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About This Report

Report Information

This is the fifth Corporate Sustainability Report published by Group Up Industrial Co., Ltd. Its purpose is to disclose the company's sustainability strategies, management approaches, actions, and performance across various economic, environmental, social, and governance (ESG) dimensions to all stakeholders. Through this report, we aim to regularly inform stakeholders about our actual performance and future commitments to sustainability issues, thereby fulfilling our corporate social responsibility and concretely realizing our core objective of "taking from society, giving back to society". We aspire to leverage our industry leadership to guide related industries towards "**Net-Zero Emissions by 2050**", working together for the continuous development and well-being of global humanity.

This report is prepared primarily with reference to the **GRI Universal Standards (2021)** issued by the Global Reporting Initiative (GRI) in 2021. The GRI Standards are a widely used sustainability reporting framework globally, and Group Up Industrial is committed to adhering to its principles to enhance the transparency and comparability of information disclosure. Please refer to the appendix of this report for the GRI Standards Index

Reporting Boundary

Reporting Boundary The disclosure boundary of this report primarily focuses on Group Up Industrial Co., Ltd., including its Taiwan Headquarters and factory. Suzhou factory and related enterprises are temporarily not included in the scope of this report's disclosure. The core operational base for this sustainability report is Yangmei District, Taoyuan City, with "local" or "on-site" references limited to the Taiwan region. Financial data in this report partly adopts publicly disclosed information audited by certified public accountants, all denominated in New Taiwan Dollars. Data related to environmental and resource protection, social care, and employee welfare services are the results of our company's self-assessment and statistics.

Report Coverage Period January 1, 2024, to December 31, 2024, committed to presenting economic, environmental, social, and governance topics that are material to the company's operations and stakeholders, along with their impacts. For details on the material topic identification process and results, please refer to the "Material Topic Analysis" chapter of this report.

Issuance Time

The company is committed to continuous communication with stakeholders, with an annual report issuance cycle. These years and past sustainability reports can be downloaded from the company's official website and the Market Observation System.

Current Version Issued: August 2025.

Estimated Date of Next Version Issuance: August 2026.

Information Restatement

There is no restatement of information in this report.

External Assurance

This report has not undergone third-party verification. In the future, the feasibility of introducing external verification will be evaluated based on the company's development and stakeholders' expectations

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Shareholder Meeting Information

mops.twse.com.tw



Chairman's Message

Looking back at 2024 and witnessing Group Up Industrial's growth and transformation together fills my heart with emotion and respect. First, I want to express my most sincere gratitude to everyone. It is because of the diligence and continuous efforts of all our partners in the business world that Group Up Industrial has been able to advance steadily in the fierce competition of the electronic equipment industry and gradually establish itself on the global stage

We are in a rapidly changing era, with daily advancements in AI artificial intelligence technology and corresponding shifts in equipment market demand. The ability to continuously break through and innovate in such an industry environment is crucial for a listed company's sustained presence. I have always believed that a company's core competitiveness comes not just from equipment or capital, but from "people" – the support and guidance of every partner is truly the fundamental force driving Group Up Industrial's development.

I often say: "The sustainable value of an enterprise is not just about pursuing profit, but about creating positive influence". This societal influence stems from our insistence on product quality, our pursuit of R&D innovation, our responsibility for environmental sustainability, and our long-term commitment to customers. Since its establishment in 1990, Group Up Industrial has upheld a "hands-on" corporate culture, continuously cultivating deep expertise in automated baking equipment, high-end technology, and accumulating numerous patents. We have successfully entered the global electronics supply chain and earned the trust and recognition of many domestic and international clients. All these achievements have been built step by step through the professionalism and actions of our colleagues.

I am also deeply aware that every aspect, from mechatronics R&D, manufacturing, assembly and testing, quality assurance, to after-sales service, must withstand market scrutiny. Every process equipment product represents the name of Group Up Industrial and symbolizes our commitment to our customers. Therefore, I constantly encourage everyone, regardless of their position, to hold themselves to the highest standards and approach every detail with a craftsman's spirit. Only then can we truly achieve "quality-based business, technology-based foundation"

Of course, while pursuing excellence, we must not neglect the happiness and career development of our employees. The sustainable development of an enterprise stems from team cohesion and progress. In recent years, we have progressively promoted regular physical health check-ups, internal talent development mechanisms for each department, cross-department collaboration platforms, and smart manufacturing upgrades. Our goal is to enable everyone to not only work here but also to realize their dreams and find a sense of accomplishment here. I believe that only when employees are happy can an enterprise truly succeed.

Dear friends, we are currently at a critical juncture for Taiwan's electronic industry's upgrading and transformation. The global supply chain is being reshuffled, major powers are in direct confrontation, and trends such as "net-zero carbon emissions," "digital transformation," and "AI smart manufacturing" are reshaping the entire industrial landscape. These changes, however, present opportunities for Group Up Industrial! We possess mature technical expertise, flexible development capabilities, and a courageous, down-to-earth work team. If we continue to refine our skills and face challenges without fear, we will write a new chapter in history.

Finally, I want to conclude with a motto to encourage everyone: "Success is not about temporary applause, but about long-term persistence". Let us work hand in hand, uphold quality, embrace innovation, and pursue excellence, making Group Up Industrial a enterprise recognized globally, and allowing every one of our partners to shine and achieve extraordinary accomplishments here!

Thank you all, and I wish you good health, successful careers, and prosperous business!

Mr. Chen An-Shun

CSO's Message

Strategy management master Michael Porter once said, "Sustainability is the future competitive advantage of a brand". As the CSO of Group Up Industrial, I am deeply honored to report to all friends who care about sustainable development on the company's concrete achievements in the three major ESG (Environmental, Social, Corporate Governance) domains, especially our firm commitment and actions towards net-zero emissions and sustainable development.

Group Up Industrial has long been committed to becoming a paradigm in the global electronic equipment supply chain, balancing both work efficiency and corporate responsibility. We deeply understand that climate change is a formidable challenge that global enterprises cannot ignore. As a part of the electronic equipment manufacturing industry, we have a responsibility to reduce carbon emissions at the source and respond to the government's Climate Change Response Act, progressively moving towards net-zero targets. Therefore, we have set internal carbon reduction phased targets: the completion and activation of the headquarters rooftop solar project by 2025, and the realization of supply chain carbon reduction actions by 2050.

To achieve our sustainability goals, I led the ESG team in a comprehensive review and reform of electronic equipment, production processes, and energy management. First, we continuously introduced energy-efficient office lighting equipment and intelligently modified existing old equipment to reduce energy consumption. Second, we actively promoted the adoption of green processes, including heat recovery systems and cooling water recycling systems, both of which have successfully obtained new patents, helping customers advance their ESG efforts.

In terms of renewable energy, Group Up Industrial has fully deployed rooftop solar photovoltaic systems at its Yangmei headquarters, which have been successfully activated. The company's willingness to proactively take these actions demonstrates that we are not passively responding to regulations but actively leading the low-carbon transformation of local industries in Taoyuan.

Furthermore, we deeply understand that sustainability is not merely an environmental issue but an overall human-centered process of social participation. Therefore, on the social front, we have established a more inclusive and safer workplace, emphasizing employee physical and mental health and professional skill development. In 2024, we continued to assist colleagues in receiving professional education training, engaged with university students and faculty, conducted environmental education in local elementary schools, and expanded employee health care plans to enhance internal organizational innovation and diversity. I was also honored to represent the company at the "Happy Enterprise" Gold Award ceremony hosted by 1111 job bank.

Regarding corporate governance, we have strengthened the board's oversight role on ESG issues. Currently, the ESG team is continuously operating, and in the future, we plan to gradually establish a dedicated "Sustainable Development Committee" composed of senior executives. This top-down support will ensure regular review of the effectiveness of various sustainability indicators. Moving forward, we will adopt the TCFD (Task Force on Climate-related Financial Disclosures) framework to systematically analyze climate risks and opportunities, ensuring that the company's mid-to-long-term operational strategy balances resilience and growth.

Facing the future, Group Up Industrial will continue to maintain an open and transparent attitude, communicate progress with internal and external stakeholders, and continuously publish annual sustainability reports, welcoming scrutiny and expectations from all sectors of society. We believe that only when sustainability becomes a core corporate culture can we truly achieve net-zero emissions and the goal of shared prosperity across generations. Thank you all for your attention and support on Group Up Industrial's sustainability journey. We will make unremitting efforts to leave a better ecological environment and a more responsible electronic equipment industry paradigm for you and our next generation. Let's integrate ESG and elevate the Group Up Industrial brand.

Mr. Yu Tien-Ho

1 Practicing Sustainable Operations

1.1 Practicing Sustainable Operations

Group Up Industrial is dedicated to innovation and R&D to enhance industrial competitiveness.

Simultaneously, we strictly adhere to the Responsible Business Alliance (RBA) Code of Conduct. Internally, we strive to ensure a good working environment, protect human rights, and maintain a secure supply chain for our colleagues. Externally, our business operations comply with environmental regulations and uphold ethical conduct. We aim to fulfill our social responsibility and foster the company's sustainable development capabilities.



image 0-1 : Responsible Business Alliance (RBA) Code of Conduct

Source: <https://www.responsiblebusiness.org/code-of-conduct/>

1.2 Key Performance Highlights in Sustainable Development



Governance

1. **Ranked 23rd** in Commonwealth Magazine's Top 100 Traditional Industries Operating Performance assessment.
2. **Ranked in the top 36%~50%** in the 9th Corporate Governance Evaluation.
3. **Ranked 881st** among the Top 2000 Manufacturers by Commonwealth Magazine.
4. Optimized design for the GCP product series (clamping furnace), successfully audited and certified by Intertek, an international third-party verification body. Successfully expanded into the North American electronic equipment market



Social

1. Average annual salary for full-time non-managerial employees is NTD 970,000, with a median of NTD 909,000, which is higher than the OTC-listed peer average of NTD 747,000.
2. 18% of all employees are foreign nationals, including 7 Vietnamese, 8 Thai, and 29 Filipino, totaling 44 individuals. This reinforces diversity, equality, and inclusion.
3. To actively care for employee health, this year's employee health check-up scope was expanded, adding colonoscopy and gastroscopy for enhanced early screening and prevention of major diseases.
4. **Participated in social welfare activities:** NTD 3,031,539 spent by the Welfare Committee, NTD 303,200 in social welfare donations, and NTD 285,769 for public associations.



Environment

1. Annual electricity consumption was 884,622 kWh (-9.3%)
2. Annual greenhouse gas emissions were 1015.6 tons (+8.2%)
3. Annual water consumption was 5746 m³ (+25.8%)
4. Total weight of annual recyclable waste was 78.4 tons (-13.5%)
5. Planning for the second phase of the rooftop solar project is underway and was activated in April 2025 for self-generation and self-consumption.

Note: Detailed reasons for increases or decreases can be found in Chapter 6 Environmental Sustainability

1.3 Responding to the United Nations Sustainable Development Goals (SDGs)

Group Up Industrial deeply recognizes the United Nations' "2030 Agenda for Sustainable Development" and its 17 Sustainable Development Goals (SDGs). We view them as an important framework guiding corporate sustainable development and contributing to global well-being. By reviewing our own operational activities and material topics, the company integrates its sustainable development strategies with the SDGs, striving to respond to global challenges through concrete actions.

Category	Actions and Contributions	Aligned with the SDGs
Environment (E)	To respond to the global energy transition trend and increase the proportion of clean energy use, the company has built the first phase of its solar photovoltaic system on the factory roof. Adopting a feed-in tariff model with Taipower, the green electricity generated is integrated into the national grid. The second phase of the solar project was completed in April 2025, adopting a self-generation and self-consumption model to power daily factory operations, reducing reliance on the traditional grid	SDG 7 Affordable and Clean Energy
	Recognizing the impact of climate change on the global environment and corporate operations, greenhouse gas emission management has been listed as a key task for environmental sustainability. To accurately monitor emissions, the company passed ISO 14064-1 greenhouse gas inventory verification in April 2025. This serves as the basis for setting future carbon reduction targets and promoting more aggressive climate actions.	SDG 13 Climate Action
	By implementing the concept of resource circularity, the company recycles reusable parts and materials from discarded customer equipment for reuse in other equipment, reducing earth pollution and environmental burden. In terms of water resource management, in addition to promoting water conservation in the factory, a rainwater harvesting system has been installed to reduce tap water consumption	SDG 12 Responsible Consumption and Production SDG 6: Clean Water and Sanitation
Social(S)	The company is committed to providing a safe and healthy working environment. It passed ISO 45001 Occupational Health and Safety Management System certification. At the same time, we provide stable and competitive compensation and a comprehensive welfare system, ensuring employees' economic stability and promoting local employment and economic development.	SDG 8: Decent Work and Economic Growth
	Actively participates in local community development, giving back to the community and caring for vulnerable groups. We hope to contribute to poverty eradication by sponsoring local groups, supporting environmental education programs, and participating in community outreach activities. This fosters good relationships and promotes community prosperity, striving to create a more	SDG 1: No Poverty

	equitable social environment.	
	The company strictly adheres to the "Labor Standards Act" and relevant regulations, upholding fair, just, and open recruitment principles. We do not discriminate based on gender, race, religion, political stance, marital status, or other factors, and are committed to creating a diverse, inclusive, and equal opportunity workplace.	SDG 10: Reduced Inequalities SDG 5: Gender Equality
	To promote the connection between academia and industry and cultivate future professional talents, the company actively establishes and promotes industry-academia cooperation programs with domestic public and private universities. This is done through providing student internship opportunities, delivering lectures on campus, and jointly executing research projects, which helps improve educational quality and strengthen local talent's professional skills.	SDG 17: Partnerships for the Goals
Governance (G)	To enter the semiconductor and IC advanced packaging market and meet future product demands, the company plans to expand a new factory in Yangmei, projected for completion in Q4 2026. The new factory is designed to Class 100 cleanroom standards, and the upgrade in packaging technology will also drive changes in equipment specifications. Therefore, the company's proactive action of acquiring suitable land contributes to industry upgrading and innovation.	SDG 9: Industry, Innovation, and Infrastructure
	The company actively participates in environmental sustainability initiatives and advocacy programs initiated or hosted by relevant industry associations, such as the Taiwan Printed Circuit Association and the Printed Circuit Board Environment Public Welfare Foundation. Through exchanges and cooperation with industry, government, and academia, sharing experiences, and jointly promoting industry standards, we aim to expand our positive influence and contribute to mitigating climate change, promoting environmental protection, and fostering sustainable industrial development.	SDG 17: Partnerships for the Goals SDG 13: Climate Action

Source: Group Up Industrial Co.

1.4 Materiality Assessment Process

1.4.1 Stakeholder Engagement

Based on the international standard AA1000 SES (Stakeholder Engagement Standard), and according to its direct or indirect impact on the company's operational decisions, the company has identified seven main categories of stakeholders: employees, customers, suppliers, government/public associations, investors, media, and community (including non-governmental organizations, academic institutions, and other stakeholders). We actively understand the issues of concern to each stakeholder through various channels and respond to their needs

Stakeholder Concerns and Communication

Stakeholder	Concerned Issues	Communication Channels/Frequency
Investors	Corporate Governance Innovation & R&D Risk Management Regulatory Compliance Operational Performance	<ul style="list-style-type: none"> •Shareholders' Meeting (annual) •Annual Report (annual) •Annual Report (annual) •Sustainability Report (annual) •Market Observation System •Corporate Website •Investor Conference (annual) •Directors' Meeting (quarterly)
Employees	Occupational Health & Safety Talent Cultivation & Retention Rights & Diversity Labor-Management Relations & Communication	<ul style="list-style-type: none"> •ISO 45001 Third-Party Certification (annual) •Occupational Health & Safety Committee Meeting (quarterly) •Labor-Management Meeting (quarterly) •Training Courses •Email, Official Announcements, Complaint Box •Employee Welfare Committee (quarterly) •Regular medical staff on-site consultation
Customers	Product Quality & Safety Customer Service & Satisfaction Innovation & R&D Sustainable Supply Chain Information Security & Privacy	<ul style="list-style-type: none"> •Customer Complaint Handling & Response •Customer Satisfaction Survey •Customer Meetings •Phone, Email •External Exhibitions (total 12 times)
Suppliers	Sustainable Supply Chain Waste Management Regulatory Compliance Climate Change Response Occupational Health & Safety	<ul style="list-style-type: none"> •Signing Supplier Corporate Social Responsibility Commitment (annual) •Email, Phone, On-site Inspection Discussion
Government / Associations	Regulatory Compliance Occupational Health & Safety Environmental Impact & Ecological Conservation Climate Change Response Risk Management Waste Management Water Resource Management	<ul style="list-style-type: none"> •Official Correspondence & Visits •Interviews providing industry experience & recommendations •Meetings (briefings, public hearings, seminars) •Regulatory Authority Inspections
Media	Corporate Governance Regulatory Compliance Risk Management Regulatory Compliance Operational Performance Climate Change Response Waste Management Water Resource Management Occupational Health & Safety	<ul style="list-style-type: none"> •Press Releases •Exhibition Participation, Award Exposure •Media Interviews •Social Media Management

Community / NGOs / Academic Units	Corporate Governance Innovation & R&D Risk Management Regulatory Compliance Operational Performance Environmental Impact & Ecological Conservation Social Engagement	<ul style="list-style-type: none"> •Project Collaboration & Visits •Educational Cooperation, Youth Cultivation •Sustainability Report (annual) •ESG External Promotion Meetings •Volunteer Services (annual) •Charity Events
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Source: Group Up Industrial Co.

