of the report.

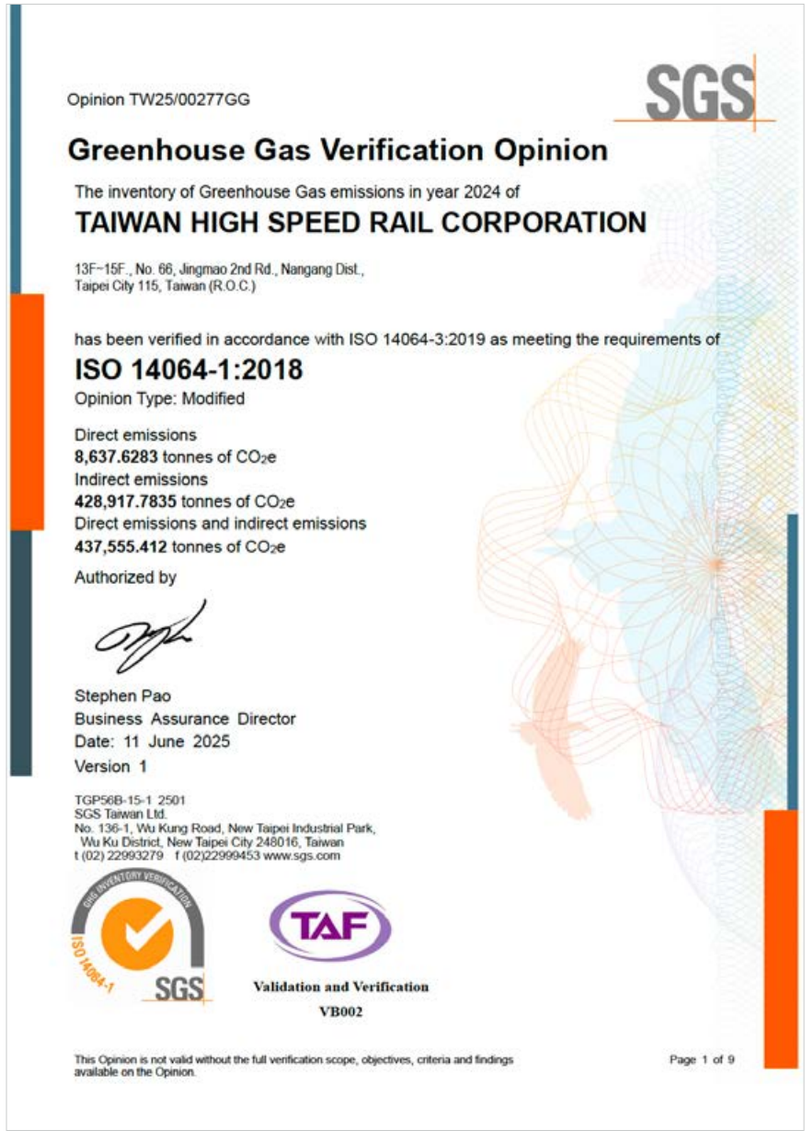
Comparison of the "Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies"

Item	Corresponding Chapter or Subchapter
The content of this report shall cover the risk assessment of the relevant environmental, social, and corporate governance, and set the relevant performance indicators to manage the material topics identified	▪ Sustainable Governance and Ethical Corporate Management
Corporate governance of climate-related risks and opportunities; actual and potential climate-related shocks; methods to identify, assess and manage climate-related risks; and indicators and targets for assessing and managing climate-related issues	▪ Low-Carbon Operation and Environmental Sustainability
Information on salaries of full-time non-supervisory employees	▪ Nurturing Talent and Value Cultivation

Comparison of the " Corporate Sustainable Development Best Practice Principles for TWSE / GTSM Listed Companies"

Items	Corresponding Chapter or Subchapter
Chapter I General Principles	▪ Sustainability Strategies and Goals
Chapter II Implementing Corporate Governance	▪ Sustainable Governance and Ethical Management
Chapter III Fostering a Sustainable Environment	▪ Low-Carbon Operation and Environmental Sustainability
Chapter IV Preserving Public Welfare	▪ Partner Relationship Management and Sustainable Supply Chain ▪ Nurturing Talent and Value Cultivation ▪ Carrying for Society and Developing Local Area
Chapter V Enhancing corporate sustainability information disclosure	▪ About this Report
Chapter VI Supplementary Provisions	▪ Identifying and Prioritizing Material Sustainability Topics

Statement on Greenhouse Gas Emission Inspection



Opinion TW25/00277GG

SGS

Greenhouse Gas Verification Opinion

The inventory of Greenhouse Gas emissions in year 2024 of

TAIWAN HIGH SPEED RAIL CORPORATION

13F~15F., No. 66, Jingmao 2nd Rd., Nangang Dist.,
Taipei City 115, Taiwan (R.O.C.)

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

ISO 14064-1:2018

Opinion Type: Modified

Direct emissions
8,637.6283 tonnes of CO_2e
Indirect emissions
428,917.7835 tonnes of CO_2e
Direct emissions and indirect emissions
437,555.412 tonnes of CO_2e

Authorized by

Stephen Pao
Business Assurance Director
Date: 11 June 2025
Version 1

TGP56B-15-1 2501
SGS Taiwan Ltd.
No. 136-1, Wu Kung Road, New Taipei Industrial Park,
Wu Ku District, New Taipei City 248016, Taiwan
t (02) 22993279 f (02)22999453 www.sgs.com

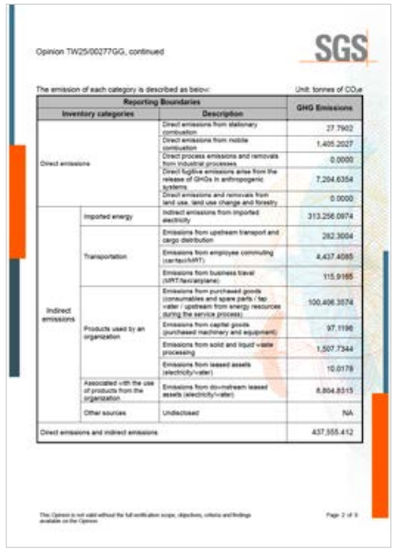
GHG INVENTORY VERIFICATION ISO 14064-1 SGS

TAF

Validation and Verification
VB002

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

Page 1 of 9



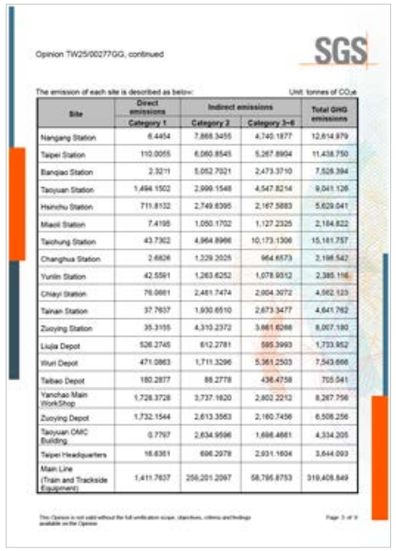
Opinion TW25/00277GG, continued

SGS

The emission of each category is described as below: Unit: tonnes of CO_2e

Reporting Boundaries			GHG Emissions
Inventory categories		Description	
Direct emissions		Direct emissions from stationary combustion	27.7902
		Direct emissions from mobile combustion	1,405.2027
		Direct process emissions and removals from industrial processes	0.0000
		Direct fugitive emissions arise from the release of GHGs in anthropogenic systems	7,204.6354
		Direct emissions and removals from land use, land use change and forestry	0.0000
Indirect emissions	Imported energy	Indirect emissions from imported electricity	313,256.0974
	Transportation	Emissions from upstream transport and cargo distribution	282.3004
		Emissions from employee commuting (car/taxi/MRT)	4,437.4085
		Emissions from business travel (HRT/taxi/airplane)	115.9165
	Products used by an organization	Emissions from purchased goods (consumables and spare parts / tap water / upstream from energy resources during the service process)	100,406.3074
		Emissions from capital goods (purchased machinery and equipment)	97.1196
		Emissions from solid and liquid waste processing	1,507.7344
		Emissions from leased assets (electricity/water)	10.0179
	Associated with the use of products from the organization	Emissions from downstream leased assets (electricity/water)	8,864.8315
	Other sources	Undisclosed	NA
Direct emissions and indirect emissions			437,555.412