1.4.2 Materiality Identification Process

Group Up Industrial references GRI 3: Material Topics of the GRI Universal Standards (2021). We follow a four-stage materiality assessment process to analyze stakeholder concerns and the positive and negative impacts of sustainability topics. These issues are then ranked based on their level of concern and impact, enabling an effective response to stakeholder concerns.

1. Understanding the Organization's Sustainability Context

Based on our industry type, and referencing relevant issues from domestic and international peers, the United Nations Sustainable Development Goals (SDGs), Sustainability Accounting Standards Board (SASB) topics, international sustainability indices or rating criteria, and overall sustainability development trends, we evaluate the company's mid-to-long-term and daily operational situation. Simultaneously, through stakeholder communication channels, we gather and categorize concerns into 13 highly relevant sustainability topics

2. Engaging Stakeholders to Identify Issues

Group Up Industrial adopts the AA 1000 SES Stakeholder Engagement Standard for stakeholder identification, which then guides the identification and management of material topics. In 2024, a total of 7 categories of stakeholders were identified: "customers," "employees," "investors," "suppliers," "government units," "community," and "media". The 13 important sustainability topics were integrated into a questionnaire for stakeholders to evaluate their level of concern for Group Up Industrial. In 2024, 135 valid questionnaires were collected.

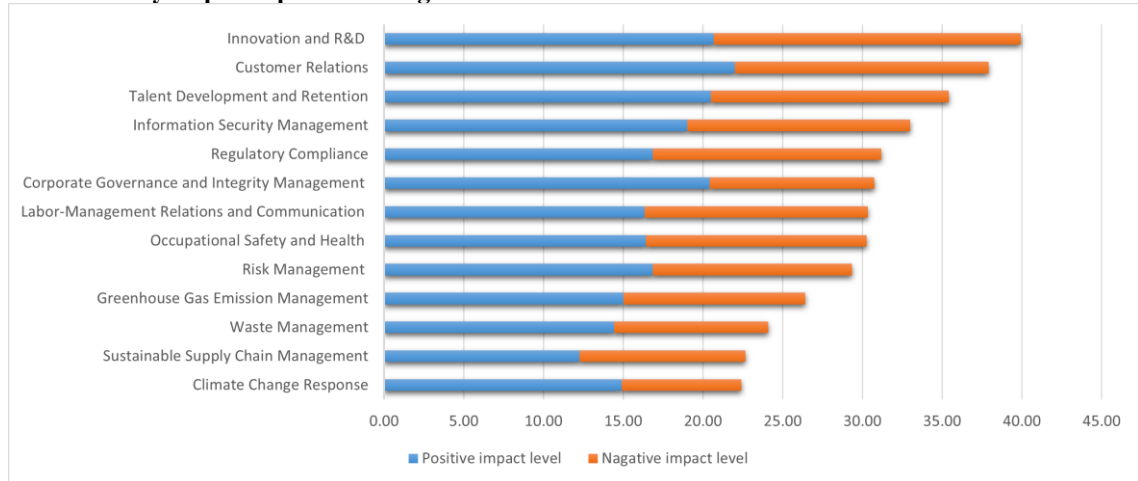
3. Assessing Actual and Potential Impacts

For economic, environmental, governance, and human (human rights) impacts, we follow the GRI 3 Material Topics methodology, adding a "Sustainability Impact" significance assessment. An internal "Sustainability Impact Assessment Questionnaire" was distributed, where Group Up Industrial's senior management evaluated the degree of positive and negative impacts, as well as the likelihood of occurrence, for each sustainability topic on economic, environmental, and governance and human (human rights) aspects. A total of 12 valid questionnaires were collected. For each sustainability topic, senior management scored the "degree of positive/negative impact" and the "probability of positive/negative occurrence" for each dimension. The Sustainability Operations Promotion Team then multiplied and summed the "degree of positive/negative impact" and "probability of positive/negative occurrence" scores for each topic to calculate the "total impact score" for each topic.

4. Prioritizing High Significance Issues

The company primarily ranks sustainability topics based on their "total impact score". Topics with a total score of 30 out of 50 (60%) or above are identified as material topics for the company. These include: "Innovation & R&D," "Customer Relations," "Talent Cultivation & Retention," "Information Security Management," "Regulatory Compliance," "Corporate Governance & Integrity Management," "Labor-Management Relations & Communication," and "Occupational Safety & Health" – the top eight topics by score. To enhance transparency related to net-zero information, this report also includes "Greenhouse Gas and Energy Management" as a material topic, disclosing its management approach. To ensure balance in the content of information disclosure, Group Up Industrial also appropriately discloses management goals and performance for other topics in this report, fostering communication and response with stakeholders.

Sustainability Topic Impact Ranking



Source: Group Up Industrial Co. Ltd

1.5 Sustainability Topic Impact Ranking

To effectively combine the strength of industrial sectors and expand the company's business and areas of focus, Group Up Industrial actively participates in domestic industry associations, public welfare organizations, and local exchange associations. Within these organizations, we primarily serve as members, or as directors or supervisors in some public associations. We maintain close interaction and exchange with the industry, continuously focusing on the latest industry dynamics, corporate sustainable operations, and community development issues.

Type	Name of Participating Association	Activities/Events
Industry Exchange	Taiwan Printed Circuit Association (TPCA)	<ul style="list-style-type: none"> ● Stays updated on the latest industry overview and future development trends through publications like the PCB quarterly ● Coordinates with Taiwan's PCB industry low-carbon transformation strategy for industrial transformation ● Participates in the TPCA show exhibition in October
	Taiwan Electronic Equipment Industry Association (TEEIA)	<ul style="list-style-type: none"> ● CSO personally attends board and supervisor meetings. ● Participates in the Taiwan Electronic Equipment Exhibition in Apri
	Semiconductor Equipmentand Materials International (SEMI)	<ul style="list-style-type: none"> ● Participate in physical or online meetings to align with the latest packaging trends. ● Attends SEMICON Taiwan in September to engage potential customers and expand business networks and opportunities
Public Welfare	Printed Circuit Board Environment Public Welfare Foundation (TPCF)	<ul style="list-style-type: none"> ● Serves as a corporate environmental education volunteer, assisting with curriculum teaching and environmental knowledge transfer in local elementary schools
Local Enterprise Exchange	Taoyuan Enterprise Federation	<ul style="list-style-type: none"> ● Irregularly support music, arts, sports, and major local events
	Yangmei Expanded Industrial Park Association	<ul style="list-style-type: none"> ● Regular interaction with the Yangmei local supply chain ● Cross-industry collaboration to exchange market information
	Taoyuan City Industrial Association	<ul style="list-style-type: none"> ● Exchange of opinions among high-level professional managers ● Observation of professional development courses
	Northern Taiwan	<ul style="list-style-type: none"> ● Exchange with past Entrepreneurial Role Model

	Entrepreneurial Model Association	<ul style="list-style-type: none"> award winners Visits to other model factories for benchmarking
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Source: Group Up Industrial Co. Ltd

1.6 Honors and Recognition

1. Dow Jones Sustainability index (DJSI)
 - Participated for three consecutive years
 - i. Environmental aspects: score below average
 - ii. Social aspect: score above average
 - iii. Global ranking (within the industry): above average



2. Carbon Disclosure Project (CDP)
 - First-time participation
 - Achieved SME Climate B - Management Level, the highest score ranking for global SMEs



3. TPCA Mechanical Equipment Safety Validation Certificate
 - In 2024, Group Up Industrial was awarded the first mechanical equipment safety validation certificate by the Taiwan Printed Circuit Association (TPCA) for its main product, the Clip Type Conveyor Oven, enhancing product credibility



4. Happy Enterprise Award - Gold Award

- The company's emphasis on employee care and family support has also been widely recognized



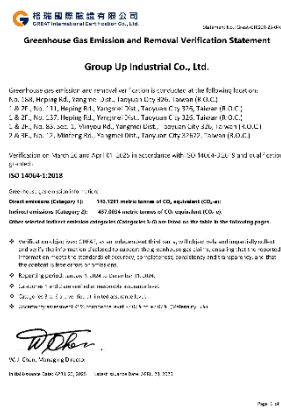
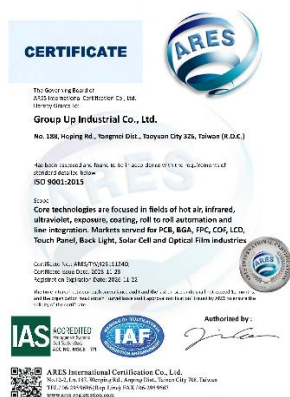
externally. Group Up Industrial has been honored with the 1111 Job Bank's "Happy Enterprise Award" for three consecutive years, a high affirmation of its internal management performance and external employer brand (Photo source: 1111 Job Bank)

5. Third-Party Certifications

- The company's GCP product series (clamping furnace) successfully passed the third-party audit by Intertek, obtaining ETL US and Canadian certificates, smoothly expanding its North American market presence。



- ISO 9001 Quality Management System、ISO 45001 Occupational Health and Safety Management System、ISO 14064-1 Organizational Greenhouse Gas Inventory System (scheduled for third-party certification in April 2025)



2 Corporate Governance

2.1. Company Overview

2.1.1 Company Profile

Group Up Industrial Co. Ltd. was established in January 1990. Originating from the operation of electronic equipment for the Printed Circuit Board (PCB) industry, the company upholds the belief of "Quality First, Service Foremost". Group Up Industrial focuses on advanced technology fields, possessing a high market share globally. Alongside the development of Taiwan's technology industry, the company leverages its superior innovation capabilities and vertically integrated engineering technologies to provide customized research, design, and manufacturing services. We tailor modular and multi-functional baking, coating, exposure, and automated production equipment for clients, effectively reducing their production costs and enhancing yield rates and competitiveness

Date of Establishment	January 1990
Capital	NT\$ 595,775,650
Address	No. 188, Heping Rd., Yangmei Dist., Taoyuan City
Stock Code	6664
Industry	Electronic Component Manufacturing
Service Scope	Group Up Industrial 's main business involves process equipment for PCB, FPC, Display, Roll-to-Roll optoelectronics, and semiconductor industries. We offer drying, coating, laminating, exposing, roll-to-roll, and automated integration solutions.
Operational Headquarters	Yangmei District, Taoyuan City
Employees	A total of 244 employees as of December 31, 2024
Service Markets	Taiwan, mainland China, Japan, Korea, India, Singapore, Malaysia, Thailand, Vietnam, USA, Austria, etc.

2.1.2 Service Reach and Operational Locations

In addition to Taiwan, Group Up Industrial sells circuit board and semiconductor equipment globally through partnerships with various overseas agents, covering Asia, North America, Europe, and Southeast Asia



Our operational locations include: Yangmei Headquarters (Taiwan) 、 China Suzhou Company 、 Group Up Trading Co., Ltd. (Guangdong, China) A local after-sale service center in Thailand 、 A local after-sale service center in Arizona, USA.

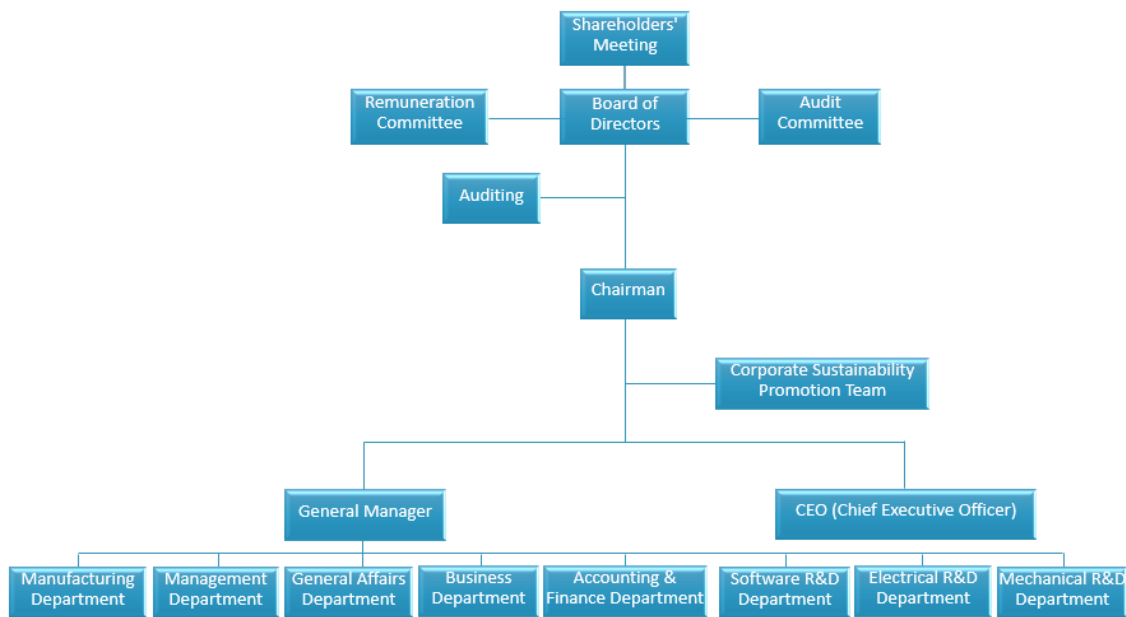
2.1.3 Governance Structure for Promoting Sustainable Development

Group Up Industrial operates in accordance with the Company Act and Securities and Exchange Act, safeguarding shareholder interests. The Board of Directors has established a Compensation

Committee and an Audit Committee, and an Independent Audit Office is set up to handle ISO management systems and various audit matters. The Company's Chairman and CEO leads the R&D team, which includes software, electrical, and mechanical R&D departments. The General Manager leads a team of professional managers, overseeing five main departments: Manufacturing, Management, Factory Operations, Sales, and Finance.

In compliance with the government's "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies" and relevant regulations, the Company has established a Corporate Sustainability Promotion Team. This cross-departmental team comprises relevant personnel responsible for compiling the Sustainability Report, promoting corporate sustainable development, environmental protection, and social care initiatives. The team is convened by Vice President and Chief Sustainability Officer Mr. Yu of the Management Department. Together with various mid-to-senior level managers from different fields, they regularly review the Company's core operational capabilities, identify sustainability issues relevant to the Company's operations and stakeholders, and plan and execute various programs to ensure that sustainability development strategies are fully integrated into daily operations. A report is submitted to the Board of Directors at least once a year. Furthermore, there are plans to establish a dedicated "Sustainability Development Committee" to enhance the Company's overall sustainable governance capabilities and realize long-term corporate value.