This Opinion is not valid without the full verification scope, objectives, criteria and findings available on the Opinion. Page 2 of 9



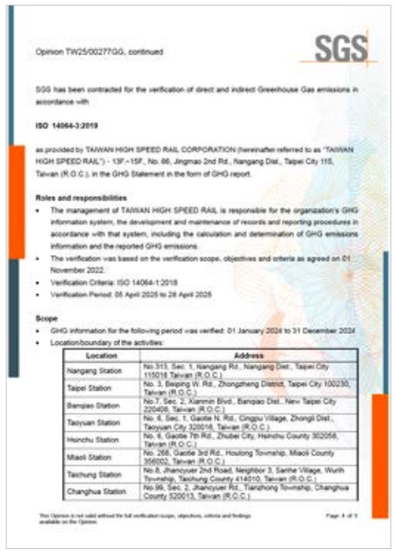
Opinion TW25/00277GG, continued

SGS

The emission of each site is described as below: Unit: tonnes of CO_2e

Site	Direct emissions	Indirect emissions		Total GHG emissions
	Category 1	Category 2	Category 3~6	
Nangang Station	6.4454	7,868.3455	4,740.1877	12,614.979
Taipei Station	110.0055	6,060.8545	5,267.8904	11,438.750
Banqiao Station	2.3211	5,052.7021	2,473.3710	7,528.394
Taoyuan Station	1,494.1502	2,999.1548	4,547.8214	9,041.126
Hsinchu Station	711.8132	2,749.6395	2,167.5883	5,629.041
Miaoli Station	7.4195	1,050.1702	1,127.2325	2,184.822
Taichung Station	43.7302	4,964.8986	10,173.1306	15,181.757
Changhua Station	2.6826	1,229.2025	964.6573	2,196.542
Yunlin Station	42.5591	1,263.6252	1,078.9312	2,385.116
Chiayi Station	76.0661	2,461.7474	2,004.3072	4,562.123
Tainan Station	37.7637	1,930.6510	2,673.3477	4,641.762
Zuoying Station	35.3155	4,310.2372	3,861.6286	8,207.180
Liujia Depot	526.2745	612.2781	595.3993	1,733.952
Wuri Depot	471.0863	1,711.3296	5,361.2503	7,543.666
Taibao Depot	180.2877	88.2778	436.4758	705.041
Yanchao Main WorkShop	1,728.3728	3,737.1620	2,802.2212	8,267.756
Zuoying Depot	1,732.1544	2,613.3583	2,160.7456	6,506.256
Taoyuan OMC Building	0.7767	2,634.9596	1,698.4661	4,334.205
Taipei Headquarters	16.8361	696.2978	2,931.1604	3,644.093
Main Line (Train and Trackside Equipment)	1,411.7637	259,201.2097	58,795.8753	319,408.849

This Opinion is not valid without the full verification scope, objectives, criteria and findings available on the Opinion. Page 3 of 9



Opinion TW25/00277GG, continued

SGS

SGS has been contracted for the verification of direct and indirect Greenhouse Gas emissions in accordance with

ISO 14064-3:2019

as provided by TAIWAN HIGH SPEED RAIL CORPORATION (hereinafter referred to as "TAIWAN HIGH SPEED RAIL") - 13F~15F., No. 66, Jingmao 2nd Rd., Nangang Dist., Taipei City 115, Taiwan (R.O.C.), in the GHG Statement in the form of GHG report.

Roles and responsibilities

- The management of TAIWAN HIGH SPEED RAIL is responsible for the organization's GHG information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of GHG emissions information and the reported GHG emissions.
- The verification was based on the verification scope, objectives and criteria as agreed on 01 November 2022.
- Verification Criteria: ISO 14064-1:2018
- Verification Period: 05 April 2025 to 28 April 2025

Scope

- GHG information for the following period was verified: 01 January 2024 to 31 December 2024
- Location/boundary of the activities:

Location	Address
Nangang Station	No.313, Sec. 1, Nangang Rd., Nangang Dist., Taipei City 115018, Taiwan (R.O.C.)
Taipei Station	No. 3, Beiping W. Rd., Zhongzheng District, Taipei City 100230, Taiwan (R.O.C.)
Banqiao Station	No.7, Sec. 2, Xiamin Blvd., Banqiao Dist., New Taipei City 220408, Taiwan (R.O.C.)
Taoyuan Station	No. 6, Sec. 1, Gaotie N. Rd., Cingpu Village, Zhongli Dist., Taoyuan City 320016, Taiwan (R.O.C.)
Hsinchu Station	No. 9, Gaotie 7th Rd., Zhubei City, Hsinchu County 302058, Taiwan (R.O.C.)
Miaoli Station	No. 268, Gaotie 3rd Rd., Houlong Township, Miaoli County 356002, Taiwan (R.O.C.)
Taichung Station	No.8, Jhanciyuan 2nd Road, Neighbor 3, Sanhe Village, Wurih Township, Taichung County 414010, Taiwan (R.O.C.)
Changhua Station	No.99, Sec. 2, Jhanciyuan Rd., Yuanlin Township, Changhua County 520013, Taiwan (R.O.C.)

This Opinion is not valid without the full verification scope, objectives, criteria and findings available on the Opinion. Page 4 of 9

Opinion TW25/00277GG, continued

SGS

Location	Address
Yunlin Station	No.301, Zhanqian E. Rd., Huwei Township, Yunlin County 632007, Taiwan (R.O.C.)
Chiayi Station	No. 188, Gaotie W. Road., Taibao Li, Taibao City , Chiayi 612001, Taiwan (R.O.C.)
Tainan Station	No.100, Guiren Blvd., Guiren Dist., Tainan City 711010, Taiwan (R.O.C.)
Zuoying Station	No. 105 Gaotie Rd., Tsoying District Kaohsiung City 813782, Taiwan (R.O.C.)
Liujia Depot	No. 55, Lane 358, Sec. 5, Kinglong Rd., Zhubei City, Hsinchu County 302053, Taiwan (R.O.C.)
Wuri Depot	No.828, Qingguang Rd., Wuri Dist., Taichung City 414018, Taiwan (R.O.C.)
Taibao Depot	No.580, Kantie S) Rd., Taibao City, Chiayi County 612001, Taiwan (R.O.C.)
Yanchao Main WorkShop	No. 500, Gaotie-zongchang Rd., Yanchao Dist., Kaohsiung City 824003, Taiwan (R.O.C.)
Zuoying Depot	No.1999, Gaotie Rd., Renwu Dist., Kaohsiung City 814032, Taiwan (R.O.C.)
Taoyuan OMC Building	No. 2, Sec. 1, Gaotie N. Rd., Cingpu Village, Zhongli Dist., Taoyuan City 320016, Taiwan (R.O.C.)
Taipei Headquarters	13~15F, No. 66, Jingmao 2nd Rd., Nangang District, Taipei City 115605, Taiwan (R.O.C.)
Main Line (Train and Trackside Equipment)	The total length of the THSR operating route from Nangang to Zuoying is 350 kilometers.

- Types of GHGs included: CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3
- The IPCC 2021 AR6 GWP values are applied in this inventory.
- Emission factor:
  - Direct emissions: Greenhouse Gas Emission Factor, MOENV(2024.02.06)
  - Indirect emissions:
    - Electricity emission factor is 0.474 $kgCO_2e/kwh$ (Announced by Energy Administration, Ministry of Economic Affairs in 2025).
    - The secondary database has Carbon Footprint Information Platform.
- The level of assurance for category 1 and category 2 agreed is that of reasonable assurance. Category 3 till category 6 agreed is that of limited assurance.
- Materiality : 5%
- The version of inventory sheet: 29 April 2025
- The version of GHG statement: 29 April 2025
- Intended user of the verification opinion: Private

This Opinion is not valid without the full verification scope, objectives, criteria and findings available on the Opinion. Page 5 of 9

Opinion Statement

bsi.

By Royal Charter

INDEPENDENT ASSURANCE OPINION STATEMENT

2024 Taiwan High Speed Rail Sustainability Report

The British Standards Institution is independent to Taiwan High Speed Rail Corporation (hereafter referred to as THSR in this statement) and has no financial interest in the operation of THSR other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of THSR only for the purposes of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by THSR. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to THSR only.