To enhance transparency and stakeholder trust, the Company regularly reviews its sustainability policies and objectives annually. It reports on its progress to external stakeholders through the Sustainability Report, the Company's official website, and other information disclosure channels



GP’s Governance Structure

2.1.4 Financial Performance

In 2024, Group Up Industrial benefited from the continuous development of the global semiconductor industry, especially driven by the rapid evolution of advanced packaging technology, leading to strong growth in demand for global supply chain diversification. The rapid adoption of new applications such as 5G communication, cloud computing, high-performance computing (HPC), humanoid robot development, and autonomous vehicles also contributed to stable growth in demand for related process equipment. This growth wave directly led to the successive shipment of Group Up Industrial's related equipment orders, resulting in production capacity being unable to meet demand. Driven by such active market demand, Group Up Industrial accelerated its capacity expansion, successfully completing the construction of the fourth floor of its new Yangmei factory and putting it into operation, further increasing production capacity to meet urgent market needs.

Group Up Industrial's strong performance in this industry’s transformation stems from its long-standing technological strength and integrated R&D capabilities. The Company possesses highly

integrated production line technology, capable of providing not only standalone equipment but also integrating it into automated production systems to meet customers' one-stop process needs. This efficient integration capability allows Group Up Industrial to provide highly customized solutions for diverse and complex process requirements while serving IC substrate manufacturers. In addition to the flexibility and stability of its product functions, its rapid customization response capability has made Group Up Industrial one of the few equipment suppliers in the industry that can simultaneously balance "mass production efficiency" and "process flexibility".

Currently, Group Up Industrial's customer base spans both domestic and international markets, including PCB manufacturers, major optoelectronic component manufacturers, and globally renowned semiconductor industry leaders. These customers from various industrial sectors choose Group Up Industrial not only for the stability and innovation of its equipment performance but also because Group Up Industrial provides process support services closely aligned with market trends and long-term technical cooperation, serving as an important symbol of strategic partnership. As customer demands become increasingly diverse, Group Up Industrial is also gradually expanding its product lines and application areas, actively pursuing a diversified development strategy

In addition to high-end substrate equipment, Group Up Industrial has introduced relevant equipment development in semiconductor packaging, IC testing, and automotive electronics, by horizontally expanding its product portfolio and entering more niche markets. Although these markets are relatively small in scale, they have high technical thresholds and require high customization, which perfectly matches Group Up Industrial's technological advantages and flexible manufacturing characteristics. Through differentiated product strategies and high-value-added equipment development, Group Up Industrial has established a clear market position in the highly competitive electronic equipment industry, steadily expanding its revenue momentum.

As one of the top 2000 manufacturing companies in Taiwan evaluated by CommonWealth Magazine, Group Up Industrial will continue to invest in R&D and process innovation, strengthen its capabilities in smart manufacturing, mechatronics integration, and digital transformation, moving towards the goal of Industry 4.0. The Company will also continue to deepen cooperation with domestic and international industry partners to jointly develop more market-forward equipment and process solutions, grasping the core needs of future high-end manufacturing. Facing the continuous transformation and upgrading of the global industrial chain, Group Up Industrial will uphold the business philosophy of "Innovation, Quality, Customer Orientation," steadily growing towards internationalization and sustainable development.

In terms of financial performance, Group Up Industrial's consolidated revenue reached NT\$ 2,497,759 thousand in 2024, an increase of NT\$ 65,138 thousand compared to NT\$ 2,432,621 thousand in 2023, representing a growth rate of approximately 2.68%. Net income after tax was NT\$ 999,614 thousand, and earnings per share (EPS) were NT\$ 16.97.

The Company adheres to the principles of ethical management and strictly complies with the tax laws of its operating locations. According to Group Up Industrial's individual comprehensive income statement, the income tax expense in 2024 was NT\$ 234,796 thousand, all paid in accordance with the law. The Company's financial statements are regularly audited by a team from KPMG to ensure financial transparency. We will continue to cultivate core technologies, actively expand its market, and strive to create value for all stakeholders through stable financial performance and transparent management systems.

Revenue Mix by Business Segment over the Past 4 Years (Unit: NT\$ Thousand)

	2024		2023		2022		2021	
	Operating Revenue	Proportion (%)	Operating Revenue	Proportion (%)	Operating Revenue	Proportion (%)	Operating Revenue	Proportion (%)
Mid-to-High-End PCB Process	1,852,739	74.18	1,964,011	80.74	1,893,454	80.33	1,341,332	70.17

Equipment								
Display Process Equipment	67,899	2.72	7,105	0.29	37,829	1.60	68,937	3.61
Other (incl. Semiconductor Equipment)	577,121	23.11	461,505	18.97	425,770	18.07	501,274	26.22
Total	2,497,759	100.00	2,432,621	100.00	2,357,053	100.00	1,911,543	100.00

Source: GP annual report

Financial Information and Profitability over the Past 4 Years (Unit: NT\$)

item	2024	2023	2022	2021
Operating Revenue	24.97 billion	24.32 billion	23,57 billion	19.11 billion
Gross Margin	52.00%	46.83%	42.25%	39.88%
Return on Assets	12.75%	10.83%	12.44%	8.57%
Return on Equity	29.12%	26.50%	28.54%	17.21%
Pre-tax Net Profit as % of Paid-in Capital	206.18%	154.06%	141.57%	78.24%
Net Profit Margin	40.02%	29.33%	26.69%	17.60%
Dividends	10	8	7	4.9
Earnings Per Share	16.97	12.65	11.44	6.12

Source: GP annual report

R&D Expenses over the Past 4 Years (Unit: NT\$ Thousand / %)

item	2024	2023	2022	2021
R&D Expenses	134,370	183,402	164,598	85,951
Net Operating Revenue	2,497,759	2,432,621	2,357,053	1,911,543
R&D Expenses as % of Net Operating Revenue	5.38%	7.54%	7.00%	4.50%

Source: GP annual report

2.1.5 Management team

The Company's management team, comprised of outstanding managers from various departments, formulates business strategies with a prudent and practical approach. They continue to deepen their core expertise in industrial equipment and expand their application scope into numerous industrial sectors. Significant resolutions during operations also follow the Company's risk management policy, controlling existing and potential risks with a steady principle, issuing warnings, and executing relevant decisions only after discussion and resolution by professional manager meetings. An Audit Office is also established to ensure the effectiveness of the Company's internal control system through systematic and standardized methods, thereby safeguarding operational efficiency and maximizing shareholder interests, creating sustainable value for shareholders, employees, customers, and society

The gender ratio of the Company's senior managers is 7:1, fully respecting individuals of different genders and religious backgrounds, which aligns with the current DEI (Diversity, Equity, and Inclusion) trend. Additionally, Mr. Chen An-Shun, the Company's Chairman and CEO, also serves as an independent director at Asia Metal Industries, Inc. (AMI) and this information is disclosed in this report for transparency.

Title	Nationality	Name	Gender	Appointment Date	Key Academic & Professional Experience
Chairman and CEO	R.O.C	Mr. Chen An-Shun	Male	1990.01.24	Bachelor of Mechanical Engineering, Taipei City University of Science & Technology Design Department Manager, C Sun Manufacturing Ltd.
General Manager	R.O.C	Mr. Lee Jung Kung	Male	1990.01.24	Electrical Engineering Department, Hsieh Ho Industrial & Commercial Vocational High School Sales Supervisor, C Sun Manufacturing Ltd.
Vice General Manager, Management Dept. & Company Spokesperson	R.O.C	Mr. Yu Tien-Ho	Male	1990.01.24	Bachelor of Electronic Engineering, National Taipei University of Technology Sales Supervisor, C Sun Manufacturing Ltd.
Vice General Manager, Manufacturing Dept.	R.O.C	Mr. Lai Wen-Chang	Male	1990.01.24	Bachelor of Mechanical Engineering, Chien Hsin University of Science and Technology Quality Control Supervisor, Chih Sheng Industrial Co., Ltd.
Vice General Manager, Sales Dept.	R.O.C	Mr. Chen Yu-Shui (Note)	Male	2000.11.20	Master of Materials Science and Engineering, National Tsing Hua University Deputy Manager, Mitsubishi Corporation (Taiwan) Ltd.
Vice General Manager, Sales Dept.	R.O.C	Mr. Lee Chih-Hung	Male	2006.07.01	PhD in Electronic Engineering, Chung Yuan Christian University Assistant Professor, Ling Tung University of Science and Technology
Assistant Vice President, R&D Dept.	R.O.C	Mr. Chen Hsiu-Jung	Male	2000.04.10	Bachelor of Mechanical Engineering, National United University Engineer, Wellhow Machinery Co., Ltd.
Finance & Corporate Governance Officer	R.O.C	Ms. Shen Chin-Wei	Female	2000.12.21	EMBA Master, National Central University Bachelor of Accounting, Fu Jen Catholic University Team Leader, Deloitte

Note: Vice General Manager of Sales Department, Chen Yu-Shui, retired on 2024/2/7.

Source: GP annual report

Additionally, considering cross-generational experience transfer and the training of professional managers, the company continues to expand recruitment and timely introduce new talent (interns, dedicated ESG personnel) to avoid systemic risks. An alternative spokesperson system has also been established to accumulate management experience for listed companies, serve domestic and international clients, banking research units, and investment institutions, continually communicate, and gather feedback from stakeholders to report to management for decision-making.

2.2 Board Functions

The highest governance body of Group Up Industrial is its Board of Directors. The current Board comprises nine directors, all of whom are professionals with specialized knowledge, practical experience, and a broad perspective on the industry. Their diverse professional backgrounds cover various fields such as operations management, industrial technology, financial accounting, law, and marketing, providing the Board with ample capabilities in operational judgment, strategic decision-making, financial analysis, crisis management, and the ability to keenly grasp industry trends and technological developments, offering crucial guidance for the company's sustainable development.

To continuously strengthen the Board's functions, Group Up Industrial actively complies with the "Company Act" and relevant regulations from supervisory authorities such as the Financial Supervisory Commission, the Taiwan Stock Exchange, and the Taipei Exchange, including the latest "Corporate Governance 3.0 Sustainable Development Roadmap". Corporate governance and sustainable development matters are integrated into the Board's deliberation and decision-making processes. All Board members operate with integrity and a commitment to sustainable management, holding themselves to high standards. In resolutions involving their own interests, they proactively recuse themselves from discussions and voting and do not act as proxies for other directors, ensuring fairness in proceedings.

Group Up Industrial also highly values the continuous learning and professional development of its directors. Directors are regularly arranged to participate in advanced training courses covering diverse topics such as the latest regulations, ESG trends, industrial economics, and policy analysis. Directors and senior executives are also encouraged to participate in external corporate governance seminars and training to continuously enhance their professional knowledge.

The company participated in the CDP (Carbon Disclosure Project) for the first time and continues to participate in international evaluations such as the DJSI (Dow Jones Sustainability Index). This demonstrates its continuous commitment to refining corporate sustainability indicators and aligning with international sustainability standards.

Board composition

Title	Name	First Appointment Date	Gender	Key Academic & Professional Experience	Concurrent Positions in This and Other Companies
Chairman	Mr. Chen An-Shun	1990.1.24	Male	Bachelor of Mechanical Engineering, Taipei City University of Science & Technology Design Department Manager, C sun Manufacturing Ltd.	Chairman of Group Up Industrial Co., Ltd.; Supervisor of Zhan Hong Investment Co., Ltd. Representative of GROUP UP (SAMOA) LTD; Independent Director of Asia Metal Industries, Inc. (AMI)
Director	Mr. Lee Jung Kung	1990.1.24	Male	Electrical Engineering Department, Hsieh Ho Industrial & Commercial Vocational High School; Sales Supervisor, C sun Manufacturing Ltd.	General Manager of Group Up Industrial Co., Ltd.; Supervisor of Yu Feng Investment Co., Ltd.
Director	Mr. Yu Tien-Ho	1990.1.24	Male	Bachelor of Electronic Engineering, National Taipei University of Technology; Sales Supervisor, C sun Manufacturing Ltd.	Bachelor of Electronic Engineering, National Taipei University of Technology; Sales Supervisor, Chih Sheng Industrial Co., Ltd.; Vice General Manager of Group Up Industrial Co., Ltd.; Director of Huoshui Investment Co., Ltd.; Representative of Wang Qun Technology (Suzhou Industrial Park) Co., Ltd.; Representative of Group Up Trading (Shenzhen) Co., Ltd.
Director	Mr. Lai Wen-Chang	1990.1.24	Male	Bachelor of Mechanical Engineering, Chien Hsin University of Science and Technology; Quality Control Supervisor, C sun Manufacturing Ltd.	Vice General Manager of Group Up Industrial Co., Ltd.; Supervisor of Hong Yi Investment Co., Ltd.
Director	Mr. Wang Tso-Ching	113.05.30	Male	General Manager of CX Technology Corporation 6th & 7th Chairman of Taiwan Electronic Equipment Industry Association Director of Taiwan Display Industry Alliance; Director of Taiwan Industrial Technology Innovation Association Director of National Taiwan Ocean University Alumni Association.	Taliang Technology Co., Ltd. Chairman Taliang Technology Co., Ltd.(BVI) Director Nanjiang Taliang Technology co., ltd. Director
Independent Director	Mr. Lee Chin-Te	2018.2.22	Male	Master of Industrial Management, National Cheng Kung University; CFO of BOSSDOM DIGIINNOVATION CO., LTD; Vice General Manager, SBIR Project of Chi Feng Co., Ltd.	Independent Director of 3S Silicon Tech, Inc; Independent Director of Elitegroup Computer Systems Co., Ltd.
Independent Director	Mr. Hung Ching-Chang	2018.2.22	Male	Master of Industrial Science, Cranfield University, UK; PhD in Welding Technology, Cranfield University, UK; General Manager of UNIPLUS ELECTRONICS CO., LTD.; Senior Vice President of ELITE MATERIAL CO., LTD.	Executive Consultant of TECH ADVANCE INDUSTRIAL CO., LTD.
Independent Director	Mr. Chen Ming-Hsing	2018.2.22	Male	MBA, National University of Singapore; Chairman of Inventalk Technology Inc.	Independent Director of Elitegroup Computer Systems
Independent Director	Ms. Lin Shu-Ling	2009.06.19	Female	Independent Director of CIVILUX CORPORATION; Accountant at C Honesty CPA Firm.	Independent Director of CIVILUX CORPORATION; Accountant at C Honesty CPA Firm.

Source: GP annual report

Note: Director Dai Shui-Chuan - re-elected on 2024/5/30, resigned on 2024/6/30; Director Wang Tso-Ching - newly appointed on 2024/5/30; Director Gao Quan-Zhi - resigned on 2024/5/30; Director Lin Shu-Ling - newly appointed on 2024/5/30; Other directors re-elected on 2024/5/30

2.2.1 Board Operations

As of 2024 and up to the publication date of the annual report (2025/4/14), the Company's Board of Directors convened 10 times (A). The attendance of the directors is as follows:

Title	Name	Actual Attendances (B)	Proxies Attended(A)	Actual Presentations 【 B / A 】	Notes
Chairman	Mr. Chen An-Shun Representative of Zhanhong Investment Co., Ltd	10	—	100%	Re-elected for the 13th term
Director	Mr. Lee Jung Kung Representative of Yu Feng Investment Co., Ltd.; Re-elected for the 13th term	10	1	90%	Re-elected for the 13th term
Director	Mr. Yu Tien-Ho Representative of Huoshui Investment Co., Ltd.;	10	—	100%	Re-elected for the 13th term
Director	Mr. Lai Wen-Chang Representative of Huoshui Investment Co., Ltd.	10	—	100%	Re-elected for the 13th term
Director	Mr.Dai Shui-Quan	0	5	0%	Re-elected for the 13th term Resigned on 2024/6/26
Director	Mr.Kao Chuan-Chih	4	—	100%	Resigned on 2024/5/30
Director	Mr.Wang Tso-Ching	6	1	83.33%	Newly appointed on 2024/5/30
Independent Director	Mr.Lee Chin-Te	10	—	100%	Re-elected for the 13th term
Independent Director	Mr.Hung Ching-Chang	10	—	100%	Re-elected for the 13th term
Independent Director	Mr.Chen Ming-Hsing	10	—	100%	Re-elected for the 13th term
Independent Director	Ms.Lin Shu-Ling	6	—	100%	Newly appointed on 2024/5/30

Source: GP Annual Report.

2.2.2 Board Independence

Out of the nine directors on the company's Board, four are independent directors, accounting for 4/9 of the total Board seats. This helps strengthen the Board's oversight function and the objectivity of its decisions. The company has established an Audit Committee to replace the supervisor's duties. All Board members are unrelated by spouse or within two degrees of kinship, complying with the independence requirements for the Board of Directors under Article 26-3, Paragraphs 3 and 4 of the "Securities Exchange Act".

2.2.3 Board and Functional Committee Performance Self-Evaluation

The company's Board of Directors has approved the "Board Self-Evaluation or Peer Evaluation Management Regulations". An internal evaluation is conducted annually based on the "Board Performance Evaluation Regulations," covering the overall operation of the Board, individual director performance, and the operation of functional committees. The evaluation methods include director self-evaluation, peer evaluation among directors, and functional committee evaluation, incorporating scoring criteria recommended by professional institutions to ensure objectivity and effectiveness of the assessment.

2.2.4 Board Diversity

The composition of Group Up Industrial's Board of Directors is determined based on the "Corporate Governance Best Practice Principles" and "Director Election Regulations," with consideration for diversity from multiple aspects. The company currently has nine directors, including four independent directors. The company promotes and respects the board's diversity policy, believing that a diverse approach helps enhance overall company performance, strengthen corporate governance, and fosters the sound development of the board's composition and structure. The selection of board members is always based on the principle of meritocracy. They possess diverse and complementary capabilities across various industry fields, each bringing professional knowledge and skills such as backgrounds in law, accounting, industry, finance, marketing, or technology, along with professional skills and industry experience

Currently, the company's female director representation is less than one-third. Currently, the company's female director representation is less than one-third. This is primarily due to the board's composition being influenced by its historical development; existing directors are mostly long-term members of the management team, and some have served for multiple terms, which affects the speed of gender diversification on the board. In future director nomination processes, the company will prioritize female candidates who possess professional capabilities and meet the company's needs, especially when selecting independent or external directors, with the aim of enhancing the board's gender diversity.

Implementation of Current Board of Directors' Diversity Policy. Source: GP Annual Report.

	Gender	Age	item							
			Operational Judgment Capability	Accounting and Financial Analysis Capability	Business Management Capability	Crisis Management Capability	Industry Knowledge	International Market View	Leadership Capability	Decision-Making Capability
Mr.Chen An-Shun	Male	61~70	✓		V	V	V	V	V	V
Mr.Lee Jung-Kun	Male	61~70	V		V	V	V		V	V
Mr.Lai Wen-Chang	Male	61~70	V		V	V	V		V	V
Mr.Yu Tien-Ho	Male	61~70	V		V	V	V		V	V
Mr.Wang Tso-Ching	Male	71~80	V		V	V	V	V	V	V
Mr.Lee Chin-Te	Male	61~70	V	V	V	V			V	V
Mr.Hung Ching-Chang	Male	61~70	V		V	V	V		V	V

	Gender	Age	item							
			Operational Judgment Capability	Accounting and Financial Analysis Capability	Business Management Capability	Crisis Management Capability	Industry Knowledge	International Market View	Leadership Capability	Decision-Making Capability
Mr.Chen Ming-Hsing	Male	61~70	V		V	V		V	V	V
Ms.Lin Shu-Ling	Female	51~60		V	V	V		V		V

2.2.5 Audit Committee

This committee was established in response to the requirements of Taiwan's financial authorities and the Taipei Exchange for public companies, replacing the former supervisors' duties. The Audit Committee is composed entirely of independent directors. Their primary responsibilities include fully overseeing the Board of Directors to ensure its leadership and supervision of the company's development and assisting the company in controlling existing or potential risks across financial, operational management, and risk control aspects. For the year 2024, up to the publication date of the annual report (April 14, 2025), the committee held a total of 7 meetings, and the actual attendance rate of the independent directors was 100%

Title	Name	Actual Attendances	Delegated Attendances	Actual Presentations	Notes
Independent Director	Mr.Lee Chin-Te	7	—	100%	Re-elected for a 3rd term Audit Committee Member
Independent Director	Mr.Hung Ching-Chang	7	—	100%	Re-elected for a 3rd term Audit Committee Member
Independent Director	Mr.Chen Ming-Hsing	7	—	100%	Re-elected for a 3rd term Audit Committee Member
Independent Director	Ms.Lin Shu-Ling	5	—	100%	Newly appointed on 2024/5/30

Source: GP Annual Report.

Note 1: Regarding the independent director's recusal from interested party proposals, the independent director's name, proposal content, reason for recusal, and voting status should be stated: None.

2.2.6 Remuneration Committee

To enhance corporate governance structure and rationalize the correlation between performance and remuneration, Group Up Industrial has established a Remuneration Committee under the supervision of the Board of Directors. This committee is responsible for formulating and periodically reviewing the company's remuneration policies, systems, standards, and structure. The company has established "Board Performance Self-Evaluation or Peer Evaluation Management Regulations" and "Remuneration Regulations for Directors, Supervisors, and Managers," which are used to regularly assess the Board's operational effectiveness and directors' performance to determine their compensation. Additionally, the Remuneration Committee annually reviews the performance achievement of key management personnel, their individual performance, and considers market trends to make appropriate adjustments to annual remuneration

A sound remuneration system can boost employee morale and loyalty. According to Article 19 of the company's Articles of Incorporation, in cases where there is an annual profit surplus, no more than 5% shall be allocated as directors' remuneration and no less than 2% as employee remuneration. The distribution of employee and director remuneration must be resolved by the Board of Directors with the attendance of two-thirds or more of the directors and the consent of over half of the attending directors. All relevant remuneration allocation amounts must be

reviewed and approved by the Remuneration Committee and reported to the Shareholders' Meeting. The attendance of the Remuneration Committee in the most recent year is as follows:

Title	Name	Actual Attendances	Delegated Attendances	Actual Presentations	Notes
Convener	Mr.Lee Chin-Te	8	—	100.00	Re-elected 3rd term Remuneration Committee Member
Member	Mr.Hung Ching-Chang	8	—	100.00	Re-elected 3rd term Remuneration Committee Member
Member	Mr.Chen Ming-Hsing	8	—	100.00	Re-elected 3rd term Remuneration Committee Member
Member	Ms. Lin Shu-Ling	5	—	100.00	Newly appointed on 2024/5/30

Note 1: Statistics from 2024 until the publication date of the annual report, 2025/4/14.

Regarding the compensation for non-managerial full-time employees, the company also adjusts salaries appropriately based on the overall market environment and employee performance, among other factors, to boost employee morale and share the company's operating results with all non-managerial colleagues. The compensation for non-managerial full-time employees is summarized in the table below. The total annual compensation for non-managerial full-time employees was NT\$228,956 thousand, with an average annual salary of NT\$970 thousand and a median annual salary of NT\$909 thousand, which is superior to the average of NT\$747 thousand for peer companies listed on the TPEx (Taipei Exchange). The company also continues to recruit new talent through job banks to enhance employment compensation.

Average and Median annual salaries for the Past Four Years (Unit: NT\$ Thousand / %)

Year	2024	2023	2022	2021
average annual salary	970	946	942	923
median annual salary	909	900	883	892

Source: Group Up Industrial Co. Ltd

2.3 Corporate Governance and Integrity Management (Material Topic)

To ensure that Group Up Industrial adheres to all legal regulations in its pursuit of quality innovation and market competitiveness, thereby establishing a culture of integrity and responsibility, and a robust risk management early warning mechanism, the company has formulated its "Code of Ethical Conduct" and "Code of Integrity Management" as overarching policies and guiding principles for corporate governance. These documents explicitly require the company's directors, managers, and all employees, when performing their duties, not to directly or indirectly offer, promise, request, or accept any form of improper benefits, or engage in other actions that may violate integrity, laws, or company regulations. Simultaneously, all members are obligated to protect the company's trade secrets and asset security and must comply with fair trade principles and other relevant laws and regulations.

Material Topic Management Approach
<p>• Goals and Objectives</p> <p>The company is firmly committed to combating all forms of corruption, including extortion and bribery, and strictly adheres to the laws and policy environment of the countries and regions where it operates. We aim to meet the high expectations of all stakeholders regarding the company's ethical and lawful operations through the implementation of these policies, thereby enhancing the company's overall value.</p> <p>•Positive and Negative Impacts:</p> <p>Positive: Enhances company reputation and market position, reduces compliance risks</p>

Negative: May lead to a decrease in trust from investors, customers, and stakeholders, impacting funding and market support

- **Governance Organization:** Audit Office, ESG Team

- **Communication with Stakeholders:**

Annual reports, corporate governance evaluations, and various forms of irregular communication with stakeholders.

Management Measures

In 2024, the legal supervisor personally conducted training and announcements on integrity management, codes of ethical conduct, internal information confidentiality, and regulations against insider trading and short-swing trading during new employee onboarding and daily morning meetings, reinforcing employees' legal awareness and ethical consciousness

1. Education and Promotion

To embed the philosophy of integrity management into the corporate culture, the company regularly educates all employees on the content of the "Code of Integrity Management" to ensure their full understanding and compliance. In 2024, the legal supervisor personally conducted training and announcements on integrity management, codes of ethical conduct, internal information confidentiality, and regulations against insider trading and short-swing trading during new employee onboarding and daily morning meetings, reinforcing employees' legal awareness and ethical consciousness.

2. Risk Assessment and Prevention Measures

The company has established a "Corporate Sustainable Development Promotion Team"(ESG Team) composed of professionals from various departments. One of the team's responsibilities is to regularly review potential risks of unethical behavior in various operational segments. Through market dynamics analysis, past case studies, and feedback from internal audit units, potential high-risk processes and segments are identified.

Based on the risk assessment results, the company has formulated and implemented specific prevention measures, including:

- Strictly prohibiting the offering or acceptance of any form of improper benefits
- Expressly prohibiting bribery, kickbacks, and other related benefit transfers.
- Establishing and implementing a conflict-of-interest avoidance system, requiring relevant personnel to actively declare and avoid potential conflicts of interest during decision-making processes to ensure fairness and objectivity.
- Continuously strengthening internal information confidentiality mechanisms to protect company trade secrets, customer data, and other sensitive information.

3. Whistleblowing System and Handling Procedures

The company has established and publicly announced transparent and convenient whistleblowing channels on its official website, including a dedicated email address and hotline for internal and external personnel. The company encourages reporting of any unethical or improper behavior and has established corresponding reward mechanisms, offering bonuses based on the severity of the reported incident.

All whistleblowing cases are handled by the Audit Office, which reports directly to the Board of Directors, as the designated receiving unit, with assigned personnel following established procedures. During the investigation, relevant company departments are required to provide necessary assistance if needed. The company explicitly stipulates strict confidentiality for the identity of the whistleblower and the content of the report to protect whistleblowers from improper treatment. If a reported matter is verified to be true, the company will immediately require the reported party to cease the related behavior and take appropriate disciplinary actions; if necessary, legal proceedings will be initiated for damages and disciplinary actions will be handled according to internal company regulations. In 2024, no confirmed unethical whistleblowing cases were received.

4. Internal Audit and Supervision

The company has established a professional and independently operating internal audit structure, with the Audit Office directly reporting to the Board of Directors and exercising its authority independently. The Audit Office annually formulates an audit plan based on risk assessment results and conducts audits to review compliance with company regulations and the effectiveness of internal controls to minimize the risk of unethical behavior. Additionally, each department is required to conduct self-assessments of internal control systems annually to ensure the continuous effectiveness of their design and execution. The company's financial statements are also professionally audited and certified by an independent external accounting firm, whose personnel also perform routine spot checks and reconciliations during the audit process.

2.3.1 Information Disclosure

In compliance with regulatory requirements, the company's official website features an investor relations section, and information is simultaneously disclosed on the "Market Observation Post System", including significant company news, monthly revenue, shareholder meeting notices, meeting handbooks, reference materials, annual reports, financial reports, and sustainability reports. To align with corporate governance evaluation indicators and enhance information transparency, an English version of the investor section has been established on the company's official website, highlighting financial, shareholder meeting, and dividend distribution information for timely access by overseas investors.

The company regularly holds shareholder meetings in accordance with legal requirements to inform investors about the company's operations and management status. Additionally, investor conferences are held irregularly, where senior executives review the company's operational performance, explain quarterly consolidated financial figures, operational status, and significant resolutions, facilitating face-to-face communication with stakeholders.

2.3.2 Risk Management

The company's risk management policy is centered on the principle of "conservative and steady" and is clearly stipulated in the "Risk Management Policy and Procedures" approved by the Board of Directors, serving as the highest guiding principle for all risk management operations. The major risk items faced by the company, along with their analysis and assessment, are also detailed in the "Risk Assessment and Analysis" chapter of the company's annual report.

Risk Management Organization

The company has established a top-down, clearly defined risk management governance structure:

- **Board of Directors:** The highest oversight and decision-making body for risk management, responsible for approving overall risk management policies and strategies, supervising the effective operation of risk management mechanisms, and possessing final decision-making authority on significant risk matters.
- **Audit Committee:** Assists the Board of Directors in supervising the fairness of financial reporting, the effective implementation of internal control systems, compliance with laws and regulations, and the control of potential risks.
- **Risk Management Team:** For specific risk areas, such as transactions with and risk control of related enterprises, the company has established a risk management team responsible for the oversight and execution of relevant risks.
- **Corporate Sustainable Development Promotion Team (ESG Team):** This cross-departmental team is responsible for coordinating and promoting sustainability-related matters, including regularly monitoring changes in ESG-related risks (including climate change risks), and reporting significant assessment results and response strategies to management and the Board of Directors.
- **Internal Audit Office:** An independent audit unit reporting directly to the Board of Directors, which performs regular and irregular internal audit operations based on the annual audit plan. It examines compliance with various regulations and the effectiveness of internal controls, reporting audit results to the Audit Committee and the Board of Directors to help reduce unethical behavior and other operational risks.

Risk Management Process:

The company's risk management process covers key stages such as risk identification, risk analysis, risk assessment, risk response, risk monitoring, and regular review. The company identifies various risk factors that may affect operations by considering their operational characteristics, external environmental trends, and stakeholder concerns.

- **System Regulations:** To effectively control potential risks with related enterprises, the company has established internal regulations such as "Subsidiary Supervision Operations," "Financial and Business Operations Guidelines for Related Parties and Enterprises," "Procedures for Acquisition or Disposal of Assets," and "Endorsement and Guarantee Operations Procedures," ensuring the independence and compliance of financial and business dealings.
- **Continuous Learning and Integration:** The company actively learns from benchmark enterprise clients, participates in supply chain conferences, and irregularly attends sustainability-related seminars to grasp the latest industry trends and risk management practices, integrating what is learned into the company's overall risk control system

Risk Categories and Management Policies

Our company integrates risk management into daily operations and the management of major sustainability topics, and we have adopted corresponding management measures for potential risks across the three aspects of Environmental, Social, and Governance (ESG):

1.Environmental

Assessment Item	Risk Management Strategy
Climate Change	Conduct a climate change inventory, collect and analyze information on energy risks, etc., refer to ISO 14001 risk identification procedures, identify and evaluate climate change-related risks, and reduce the potential impact of climate change.
Water Resource Management	1. Promote energy and water saving improvements and install water-saving faucets to reduce consumption and water costs. 2. Promote wastewater and rainwater recycling and technological R&D to reduce water usage in the plant area.
Greenhouse Gas Emissions Management	1. Actively review and improve energy-saving and carbon reduction standards and participate in and observe seminars to enhance various energy-saving and carbon reduction improvement technologies. 2. Promote wastewater and rainwater recycling and technological R&D to reduce water usage in the plant area.
Energy Management	1. Promote energy-saving and high-efficiency equipment and install solar power generation to continuously reduce overall electricity consumption. 2. Highlight energy-saving measures such as improving technology and equipment efficiency and implementing energy management.
Air Pollution Management	1. Strengthen the control and improvement of component leaks in factory equipment. 2. Establish monitoring standards for managing the plant environment and add air pollution control equipment to reduce pollutant emissions.
Waste Management	1. Commit to source reduction of waste, reduce waste in the manufacturing process, and recycle and reuse it, to minimize waste generation and maximize resource utilization. 2. Implement legal requirements for waste collection and transportation and manage the qualification review of treatment vendors to ensure proper disposal and mitigate environmental impact.