Scope

The scope of engagement agreed upon with THSR includes the followings:

1. The assurance scope is consistent with the description of 2024 Taiwan High Speed Rail Sustainability Report.
2. The evaluation of the nature and extent of the THSR's adherence to AA1000 AccountAbility Principles (2018) and the reliability of specified sustainability performance information in this report as conducted in accordance with type 2 of AA1000AS v3 sustainability assurance engagement.
3. The verification of disclosure to be reliable with the applicable SASB industry(s) standard(s) in this report as conducted in accordance with type 2 of AA1000AS v3 sustainability assurance engagement.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the 2024 Taiwan High Speed Rail Sustainability Report provides a fair view of the THSR sustainability programmes and performances during 2024. The sustainability report subject to assurance is materially correct without voluntary omissions based upon testing within the limitations of the scope of the assurance, the information and data provided by the THSR and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are correctly represented. The sustainability performance information disclosed in the report demonstrate THSR's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurors in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that THSR's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards and SASB Standard(s) were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a top level review of issues raised by external parties that could be relevant to THSR's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on THSR's approach to stakeholder engagement. Moreover, we had sampled 2 external stakeholders to conduct interview.
- interview with 44 staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of materiality assessment process.
- review of key organizational developments.
- review of the extent and maturity of the relevant accounting systems for financial and non-financial reports.
- review of the findings of internal audits.
- the verification of performance data and claims made in the report through meeting with managers responsible for gathering data.
- review of the processes for gathering and ensuring the accuracy of data, followed data trails to initial aggregated source and checked sample data to greater depth during site visits.
- the consolidated financial data are based on audited financial data, we checked that this data was consistently reproduced.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000AP (2018).
- an assessment of the organization's use of metrics or targets of SASB Standard(s) to assess and manage topic-related risks and opportunities.

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP (2018) and sustainability performance information as well as GRI Standards and SASB Standard(s) is set out below:

Inclusivity

In this report, it reflects that THSR has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the THSR's inclusivity issues and has demonstrated sustainable conduct supported by top management and implemented in all levels among organization.

Materiality

The THSR publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of THSR and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the THSR's management and performance. In our professional opinion the report covers the THSR's materiality assessment process and material issues.

Responsiveness

THSR has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for the THSR is developed and continually provides the opportunity to further enhance THSR's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the THSR's responsiveness issues.

Impact

THSR has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. THSR has established processes to monitor, measure, evaluate, and manage impacts that lead to more effective decision-making and results-based management within an organization. In our professional opinion the report covers the THSR's impact issues.

Performance information

Based on our work described in this statement and with no conflict of interest with the THSR in relation to providing the assurance of ESG performance information, which has been assured, specified sustainability performance information such as GRI Standards disclosures disclosed in this report, THSR and BSI have agreed upon to include in the scope. In our view, the data and information contained within 2024 Taiwan High Speed Rail Sustainability Report are reliable.

GRI Sustainability Reporting Standards (GRI Standards)

THSR provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, including the disclosures of applicable economic, environmental, and social information, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the THSR's sustainability topics.

SASB Standards

THSR provided us with their self-declaration of in accordance with SASB Standard(s) (Rail Transportation Sustainability Accounting Standard, version 2023-12. Based on our review, we confirm that the sustainability disclosure topics & accounting metrics of SASB Standard(s) (Rail Transportation Sustainability Accounting Standard, version 2023-12 are reported, partially reported, or omitted. In our professional opinion, nothing has come to our attention that the sustainability disclosure topics, associated accounting metrics and activity metrics for applicable SASB industry standard(s) contained within 2024 Taiwan High Speed Rail Sustainability Report were no significant errors, omissions, or misstatements based on procedures undertaken by means of vouching, re-tracking, re-computing and confirmation.

Assurance level

The high level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

The moderate level assurance provided is in accordance with AA1000AS v3 in our review of SASB Standard(s).

Responsibility

This sustainability report is the responsibility of the THSR's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064, and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

AA1000
Licensed Report
000-4/V3-GNQ9J

...making excellence a habit.™

Statement No: SRA-TW-807164
2025-05-17

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan

Taiwan Headquarters: 2nd Floor, No. 57, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
A Member of the BSI Group of Companies

Be There | www.thsrc.com.tw