2. Social

Assessment Item	Risk Management Strategy
Human Rights	Adhere to international human rights norms and local labor laws in global industrial parks, strive for an equal employment, non-discriminatory, and harassment-free work environment, while respecting personal privacy, and establish diverse labor-management communication channels and complaint

	mechanisms to protect workers' rights.
Talent Cultivation and Development	<p>1. Through diverse and open recruitment channels, actively participate in campus activities and offer summer internship opportunities to improve recruitment efficiency and attract talent.</p> <p>2. Provide good compensation and benefits, and value comprehensive education and training, encourage employees to obtain professional licenses or certifications, and provide a fair and smooth promotion channel for outstanding performers.</p>
Workplace Safety and Health	<p>To build a safe and sanitary work environment, conduct timely hazard identification and risk assessment, and implement risk reduction measures and emergency response drills to reduce employees' occupational risks. Continuously conduct special health examinations for high-risk workers and manage and track their health according to the results. Achieved ISO 45001 certification in December 2024, set up a plant medical and nursing station or on-site doctor service, and provide physical and mental health consultation and assistance programs for employees.</p> <p>2. Convene quarterly meetings with the Employee Welfare Committee, Labor-Management Committee, and Safety and Health Committee to communicate with employees, and use legal channels to avoid labor disputes. Employees can make suggestions through meetings or suggestion boxes. The company and employees jointly create a harmonious and good labor-management relationship.</p>

3. Governance

Assessment Item	Risk Management Strategy
Strengthening the Board's Functions	<p>1. Establish a diversified board policy and perfect the planning of board members' professional development, providing directors with the latest information on laws and regulations, ESG, regional development, and policies.</p> <p>2. Company executives and directors participate in external corporate governance-related courses to enhance their knowledge.</p> <p>3. Purchase directors' and officers' liability insurance to protect their rights and reduce and disperse the company's risk of significant damages.</p>
Strategic Operation	With the goal of sustainable business, we will continuously develop high-value and differentiated products, sign long-term contracts with customers and suppliers, maintain good supply and demand relationships, and continue to improve processes and enhance competitiveness to reduce operational risks.
Ethical Management	Establish a 'Code of Ethical Conduct' and a sound corporate governance and risk control mechanism. Timely assess the risks of unethical behavior and formulate relevant preventive measures accordingly to implement the ethical management policy.
Legal Compliance	<p>1. By establishing a governance organization and internal controls with clear responsibilities, we strictly require that business operations comply with laws and regulations, and we monitor and respond to changes in policies and regulations in a timely manner. In addition, we have established a legal department, formulated standard contract templates, and conducted legal education and training to reduce legal risks.</p> <p>2. Each year, each department conducts an internal self-assessment to review the implementation of internal controls and legal compliance from the previous year.</p>

Source: Group Up Industrial Co. Ltd

2.3.3 Tax Policy

Group Up Industrial adheres to the principles of honest operation, strictly complying with the tax laws of its operating locations. Financial reporting information is transparent and publicly disclosed, and tax disclosures are handled in accordance with relevant regulations and standards. The company annually files its corporate income tax with the Ministry of Finance in May. Value-added tax is reported every odd-numbered month as required. Additionally, in compliance with Article 2 of the Labor Insurance Act, the company enrolls employees in ordinary accident insurance and occupational disaster insurance. To provide retirement security for employees, the company also contributes retirement funds monthly in accordance with the Labor Pension Act.

The company's finance department manages all tax-related matters. Through internal control procedures, execution, and evaluation, the department addresses tax risks arising from operational activities, ensuring appropriate measurement and management control of these risks. When interacting with stakeholders such as investors, banks, and social welfare organizations, the company always complies with relevant legal regulations. In 2024, Group Up Industrial complied with all tax policies and regulations, with no penalties from regulatory authorities.

2.4 Information Security Management (Material Topic)

The management of information and communication security is holistically planned, established, and continuously optimized by the Management Department's IT Office. This ensures the effective operation of information security mechanisms. Comprehensive control and protective measures are in place for system servers, operating systems, and network systems. Furthermore, an abnormal event response plan has been developed to prevent data corruption and the leakage of sensitive information, thereby safeguarding the rights and interests of the company, customers, and investors.

Material Topic Management Approach
<p>•Goals and Objectives: The company formulates various information and communication security policies, aiming to establish a secure, stable, and trustworthy information operating environment. This ensures continuous business operation and effectively prevents various information security risks.</p> <p>•Positive and Negative Impacts Positive Impact: Effective information security measures protect customer data and prevent the leakage of sensitive company information. • Negative Impact: Failure to implement information security measures may lead to sensitive data breaches, resulting in legal liabilities and a crisis of trust.</p> <p>•Governance Organization: IT Office</p> <p>•Management Measures Network Protection and Access Control Mechanism Email Security Control Data Backup Mechanism Endpoint Protection Mechanism Employee Information Security Education Risk Assessment and Detection</p>

The company continues to invest necessary resources to strengthen information security protection. Approximately NT\$3 million has been invested in 2024 for the enhancement and maintenance of information security software and hardware. For 2025, a budget of approximately NT\$4 million has been allocated to continuously improve the overall information security environment and introduce more advanced protection technologies and mechanisms.

In the past two years, and up to the publication date of this report, the company has not experienced any security incidents that have had a significant impact on operations. There have also been no cases of major financial loss to customers or the company, nor any related legal lawsuits or regulatory investigations due to information security issues. The company will continue to implement its information and communication security management policies and various specific management plans to ensure the stable operation of core systems and the security of data.

Management Measures

To implement the information and communication security policy, the company has deployed multi-layered protection measures and continuously refine its management plans

Item	Description
Network Protection and Access Control Mechanism	<ul style="list-style-type: none"> • Strictly manages network access rights through gateway controllers, ensuring that only authorized personnel can access internal systems. • Deploys intrusion detection and prevention systems to monitor abnormal traffic in real-time and immediately block malicious attacks. • Regularly reviews network access logs to analyze user behavior patterns and ensure compliance with information security policies.
Email Security Control	<ul style="list-style-type: none"> • Deploys email gateways to automatically filter all incoming emails, identifying malicious attachments, phishing emails, and spam. • Utilizes AI technology to identify potential social engineering attacks, reducing the risk of employees falling victim to phishing. • Sets up email encryption mechanisms to ensure the security of sensitive information during transmission.
Data Backup Mechanism	<ul style="list-style-type: none"> • Configures daily automatic backups for systems and databases and regularly performs full backups to ensure data integrity. • Establishes offline backup and disaster recovery mechanisms to ensure quick data recovery even in the event of equipment failure or disaster. • Regularly conducts backup data recovery tests to ensure the effectiveness and feasibility of the backup mechanism.
Endpoint Protection Mechanism	<ul style="list-style-type: none"> • Regularly updates operating systems and applications to ensure all devices run the latest secure versions. • Installs EDR (Endpoint Detection and Response) and MDR (Managed Detection and Response) protection tools to enhance endpoint security. • Implements MFA (Multi-Factor Authentication) for important hosts and user identity verification, requiring two-factor authentication for account logins to ensure security.
Employee Information Security Education	<ul style="list-style-type: none"> • Conducts quarterly information security training and tests to strengthen employees' information security awareness and response capabilities. • Conducts annual social engineering attack drills to improve employees' ability to identify phishing emails and fraud.
Risk Assessment and Vulnerability Detection	<ul style="list-style-type: none"> • Collaborates with external information security vendors to perform the following security checks on existing important hosts and network equipment, helping the company understand its information security management and protection status, identify areas for improvement, and establish preventive measures. <ol style="list-style-type: none"> 1. Server host vulnerability scanning 2. Information equipment configuration baseline inspection 3. Network packet capture analysis 4. Malware inspection and detection 5. Firewall inspection

Source: Group Up Industrial Co. Ltd

2.5 Regulatory Compliance (Material Topic)

Material Topic Management Approach
<p>• Goals and Objectives</p> <p>The company aims to establish a comprehensive governance structure and internal control system, strictly requiring all operational activities and employee tasks to comply with relevant legal regulations. The company also sets up mechanisms to promptly monitor and respond to changes in policies and regulations, thereby ensuring the legality and legitimacy of its operations.</p> <p>• Positive and Negative Impact</p>

Positive Impact: Compliance with legal requirements helps avoid fines or lawsuits and enhances corporate stability.

Negative Impact: Non-compliance with regulations may lead to high fines, legal disputes, or business suspension for rectification.

•**Governance Organization:** The Legal Department

•**Communication with Stakeholders:** Internally, this involves establishing a legal department, setting standardized contract templates, and conducting compliance education and training. Externally, communication occurs through various forms on an ad-hoc basis.

The following table shows our company's key legal sources and internal corresponding measures for compliance with laws and regulations related to labor human rights, environment, economy, and corporate governance:

Category	Taiwanese Regulations	Our Company's Corresponding Measures	Compliance Events
Labor Human Rights Health and Safety	Labor Standards Act Act of Gender ; Equality in Employment ; Employment Service Act	Worker Health Protection Plan ; ISO 45001 Occupational Health Management System and related procedural documents	Four events that require improvement by the company ; Two government penalties ; No major labor disputes
Corporate Governance	Company Act ; Ethical Corporate Management Best Practice Principles for TWSE/TPEX ; Listed Companies ; Securities and Exchange Act	Ethical Corporate Management Best Practice Principles ; Rules on the Scope of Duties of Independent Directors ; Corporate Governance Best Practice Principles ; Sustainable Development Best Practice Principles ; Rules of Procedure for Shareholders' Meetings ; Rules of Procedure for Board of Directors Meetings	No material unethical conduct ; No major violations of related regulations
Environmental	Environmental Basic Act ; Climate Change Response Act ; Waste Disposal Act ; Air Pollution Control Act	Reference to ISO 14001 risk identification procedures to establish environmental management policy. (Note: Refer to page 33 of GP annual report)	The company has not violated any environmental regulations
Economic	Fair Trade Act ; Patent Law, Copyright Law ; Intellectual Property Rights Law ; Trade Secrets Act ; Personal Data Protection Act, etc.	Information security management policy ; Labor contracts and HR-related management systems	The company has not experienced any major information security incidents ; Nor has it suffered business losses due to violations of relevant regulations
Product	Fair Trade Act ; Patent Law, Copyright Law ; Intellectual Property Rights Law ; Trade Secrets Act ; Personal Data	ISO 9001 Quality Management System and related procedural documents	The company's marketing and labeling for products and services comply with relevant regulations and the ISO 9001:2015 international standard.

	Protection Act, etc.		Customer privacy is protected in compliance with confidentiality agreements and the Personal Data Protection Act, and a complaint channel is established for stakeholders.
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Source: Group Up Industrial Co. Ltd

As of 2024, all penalty cases had been resolved and closed through timely improvements as required by the government. Details of the violations, disciplinary actions, and corrective measures are as follows:

Violation Reason	Fine Amount	Corrective Measures
During a labor inspection, it was found that the factory used and stored methanol, a priority-controlled chemical. Its annual operating volume exceeded 1 metric ton, requiring basic information and operational data of the chemical to be reported and recorded on the information website designated by the central competent authority. This violated the "Regulations for the Designation and Operational Management of Priority-Controlled Chemicals"	NT\$60,000	The priority-controlled chemical was immediately reported and recorded in accordance with the regulations.
During a labor inspection, the following issues were identified: 1. The fuse-less switch of a cutting machine in the factory's 1F tool room had exposed live parts, posing an electrical shock hazard, which violated the "Occupational Safety and Health Facilities Regulations". 2. The same cutting machine lacked safety guards or other protective facilities, violating the "Safety Standards for Machinery and Equipment". 3. Methanol was used for wiping tasks on-site without an appointed organic solvent operations supervisor, violating the "Regulations for the Prevention of Organic Solvent Poisoning"	NT\$100,000	1. The cutting machine in the 1F tool room was immediately decommissioned due to its age to prevent occupational hazards. 2. Personnel were immediately assigned to participate in organic solvent operations supervisor training, and upon obtaining certification, they will serve as supervisors for such operations

Source: Group Up Industrial Co.

2.6 Sustainable Supply Chain Management

Group Up Industrial as a professional manufacturer specializing in the research, development, production, and system integration of automated equipment, deeply understands that Supply Chain Management (SCM) has a direct and significant impact on product delivery schedules and quality stability. The company is committed to establishing long-term, trustworthy, and stable partnerships with suppliers, aspiring to jointly pursue sustainable growth based on mutual trust and benefit. We not only regard local suppliers as important production partners but also see them as an indispensable part of realizing the enterprise's sustainable value chain, hoping to drive suppliers and subcontractors to collectively exert social influence through active cooperation and guidance.

2.6.1 Supplier Management Approach and Practices

The company adheres to its internally established "Code of Ethical Management" and "Procurement Management Procedures" for all raw material, component, and service procurement operations. This is to fully implement the principles of fairness, impartiality, and transparency, and to strictly prevent any form of dishonest conduct. Furthermore, all suppliers must meet the company's requirements regarding environmental protection, social responsibility, and corporate governance (ESG) to be included in the list of qualified suppliers and maintain ongoing cooperation. To ensure suppliers effectively implement these sustainability requirements, the company has established a systematic supplier audit and communication mechanism:

- In accordance with the requirements of the ISO 9000:2015 Quality Management System and leveraging the ERP (Enterprise Resource Planning) system, the company is progressively strengthening its supplier management mechanism. An annual supplier audit plan is formulated based on internal "Supplier Management Operations" and "Supplier Management Procedures". Audit targets primarily include suppliers newly registered with the company, key suppliers among the top 20 in transaction value with the company in the previous year, those whose performance has fallen below standards for three consecutive years in internal supplier evaluations, and other suppliers deemed necessary for auditing.
- The company actively explains the content and importance of the "Supplier Corporate Social Responsibility Commitment Letter" to suppliers and externally promotes the sustainability commitments required to become a qualified supply chain partner. Group Up Industrial requires key component manufacturers and suppliers with larger transaction volumes to re-sign the commitment letter annually.
- Contracts signed with major suppliers include clauses requiring adherence to both parties' corporate social responsibility policies. If a supplier is found to have seriously violated relevant policies and caused significant negative environmental or social impacts on the supply source community, the company reserves the right to terminate or rescind the procurement contract at any time.

2.6.2 Supplier Selection Mechanism

- The procurement unit evaluates potential suppliers based on quality, price, and delivery time as fundamental criteria, and requires them to be certified with ISO 9000 series or internationally recognized quality management systems or product certifications. Alternatively, suppliers must achieve a score of 60 points (inclusive) or higher in the company's internal "Supplier Evaluation Form" to be deemed qualified.
- Procurement personnel screens and qualify potential new suppliers based on ESG (Environmental, Social, Governance) dimensions. When engaging in initial procurement transactions with new suppliers, they are required to sign a "Supplier Corporate Social Responsibility Commitment Letter" to establish mutual understanding and commitment to sustainable development.
- Suppliers are required to comply with national regulations regarding industrial safety qualifications, ISO compliance, proper labeling of hazardous materials, and safe

recycling of used containers or auxiliary loading devices. The "Purchase Order" explicitly states the company's commitment to sustainable operations and fair-trade principles, which are also factored into supplier evaluations.

- For high-risk supplier types that significantly impact the quality of equipment products, such as mechanical processing or equipment, mechanical design engineers or procurement personnel conduct on-site random inspections to assess suppliers' operational and production status, ensuring their qualifications and sustainable practices

1. Supply Chain Risk Management

- Main Raw Material Supply and Concentration Risk: The company's main raw materials include sheet metal/processed parts, precision mechanical components, hardware parts, optical components, and electrical control components. Currently, all types of materials are supplied by stable and long-term domestic and international quality suppliers, ensuring good supply conditions. There is no excessive concentration of supply sources, with no single supplier's procurement ratio exceeding 20%. The company will continue to actively plan and seek more excellent suppliers to diversify potential supply risks
- Climate Risk Response: In response to potential impacts from extreme weather events like typhoons and heavy rains (e.g., material shortages, delivery delays, reduced plant safety and production efficiency), the company has implemented various disaster response measures. These include reinforcing factory building structures, improving drainage systems, establishing detailed emergency response plans, and conducting regular disaster drills. Simultaneously, supply chain management flexibility is enhanced, ensuring adequate stocking of critical components and logistical response capabilities to mitigate the overall operational impact of extreme weather.
- Regular Assessment: Suppliers are assessed every six months based on quality (40%), delivery (30%), and price (30%). Procurement personnel provide additional points based on supplier cooperation and ESG implementation.

2.6.3 Local Sourcing and Green Products

1. Local Sourcing Management: The company prioritizes local sourcing in Taiwan to reduce the environmental impact of material production, transportation, and processing, and to lessen reliance on imported materials. Currently, most materials and services are sourced from local suppliers; for items that must be imported, some are handled by Taiwanese agents. To ensure the quantity and quality of inventory materials, the company conducts a comprehensive inventory check of all warehouse items on January 1st each year, with accountants performing spot checks.
2. Green Products: The company places high importance on customer health and safety throughout the entire process, from raw material procurement and product manufacturing to final sales. We continually optimize production processes and actively respond to market trends and customer demands, committing to developing non-toxic, environmentally friendly, and green energy-related products to promote sustainable development across the entire supply chain.

2.6.4 Building a Sustainable Supply Chain

To ensure suppliers fully understand the company's sustainability vision and goals and adopt corporate social responsibility and business ethics consistent with Group Up Industrial, the audit items refer to the Responsible Business Alliance (RBA) Code of Conduct version 8.0. Beyond initial desk assessments based on self-evaluation, opinions from the organizing unit are further compiled to determine the necessity of on-site audits. The goal is to review suppliers' implementation of corporate social responsibility through a progressive, phased management approach, using systematic promotion and implementation plans to achieve more efficient supplier screening and strengthen the sustainable supply chain.

1. Supplier Environmental Audit Management Matters

Group Up Industrial requires suppliers to obtain all environmental permits and relevant monitoring reports mandated by local regulations, including data on air pollutant emissions, water quality management, waste disposal, and energy consumption, to demonstrate compliance with legal requirements. In the event of significant environmental violations, Group Up Industrial reserves the right to terminate the partnership to maintain the overall environmental integrity of the supply chain and brand reputation.

2. Supplier Social Audit Management Matters

The "Supplier Corporate Social Responsibility Commitment Letter" explicitly states clauses requiring all suppliers to fully comply with Group Up Industrial's CSR policies and all norms of the Responsible Business Alliance (RBA) Code of Conduct version 8.0, emphasizing the importance of human rights, labor conditions, workplace ethics, and regulatory compliance throughout the value chain.

Regarding ethics, audits cover matters such as integrity management, absence of improper gains, and intellectual property rights. Suppliers are required to sign agreements strictly prohibiting involvement in bribery or improper conduct, such as gifting company employees or their relatives, and must adhere to intellectual property rights and confidentiality clauses to ensure fair business competition and ethical operations. Suppliers must commit to keeping all technical data and commercial information obtained during cooperation confidential, and not to disclose, transfer, or distribute it to third parties without authorization. Group Up Industrial maintains its R&D achievements and competitive market advantages through confidentiality agreements and regular audits, ensuring all cooperative activities are conducted within legal and ethical boundaries.

To implement these policies, Group Up Industrial has established specific internal and external enforcement mechanisms. For instance, during weekly factory morning meetings, the factory manager personally conducts training for all employees on regulations and ethical norms, emphasizing the importance of adhering to integrity principles and anti-corruption policies. Concurrently, the procurement department verbally reinforces Group Up Industrial's commitment to integrity management and anti-corruption policies during discussions and collaborations with suppliers.

2.6.5 Supply Chain Market Trends

The current trend of US-China geopolitical competition has become one of the most critical variables in the global political and economic landscape. As the rivalry between the US and China intensifies across international trade, technology, military, and security domains, global supply chains are undergoing a profound reorganization and relocation. Companies and governments worldwide are re-evaluating their supply chain layouts to reduce dependence on single countries, ensuring production stability and national economic security amid increasing uncertainty. This process has long-term implications for global manufacturing, production site selection, and Group Up Industrial's cross-border investment strategies.

The US-China rivalry has extended from trade disputes to a sustained competition in technology, particularly in high-tech fields like semiconductors, 5G, and AI. The U.S. has imposed export controls, investment restrictions, and technology bans on Chinese companies, while China actively promotes "domestic substitution" and supply chain self-sufficiency. This puts pressure on the previously highly globalized supply chain, which relied on China as the "world's factory," leading to fragmentation and reorganization.

To mitigate geopolitical risks, Group Up Industrial adopts a diversified operational strategy to avoid impacts from policy changes. Some clients are considering transferring part of their production to other regions. This market trend is ongoing, exemplified by the U.S. promoting "friendshoring," India launching "Make in India," and Vietnam attracting foreign investment to establish manufacturing bases. These initiatives demonstrate that supply chain restructuring has become a global trend, and Group Up Industrial follows the footsteps of its leading clients in its strategic deployment.

Within this broader business context, Group Up Industrial 's geographical redistribution of the electronic equipment supply chain shows several key trends:

Diversification and Regionalization:

To adapt to balance their dependence on the Chinese market, many corporate customers have adopted the "China + 1" strategy. While retaining part of China's production capacity, they are also looking for one or two backup support bases, such as Vietnam, Thailand, Malaysia, Mexico, etc. These countries have relatively low labor costs, a more stable political environment, and gradually improving infrastructure.

Shift of Production Bases to Southeast Asia and South Asia:

Southeast Asia, leveraging its friendly relations with the U.S. and regional integration mechanisms, is gradually attracting foreign investment. Vietnam and Thailand are emerging as new hubs for the electronics assembly industry. India, through policy incentives and a vast domestic market, is attracting tech giants like U.S. and Korean clients to set up factories.

Rise of "Nearshoring"

To enhance supply chain resilience and responsiveness, client companies tend to set up manufacturing bases closer to major markets. For example, U.S. companies are relocating some production lines to Mexico and Canada to shorten transportation times and reduce tariff costs.

Partial Return of Technology-Intensive Industries to Home Countries

In high-value-added or strategically important industries, such as semiconductors and critical materials, some countries offer subsidies and tax incentives to encourage companies to return production to their home countries, strengthening domestic manufacturing capacity. For example, the U.S. CHIPS and Science Act aims to rebuild the domestic semiconductor supply chain.

Strategy and Analysis:

- **Analysis:** Although the shift of production bases can enhance risk diversification, it also comes with multiple challenges. Firstly, there are still disparities in infrastructure and human resources across different countries. Secondly, emerging countries' infrastructure is not yet as developed as China's, and logistics, power, and engineering labor quality still need improvement. Thirdly, the industry cluster effect is weakening Chinese-speaking regions have mature upstream and downstream supply chain systems, while newly established bases may face insufficient supporting facilities, leading to increased operational costs. Lastly, coupled with uncertainties in national policies, tariffs, and tax systems, frequent changes in foreign investment policies in various countries may affect long-term investment returns.
- **Strategy:**
 1. **Enhance Supply Chain Resilience:** Through long-term cooperative trust relationships and big data analysis, improve supply chain visibility and responsiveness, and continuously develop new suppliers as backup.
 2. **Establish Regional Supply Networks:** Ensure uninterrupted operations and uphold commitments to customer delivery schedules.
 3. **Develop Multiple Service Locations:** Rapidly adjust supply routes and production ratios based on market demand; currently, there are small after-sales service points in the U.S. and Thailand.

3 Core Business Operations and Innovative R&D

3.1 Customer Relations (Material Topic)

Material Topic Management Approach
<ul style="list-style-type: none">• Objectives and Targets The company adheres to Group Up Industrial 's core strategy for maintaining customer relationships, which is to maintain stable and good relationships with customers, prioritize customers, and operate with flexibility and responsiveness• Positive and Negative Impact Positive Impact: Long-term stable customer relationships help enhance customer loyalty to the brand, increasing revenue stability. Negative Impact: Lack of transparency or failure to respond to customer needs in a timely manner may damage brand image.• Governance Organization: Sales Department.• Communication with Stakeholders Communicate with customers irregularly in various forms and participate in relevant exhibitions annually.

3.1.1 Customer Relationship Management

Customers' production demands for electronic equipment are moving towards high customization and diversification, which has become an irreversible trend in future smart manufacturing. To maintain competitive advantage, Group Up Industrial actively grasps the latest market information, understands itself and its competitors, and develops a comprehensive range of products or services for customers to choose from. It also provides real-time on-site services to quickly meet customer automation needs in the shortest possible time.

The company adheres to quality in all aspects, producing high-performance and high-functionality equipment. It is committed to the implementation of the ISO 9001 quality system and has successively obtained international certifications such as ISO 45001 and ISO 14064-1. The company's committed quality policy is "Quality First, Service First, Technology Innovation, Performance Leadership", and it continuously improves to ensure customer satisfaction.

To achieve the promised service quality, the following practices are adopted in daily customer relationship maintenance:

- Collaborate with agents or distributors and regularly visit customers or attend meetings to collect various market information.
- Value customer feedback and adhere to customer regulations for industrial safety inspections before factory entry and for installation and testing.
- For interactions with government departments and foundations, the company complies with regulations such as the Company Act, Government Procurement Act, and Securities and Exchange Act.
- Regarding customer supply chain management matters, for example, a major semiconductor customer in the United States requested a third-party industrial safety evaluation. Sales colleagues actively cooperated and obtained the Highwire third-party industrial safety audit certificate, responding to the customer's procurement, material, and risk management department requirements in the US factory.

3.1.2 Face-to-face interaction with customers

After the COVID-19 pandemic, Group Up Industrial has consistently emphasized face-to-face interaction with customers, viewing every participation in physical exhibitions not only as an opportunity to showcase products and technical strength but also as a key platform for building trust and strengthening partnerships with potential and existing customers. Through on-site exchanges at exhibitions, the company can understand customer needs, technical trends, and market dynamics more promptly, thereby grasping industry changes and providing valuable

reference for the company's future business development and strategic planning.

At each exhibition, Group Up Industrial not only actively arranges professional sales personnel to provide on-site explanations in Chinese and English, demonstrating the latest R&D achievements and equipment performance, but also actively invites representatives from industry associations, industry experts, and important customers to visit the booth for inspection and guidance. This promotes technical exchange and cooperative dialogue within the industry. Such interaction not only strengthens the connection with stakeholders but also allows Group Up Industrial to grasp key information for industry upgrading and transformation, seizing opportunities in fierce competition.

In 2024, Group Up Industrial continued to expand the depth and breadth of its external exchanges, participating in multiple important domestic and international professional exhibitions, including: Thailand Circuit Board Exhibition, Shanghai Electronic Circuit Exhibition, Taipei Electronic Equipment Exhibition, Taipei Automation Industrial Exhibition, Taiwan Circuit Board Exhibition, SEMICON Taiwan show, a major event in the global semiconductor industry. These exhibitions cover various fields such as electronic manufacturing, automation technology, and advanced semiconductor processes, which are highly relevant to Group Up Industrial's core business and serve as an important channel for the company to establish connections with customers, agents, and the industry.

Through participation in exhibitions, Group Up Industrial could directly interact with professional buyers, technicians, and industry decision-makers from around the world, showcasing its latest solutions in smart manufacturing, automated equipment, energy-saving and carbon reduction systems, and other fields. Each on-site interaction, whether it's technical discussions, application suggestions, or market trend exchanges, provides the company with first-hand industry information, effectively grasping customer factory pain points and potential needs, and providing a reference for future product upgrades and R&D directions.

Furthermore, Group Up Industrial highly values the feedback received during exhibitions. If there are shortcomings, the company humbly reviews them; if affirmation is received, it thanks customers for their long-term support. Whether it's product use suggestions from customers or observations on market layout from partners, all are considered valuable reference resources. The company has an internal review mechanism to compile and analyze the information and feedback collected during exhibitions, which serves as a basis for future market expansion, product design optimization, and service quality improvement, and helps formulate mid-to-long-term development strategies that align with market trends.

Each exhibition also serves as a display of the corporate brand image. Group Up Industrial enhances its professional image and trustworthiness in the industry through professional, innovative booth design and meticulous customer reception processes, allowing participants to feel the company's R&D capabilities and commitment to sustainable operations. Through these activities, Group Up Industrial not only expands business contacts and potential opportunities but also deepens relationships with existing customers, laying the foundation for long-term cooperation.

Looking ahead, Group Up Industrial will continue to actively participate in important domestic and international semiconductor exhibitions and integrate virtual and physical marketing strategies to expand brand international visibility and strengthen connections with global customers. The company will also continue to optimize the exhibition participation process, viewing exhibitions not only as a sales and marketing platform but also as an important opportunity to absorb innovative ideas, listen to market voices, expand stakeholder participation, and jointly promote industry upgrading, paving a more stable path for the company's sustainable growth.

<p>Semicon Taiwan</p> 	<p>TPCA show</p> 
<p>CPCA show</p> 	<p>THECA show</p> 

Source: Group Up Industrial Co. Ltd

3.1.3 Customer Complaint Handling and Customer Privacy Protection

Customer Complaint Handling

Handling customer complaints is a key step in maintaining customer relationships and improving service quality. The standard process and improvement steps are as follows:

- 1.Listen and Understand: First, calmly listen to the factory customer's complaints, making them feel valued. Avoid interruptions or defensiveness. Confirm the machine's production serial number and the core of the problem and respond with empathy.
2. Record and Classify: The sales department records the customer's feedback in detail, categorizing it by product, parts, service, delivery time, quality, etc., for subsequent tracking and analysis.
3. Prompt Response: If colleagues can resolve the issue immediately, a solution should be provided on the spot. If time is needed for investigation, the estimated response time should be communicated to avoid long customer waits.
4. Internal Communication and Investigation: Communicate with relevant internal departments (mechanical, electrical, software, procurement) to clarify the cause of the problem and confirm whether it is a systemic error or a single oversight.
5. Formal Response to Customer: Explain the company's investigation results and handling measures, sincerely apologize, and propose specific compensation or improvement plans. The tone of the response should be sincere, professional, and friendly.
6. Follow-up: Confirm whether the customer is satisfied with the resolution. If necessary, conduct follow-up calls or emails to prevent similar incidents from recurring. Relevant experiences are documented and used for internal sales training. Good complaint handling can not only regain

customer trust but also serve as an opportunity to improve corporate structure and optimize services.

Customer Privacy Protection

Group Up Industrial actively cooperates in protecting customer trade secrets by signing Non-Disclosure Agreements (NDA) with customers, safeguarding their trade secret information and not casually releasing press releases. Protecting customer privacy is a corporate responsibility and legal obligation, as well as key to building mutual trust.

- First, Group Up Industrial complies with the Personal Data Protection Act and relevant government regulations, clearly informing customers of the purpose of data collection, scope of use, and retention period, and obtaining clear consent.
- At the technical level, Group Up Industrial adopts information security measures such as encryption, firewalls, and multi-factor authentication to prevent data leakage or unauthorized access. At the same time, it restricts internal data access rights, allowing only necessary personnel to view data, and establishes usage records and monitoring mechanisms.
- Additionally, Group Up Industrial regularly conducts employee education and training to enhance personal data protection awareness and prevent risks caused by human error. If an information security incident occurs, the company should quickly activate notification and handling mechanisms and proactively notify affected customers.
- Finally, Group Up Industrial provides customers with the right to inquire, correct, and delete personal data in a timely manner, allowing customers to control the use of their own data. Through institutional, technical, and educational means, customer privacy rights can be effectively protected, and the company's brand reputation and market competitiveness can be strengthened.

3.1.4 Communication of Significant Events

When facing significant events (such as various crises, transformations, mergers and acquisitions, product issues, etc.), the company adopts an organized and strategic external communication approach to maintain its image and stable relationships.

- First, senior management leads professional managers, or designates spokespersons or acting spokespersons, to speak externally in a unified manner, ensuring message consistency. Before releasing information, the company should conduct internal reviews to ensure that the information is accurate and transparent, preventing the spread of rumors and misunderstandings. If false reports are encountered, the company will quickly clarify and issue significant announcements.
- Secondly, choose appropriate communication channels, such as press releases, press conferences, investor conferences, shareholder meetings, official website announcements, social media platforms, etc., selecting the most suitable communication method based on the nature of the event and the audience. At the same time, they provide easy-to-understand messages to different external stakeholders (such as customers, media reporters, investors, investment trusts, investment consultants, banks, securities companies, etc.).
- In crisis situations, adhere to the principle of integrity, proactively explain the truth of the event, its scope of impact, and response measures, demonstrating a responsible attitude. If customer rights are involved, solutions and contact people should be provided to reduce loss of trust. After the event, continue to track and update information, and review communication effectiveness as a basis for future improvement. If internal employees or external stakeholders offer criticism or advice, accept it humbly and continue internal review to optimize the corporate structure. Good external communication can resolve operational risks, rebuild trust, and strengthen corporate credibility and the foundation for long-term sustainable operations.

3.2. Innovation and R&D (Material Topic)

Material Topic Management Approach
<p>•Objective and Target: Driven by the dual axes of patents and technology, Gp will steadily advance towards a high-value-added industry chain, creating more innovative applications and sustainable value for the field of electronic equipment</p> <p>•Positive and Negative Impact: Positive: Innovative products and technologies can bring new market opportunities, increasing market share and competitiveness. Negative: A lack of investment in innovation may lead to product or technological obsolescence compared to competitors, making it difficult to adapt to rapidly changing market demands.</p> <p>•Governance Organization: R&D Department</p> <p>•Communication with Stakeholders: Communication with Stakeholders: Irregular communication with customers in various forms, and participation in relevant exhibitions annually</p>

3.2.1 Safety Regulations and Hazardous Substance Management

From the initial stages of product design, Group Up Industrial has incorporated environmental and safety factors into consideration, and further strictly controls the components and materials used during the manufacturing and shipping stages to prevent any non-compliant substances from entering the production process or products. This preventive and forward-looking management approach not only complies with regulatory requirements but also helps enhance product trustworthiness and acceptance in the international market. For customers, such quality and environmental assurance imply greater stability and sustainability in their local supply chain.

Furthermore, Group Up Industrial demonstrates a high degree of responsibility in product lifecycle management overall. For waste generated after products reach the end of their service life, the company categorizes, recycles, and properly disposes of metal materials and electronic components, reducing the environmental burden caused by equipment disposal. This strategy of resource recovery and reuse not only extends the value of resources but also aligns with the current international trend of enterprises pursuing a circular economy and sustainable development.

In the future, Group Up Industrial will continue to optimize its quality and environmental management systems, actively introducing more advanced testing technologies and material tracking mechanisms to enhance overall risk control capabilities. Simultaneously, it will deepen cooperation with upstream and downstream supply chain partners to jointly implement green manufacturing and environmentally friendly industrial development goals, building a corporate model that balances technological innovation, stable quality, and social responsibility.

3.2.2 Assisting in Building Smart Manufacturing Factories

Since its establishment in 1990, Group Up Industrial Co., Ltd. has deeply cultivated the industry for 35 years, initially focusing on electronic equipment for PCBs (Printed Circuit Boards). With the evolution of industrial technology and changes in market demand, it has gradually expanded into a broader range of automated baking equipment. Over the years, Group Up Industrial has accumulated rich R&D experience and manufacturing capabilities, extending across multiple high-precision industries, focusing on designing and manufacturing various automated equipment. Its service areas cover electronic assembly, touch panels, IC packaging and testing, and advanced semiconductor manufacturing, among other critical application scenarios. These industries demand extremely high levels of equipment stability, precision, and flexible production capabilities, which has driven Group Up Industrial to continuously pursue breakthroughs and innovations in technology and quality.

In recent years, significant changes have occurred in Taiwan's overall industrial structure and market trends, with traditional automated production gradually becoming insufficient to meet new customer demands for flexible manufacturing, real-time monitoring, and data-driven decisions. Group Up Industrial recognized this transformation, observing that its customers were transitioning from automated manufacturing to smart production stages, actively adopting Industry 4.0-related technologies and moving towards the future development of smart manufacturing. This

is not merely a technological upgrade but a shift in overall operational models and production thinking, requiring equipment suppliers to provide more integrated, visualized, flexible, and data-driven solutions.

Facing this wave of transformation, Group Up Industrial quickly adjusted its R&D and design strategies, further integrating its long-accumulated experience in automation technology with information technology and intelligent control systems to develop advanced equipment that supports smart manufacturing. Through collaboration with legal entities, the company developed solutions combining sensing technology, data analysis, remote monitoring, and cloud platform applications. These solutions not only help domestic and international customers obtain real-time production data but also enhance overall production line efficiency and management transparency. Group Up Industrial also continues to collaborate deeply with customers from different industries to understand their actual needs and pain points, thereby providing customized, high-efficiency solutions to accelerate the implementation of smart factories.

In addition, Group Up Industrial actively introduces artificial intelligence and machine learning technologies to strengthen the predictive maintenance and self-learning capabilities of its equipment, improving the reliability and operational efficiency of production systems, and further reducing downtime and maintenance costs. These technological innovations and applications not only solidify Group Up Industrial's leading technological position in the equipment manufacturing field but also enable it to play a more crucial role in promoting smart manufacturing.

Looking back at its development history, Group Up Industrial Co., Ltd. started by focusing on single equipment and gradually grew into an integrated equipment supplier covering multiple precision industries. Driven by global smart manufacturing trends, it has successfully transformed into an advanced equipment manufacturer with intelligent system integration capabilities. In the future, Group Up Industrial will continue to invest in R&D, deepen supply chain cooperation, and strive to provide more forward-looking and sustainable equipment solutions, accompanying Taiwanese and global manufacturing industries into a higher level of smart manufacturing era.

3.2.3 Patent Application Technology

In 2024, Group Up Industrial continued to cultivate its core business, focusing on core technology research and development and innovation. Upholding the philosophy of stable development and quality priority, it is committed to enhancing product added value and market competitiveness. Over the years, Group Up Industrial has accumulated extensive R&D achievements, with a cumulative total of 529 patent applications filed as of 2024, covering various key technological fields. Most of these have been successfully reviewed and approved by official agencies, fully demonstrating the company's strength and continuous investment in technological innovation.

The patent system is not only a safeguard for corporate R&D achievements but also an important indicator for measuring technological strength. By continuously refining technology and pursuing patent applications and certifications, Group Up Industrial is able to solidify its core technology protection network, preventing technology leakage or imitation by competitors, while also strategically deploying in Taiwan, Japan, and mainland China, which helps establish its market leading position. Through the acquisition of these patents, the company not only strengthens the technological differentiation of its products but also provides strong endorsement for their quality and functionality, making them more competitive in the international market.

Furthermore, patent certification also contributes to the accumulation of intangible assets for the company. This allows Group Up Industrial to better demonstrate its R&D capabilities and technological credibility when conducting testing work for investors, partners, or potential clients. The existence of patents provides a foundation of confidence for shareholders and investors, symbolizing the company's long-term innovation momentum and potential for stable growth. It also gives factories a sense of technological assurance and quality commitment when purchasing products, further enhancing brand trust and market acceptance.

Looking ahead, Group Up Industrial will continue to support the proportion of R&D investment,

expand into more forward-looking technological fields, and strengthen its intellectual property management strategy, actively deploying a global patent network to respond to rapidly changing market demands and technological evolution trends.

Number of GP patent applications files and approved by government in 2024



Source: Taiwan Intellectual Property Office (TIPO), Ministry of Economic Affairs

3.2.4 Product Life Cycle Management

Group Up Industrial Co., Ltd. specializes in the research, development, and manufacturing of electronic components. Some of its client base primarily comes from energy-intensive semiconductor and carrier board manufacturing industries. Addressing the high energy consumption needs of these industries, Group Up Industrial actively incorporates energy-saving concepts into its product designs. Through self-developed patented technologies, such as energy monitoring systems and high-efficiency baking equipment, it effectively assists customers in energy management and efficiency optimization during their production processes. These pieces of equipment are equipped with smart meters and watt-hour meters, which, through AI models, can instantly calculate and track energy usage efficiency, helping customers' factories save approximately 10% to 30% of energy consumption while maintaining original production performance. This leads to a reduction in overall carbon emissions and the achievement of green production goals.

In addition to integrating energy-saving technologies into product design, Group Up Industrial also actively promotes resource recycling and reuse. For equipment decommissioned by customers, the company disassembles and inspects components, selecting reusable materials and parts to reintroduce them into other production equipment, extending their lifespan and reducing raw material waste and energy input required for new manufacturing. This practice not only helps reduce overall operating costs but also mitigates environmental impact, demonstrating the company's commitment to sustainable development. Through innovative energy-saving technologies and circular economy strategies, Group Up Industrial aims to create more environmentally friendly and efficient solutions for the electronic manufacturing industry and continues to exert its influence in the field of green manufacturing.

3.2.5 Cross-domain Collaboration

Over the years, in addition to continuously investing in independent R&D and obtaining multiple patent achievements, the company has also actively promoted external cooperation, particularly focusing on cross-departmental and cross-domain integration. Through close collaboration with international organizations, research institutions, and government agencies, Group Up Industrial integrates diverse resources to stimulate internal innovation potential and expands R&D horizons and practical application.

We also deepen corporate social responsibility through various ESG (Environmental, Social, and Governance) activities, working together to promote the sustainable development of the electronic equipment industry. The following lists the main cooperation projects carried out in 2024 (excluding industry-academia cooperation projects, which will be listed in Chapter 5), showcasing the company's concrete achievements in promoting industrial progress and innovative cooperation.

External Communication Activities

Month	Activity Name	Partner	Description
February	Intelligent Asia Thailand show	Yorkers Trade & Marketing Service Co., Ltd.	Showcasing smart electronics manufacturing, automation, and industrial solutions in Thailand.
May	Hsinchu Science Park Exchange	A major semiconductor company in Hsinchu Science Park	Discuss advanced packaging issues with clients.
July	THECA Show	Thailand Printed Circuit Association (THPCA)	Focus on the latest developments in the electronics equipment industry in Thailand
September	PCB Sustainability Sharing Session	Taiwan Printed Circuit Association (TPCA)	TPCA shared practical sustainability practices for PCB companies.
September	Syin-Lu Social Welfare Foundation Launch Ceremony	Syin-Lu Social Welfare Foundation	The ESG team attended the launch ceremony.
October	Welfare Activity for Soldiers	Association of Cubs Industry, Taoyuan City	The factory manager participated in a public welfare activity for soldiers.
December	Minister of Economic Affairs Symposium	Ministry of Economic Affairs	Selected as one of the top 100 traditional manufacturing companies for promotion; invited by the Ministry of Economic Affairs for a symposium to exchange industry information.

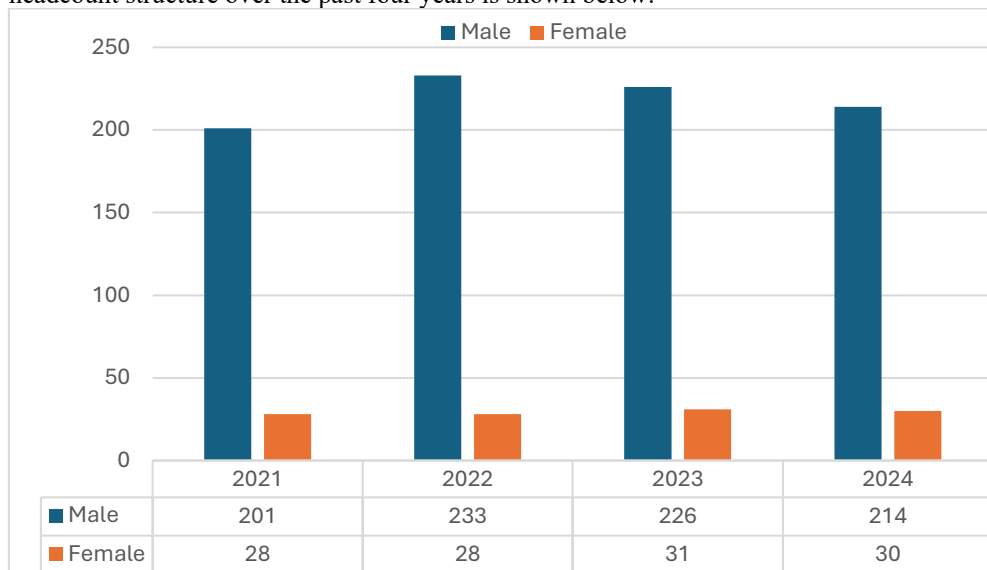
Source: Group Up Industrial Co. Ltd

4 Healthy and Happy Enterprise

4.1 Employee Composition and Diversity

Group Up Industrial has a total of 244 employees in Taiwan, including 214 males and 30 females, with Taiwanese employees primarily being full-time staff. In terms of nationality, in 2024, there are 7 Vietnamese, 8 Thai, and 29 Filipino employees. These foreign employees account for approximately 18% of the total workforce in 2024.

Furthermore, Group Up Industrial complies with Article 45 of Chapter 5 of the Labor Standards Act, absolutely prohibiting the employment of child labor under the age of 15; and provides suitable job opportunities for disadvantaged groups with physical and mental disabilities. The employee information disclosed in this section covers Group Up Industrial's full-time employees in Taiwan. Other workers defined by GRI, such as personnel dispatched by outsourced contractors, are temporarily excluded from the scope of this report's disclosure due to project-based personnel changes that prevent accurate statistical data collection, following evaluation. The employee headcount structure over the past four years is shown below:



Source: Group Up Industrial Co. Ltd

Although the majority of the company's employees are male, female colleagues also maintain a certain proportion, utilizing their abilities in different departments based on their job attributes and suitability. Recruitment is not limited by gender; candidates whose abilities and specialties match will be given priority, respecting gender diversity and equality. The following table shows the number of employees by gender and department. The main workforce is approximately in the 30-50 age bracket, and recruitment will continue in the future to ensure a more balanced distribution across all age groups.

4.1.1 Employees by Department/Gender

Employees	≤30 Years		30~50 Years Old		≥50 Years Old		Total
Department/Gender	Male	Female	Male	Female	Male	Female	
R&D Personnel	3	0	35	0	17	0	55
Direct Personnel	15	0	78	0	25	0	118
Indirect Personnel	2	1	23	18	16	11	71
Subtotal	20	1	136	18	58	11	244

Source: Group Up Industrial Co. Ltd

- Note 1: R&D Personnel: The company's R&D department, including electrical design, software design, and mechanical design personnel.
 - Note 2: Direct Personnel: Employees engaged in production and manufacturing-related work: Manufacturing Department.
 - Note 3: Indirect Personnel: Administrative, management, sales, and other employees.
- Group Up Industrial Co., Ltd. emphasizes the educational background of R&D personnel, with a

continuous increase in the number of employees hired with master's degrees or above. The distribution over the past 5 years is shown in the table below:

4.1.2 New Hires and Turnover Status

Year/ Education Level		2024		2023		2022		2021	
		Headcount	(%)	Headcount	(%)	Headcount	(%)	Headcount	(%)
Master's/Ph.D.		9	16.36	9	15.79	9	16.07	9	17.65
University/College		43	78.18	45	78.95	44	78.57	39	76.47
High School/Vocational		3	5.45	3	5.26	3	5.36	3	5.88
Total		55	100.00	57	100.00	56	100.00	51	100.00

Region	Gender	Age	2024		2023		2022	
			New Hires	(%)	New Hires	(%)	New Hires	(%)
Yangmei HQ	Female	<30	1	0.82	1	0.80	1	1.15
		31~50	1		1		2	
		>50	0		0		0	
	Male	<30	8	6.56	13	13.20	18	12.26
		31~50	8		19		14	
		>50	0		0		0	

Note 1: New Hire Rate = Annual New Hires / Total Headcount at Year-End x 100%

Region	Gender	Age	2024		2023		2022	
			Turnover	(%)	Turnover	(%)	Turnover	(%)
Yangmei HQ	Female	<30	1	1.23	0	0.80	1	0.38
		31~50	1		2		0	
		>50	1		0		0	
	Male	<30	8	9.84	10	12.80	16	11.49
		31~50	13		20		14	
		>50	3		3		0	

Note 1: Turnover Rate = Annual Turnover / Total Headcount at Year-End x 100%

Source: Group Up Industrial Co. Ltd.

4.2. Talent Development and Retention (Material Topic)

Talent is the most important asset of Group Up Industrial and creating an excellent talent development environment and fostering talent are fundamental and critical to the company's sustainable operations. The Dow Jones Sustainability Index (DJSI) also designates Human Capital Development as a key assessment item in the social dimension. Group Up Industrial connects with various external entities, possessing diverse educational training resources, enabling employees to continuously learn and grow while working, adapting to the rapid changes in industrial technology.

In terms of talent recruitment, the company prioritizes localization. It has long-term partnerships with the Taoyuan City Government to promote youth and middle-aged employment opportunities in Taoyuan. All job vacancies are transparently published on 104 Job Bank, 1111 Job Bank, or TaiwanJobs websites. Currently, over 70% of the company's full-time staff are mainly in the 30-49 age group, with an average age of 36 and an average tenure of over 8 years, indicating high stability.

The hiring process for foreign employees strictly adheres to the "Regulations on the Permission and Management of Foreigners Employed by Employers". The company arranges living care service personnel and provides compliant dormitory locations, offering safe and hygienic food and accommodation, protection of personal safety and health, information on cultural and recreational facilities and religious activities, and life counseling services, aiming to create a diverse, fair, and inclusive workplace.

Material Topic Management Approach
<p>• Goals and Objectives: Continuously attract and cultivate talent by engaging with universities and colleges, aiming to build an employer brand image and develop a long-term human resource strategy. In addition to providing comprehensive care and welfare systems for employees to work happily, the company aims to cultivate all-round talent through a completely new employee training system and regular performance appraisals to enhance employee work efficiency and career development.</p> <p>• Positive and Negative Impact: Positive: It can enhance corporate competitiveness, lower labor costs, strengthen brand image, and improve employee satisfaction. Negative: The lack of talent cultivation and retention plans can lead to high employee turnover and an increase in operational costs.</p> <p>• Governance Organization: Management Department</p> <p>• Communication with Stakeholders: We recruit and attract potential talent through job platforms and social media. At the same time, we regularly hold employee training sessions. GP connects with different external organizations and has diverse training resources, allowing employees to continuously learn and grow while working, adapting to the rapid changes in industrial technology.</p>

4.2.1 Talent Acquisition

Encouraging Professional Licenses and Further Education

In line with the Ministry of Economic Affairs' policy, we encourage students and professionals in related fields in Taiwan to take the iPASS certification exam to enhance the quality and competitiveness of talent in the machine tool industry. We reward talent who possess the Ministry of Economic Affairs' iPASS Machine Tool Mechanical Design Engineer certification. Group Up Industrial will prioritize interviews and provide a certification bonus to them, encouraging outstanding talent to pursue professional development and cultivate their personal expertise.

Diverse and Multi-faceted Recruitment Channels

For talent acquisition, in addition to continuously posting job openings on the government's Taiwan Job Bank website, the company also announces various job vacancies through 104 Job Bank and 1111 Job Bank. Furthermore, we collaborate with different organizations such as the Industrial Technology Research Institute (ITRI) Academy, the Ministry of Labor's Workforce Development Agency Taoyuan-Hsinchu-Miaoli Branch, and the Taoyuan City Government

Employment Services Office to hold various types of recruitment events. We also actively recruit through diverse social media channels. Moreover, with the core concept of recruiting elite talent, we are expanding our headhunting efforts and using online digital social platforms for recruitment. This includes creating a company profile page on the international business platform LinkedIn, regularly updating content to build a professional corporate image, and simultaneously creating a job vacancies page to attract talent to apply; we also regularly upload company recruitment and job vacancy information to our Facebook and Instagram pages to reach outstanding talent through diverse channels.

Year		2024			
Category		Total Training Hours	Number of Employees	Number of Participants	Average Training Hours
Gender	Male	1526	214	439	7.13
	Female	278	30	67	9.27
Department	Direct Personnel	973	118	313	8.25
	Indirect Personnel/ R&D Personnel	831	126	193	
					6.60
Average annual training hours: 2.07 hours					

Source: Group Up Industrial Co. Ltd.

4.2.2 Education and Training:

Average Training Hours for Taiwanese Employees (by Gender)

- Note 1: Training hours include: internal new hire training, special training, online training, and external training seminars.
- Note 2: Annual average training hours = Total training hours / Number of employees on staff as of 2024.12.31.

Talent is Group Up Industrial 's most important resource. Creating an excellent talent development environment and fostering talent are fundamental and key to the company's sustainable operations. Following the Dow Jones Sustainability Index (DJSI), Human Capital Development is also a key evaluation item for the social dimension. Group Up Industrial collaborates with various external organizations and has diverse educational and training resources, allowing employees to continuously learn and grow while working, to adapt to the rapid changes in industrial technology.

In response to the needs of its employees and in accordance with relevant regulations, Group Up Industrial organizes various types of training, including employee education, professional technical training, quality control training, employee growth-related training, and occupational safety and health seminars, to provide employees with comprehensive professional skills development and self-growth. In 2024, the company will provide irregular subsidies to employees for further education or to obtain professional certifications at home and abroad, continuously conducting talent development and management training to lay the foundation for future business expansion °

Educational training categories include both internal and external training, with courses divided by job function and professional field. For new partners joining the company, Group Up Industrial provides new employee training, with content covering a company overview, product introductions for different equipment models, an introduction to the company environment, welfare systems, work rules, and safety and hygiene.

The company values R&D and innovation and accumulates patent technology. Its R&D department relates to various external parties, such as the Industrial Technology Research Institute (ITRI) and the Metal Industries Research & Development Centre (MIRDC), and therefore regularly provides professional and the latest technical training.

Because frontline employees often assist customers in assembling machinery and equipment, they need to pay special attention to personal safety during high-altitude work above two meters, in confined spaces, in oxygen-deficient environments (such as nitrogen purging guns), or when

handling volatile organic solvents. Or when employees travel to different countries for customer machine installation and testing, they also need to be particularly careful about their personal safety. The company provides various explanations to guide employees in establishing a safety culture.

4.2.3 Employee Career Development and Counseling

For the career development of current employees, personalized career planning advice will be provided based on different professional backgrounds and functional characteristics. Through individualized and professional counseling, employees are assisted in examining their abilities and interests and exploring career development paths that align with their goals. In addition to providing career planning advice, relevant training courses and resources will also be offered to help employees continuously improve and pursue career growth. Furthermore, employee care programs will provide comprehensive support and care. A sound mind-body-spirit care system will be established, including psychological counseling services, health management guidance, and stress relief measures, to provide support and help to employees facing work pressure and life challenges.

4.2.4 Performance Appraisal

The company has established an employee performance appraisal method as the basis for fair and open promotions and salary increases. All full-time employees officially employed by Group Up Industrial in Taiwan are required to undergo a performance appraisal once a year. Appraisal results are submitted to the Human Resources department for archiving. The appraisal items vary for managerial and non-managerial positions:

- Managerial appraisal items primarily cover departmental strategic goal achievement and behavior/attitude.
- Non-managerial appraisal content includes professional ability, teamwork, work efficiency, work accuracy, work knowledge and ability, work attitude, interpersonal relationships, proactiveness and development potential, attendance, reward and punishment records, and assessment of previous appraisal status. The appraisal mechanism also distinguishes between managerial and non-managerial levels and is conducted in different phases by department. For new employees, Group Up Industrial's mid-to-high-level managers use daily work reports to understand the new employee's familiarity and understanding of their work status. An appraisal is conducted after the employee completes their three-month probationary period.

4.3. Sound Compensation and Benefits

The company is committed to providing employees in the Taoyuan area with stable and competitive compensation conditions. Employee salary levels are comprehensively determined based on their academic background, professional knowledge and skills, years of service, and individual performance. During the compensation determination and adjustment process, gender equality principles are also considered to ensure equal pay for equal work. The company annually adjusts compensation ratios and performance bonuses based on overall operational status, fluctuations in the consumer price index, and individual performance. Relevant information on salaries for full-time non-managerial employees is also disclosed simultaneously on the Market Observation Post System in accordance with regulatory requirements.

4.3.1 Sound Compensation and Benefits

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adjusts compensation ratios and performance bonuses based on overall operational status, fluctuations in the consumer price index, and individual performance. Relevant information on salaries for full-time non-managerial employees is also disclosed simultaneously on the Market Observation Post System (MOPS) in accordance with regulatory requirements.

Compensation Components: In addition to basic salary and the fundamental conditions stipulated by the Labor Standards Act, the various benefits for regular employees are as follows: Full Attendance Bonus、Holiday Bonuses (Three major festivals), Holiday Bonuses (Three major festivals), Performance Bonus, Birthday Gift, Marriage and Childbirth Gifts.

Male and Female Basic Salary and Compensation Ratios

Position	Item	2024 (Female: Male)
Fixed Salary	Senior Executives	0.49:1
	Managerial	0.84:1
	Non-managerial	0.79:1
Annual Salary	Senior Executives	0.47:1
	Managerial	0.81:1
	Non-managerial	0.76:1

Source: Group Up Industrial Co. Ltd.

Notes:

1. Fixed Salary: Basic salary + professional allowance + meal allowance + appraisal allowance (excluding variable bonuses).
2. Annual Salary: Basic salary + professional allowance + meal allowance + appraisal allowance + overtime pay + other bonuses.
3. Formula: Female average basic salary / Male average basic salary = Ratio presented as X:1.
4. Definition of Positions: Senior Executives: Managers; Managerial Positions: Section Chiefs, Team Leaders, Special Assistants, Assistant Managers, Managers, etc. (positions above Team Leader); Non-managerial Positions: Specialists and below.

4.3.2 Comprehensive Employee Benefits

To promote and enhance employee welfare, the company has established an "Employee Welfare Committee". This committee is composed of elected representatives from different departments and allocates employee welfare funds in accordance with the "Employee Welfare Fund Regulations" for various employee welfare matters. The Employee Welfare Committee regularly convenes meetings to plan and implement diversified welfare measures, such as subsidies for weddings, funerals, and major life events; distribution of holiday gifts; childbirth subsidies; hospitalization condolences; and major disaster assistance. Additionally, the annual year-end banquet is extended to include employees and their families free of charge, fostering joyous moments. The company also appropriately procures gift boxes produced by social welfare organizations for people with disabilities as holiday gifts, actively supporting social welfare.

The company has also established organizations such as the "Employee Retirement Fund Management Committee" and the "Labor Retirement Reserve Supervision Committee". These organizations involve representatives from both labor and management to jointly oversee and supervise employee retirement rights and welfare matters.

4.3.3 Health Care and Promotion

The company will provide regular employee health check-ups annually. We actively focus on employee physical and mental health. Compared to the basic items stipulated by general statutory labor medical examinations, the company proactively invests additional budget in health examinations, expanding the scope of checks to provide more comprehensive health assessments. This year's newly added health check items include **CT scans, abdominal and thyroid**

ultrasounds, colonoscopies, and gastroscopies. The introduction of these precise examinations helps employees detect potential health risks early, enhance health management awareness, and effectively prevent the occurrence of major diseases. The company will also arrange for a professional medical team to provide individualized health consultations after the checks, allowing employees to better understand their health status.

4.3.4 Parental Leave System

Given Taiwan's declining birth rate, the company is committed to promoting a reasonable balance between work and family life, providing a caring and respectful workplace environment. Adhering to the "Act of Gender Equality in Employment" and "Regulations for Implementing Parental Leave Without Pay," any employee who has been employed for six months or more can apply for parental leave without pay before their child turns three, with a maximum application period of two years. Before the parental leave period ends, the company will proactively contact the employee and properly arrange their return to work. Upon returning to work, relevant training courses will also be provided to assist employees in smoothly re-entering the workplace.

Parental Leave Status for 2024

Category	Male	Female	Total
Total eligible employees for parental leave in 2024 (A)	6	1	5
Total employees who applied for parental leave in 2024 (B)	1	0	1
Total employees expected to return from parental leave in 2024 (C)	1	0	1
Actual number of employees who returned from parental leave in 2024 (D)	1	0	1
Employees who returned from parental leave in 2023 (E)	0	1	1
Employees who returned from parental leave in 2023 and remained employed for 12 months (F)	0	1	1
Return Rate % (D/C)	100%	NA	100%
Retention Rate % (F/E)	NA	100%	100%

Source: Group Up Industrial Co. Ltd.

4.3.5 Diversified Benefits and Activities

- **Meal Benefits:** Provides meal allowances, sets up employee restaurants, and has vending machines within the factory area, to facilitate employees' dining needs.
- **Recreational Activities:** Regularly organizes year-end banquets, domestic and international employee trips, and factory anniversary family days to relieve employee work pressure and enhance camaraderie and family interaction.



Source: Group Up Industrial Co. Ltd.

4.4 Labor-Management Relations and Communication (Material Topic)

Material Topic Management Approach	
	•Objective and Goal: Group Up Industrial values labor rights and, to coordinate labor-management relations and improve work efficiency, the company's employees have not yet established a labor union and hold labor-management meetings in accordance with the law.
	•Positive and Negative Impacts: Positive Impact: Good labor-management relations and communication mechanisms can enhance employee satisfaction and loyalty, reduce the risk of labor disputes, and promote stable enterprise development. Negative Impact: A lack of talent cultivation and retention programs may lead to high employee turnover and increased operating costs.
	•Governance Structure: Management Department
	•Communication with Stakeholders: Representatives from both labor and management negotiate on various welfare systems and other matters. Labor-management meetings are held quarterly to serve as a platform for regular communication between both parties. When the business volume increases, in order to make flexible use of manpower, extended working hours can be set with the consent of employees and after approval by the labor-management meeting.

Labor-Management Meeting Discussion Items

Reporting Items	Labor force statistics, including number of laborers, changes in personnel, and turnover rates.
	Production information, such as business production plans, general business conditions, and market status.
	Labor activities, welfare programs, and improvements to the work environment
Discussion Item	Coordination of labor-management relations and promotion of labor-management cooperation.
	Planning of labor conditions and welfare, and improvement of work efficiency.
	Methods for selecting and dismissing labor-management representatives.
	Operation of labor-management meetings.

Source: Group Up Industrial Co. Ltd.

Employee Code of Conduct and Responsibilities

Group Up Industrial's key to market success primarily lies in satisfied customers and proactive employees. Every Group Up Industrial employee must adhere to the code of conduct, uphold professional ethics, maintain fairness, and comply with all regulations. The company's employees possess high capabilities and extensive professional knowledge, coupled with strong attention to social norms and ethical behavior, ensuring trust from partners, customers, regulatory authorities, and the public.

Currently, global electronics industry clients place high importance on the spirit of the Responsible Business Alliance (RBA). The company also responds to client audit requirements and maintains good interactions with clients. In response to the global emphasis on human rights, the company does not employ individuals under the age of 15

Laborers must also comply with safety and health work rules and accept safety and health education and training provided by Group Up Industrial that are necessary for their work and disaster prevention. Additionally, laborers must undergo necessary physical examinations and health checks to ensure workplace safety. When entering client factories to provide installation and testing services, they must also comply with factory regulations, wearing engineering safety helmets, safety belts, insulated gloves, protective gear, or cleanroom attire and shoes, as required.

During their work, Group Up Industrial employees, by directly engaging in technical and operational duties, may gain access to information such as mechanical equipment specifications, drawings, and trade secrets, and are obligated to maintain confidentiality. For example, they must comply with laws such as the Trade Secrets Act, Company Act, Fair Trade Act, and Civil Code,

and act with honesty and integrity regarding patent technology, cost analysis, product design drawings, advanced processes, production schedules, and client lists.

4.5 Occupational Safety and Health (Material Topic)

Material Topic Management Approach	
• Goals and Objectives:	Group Up Industrial values labor rights and, to coordinate labor-management relations and improve work efficiency, the company's employees have not yet established a labor union and hold labor-management meetings in accordance with the law
• Positive and Negative Impacts:	Positive Impact: A comprehensive occupational safety and health management can reduce work-related accidents, improve employee health and productivity, ensure compliance with regulations, and avoid penalties. Negative Impact: Poor occupational safety and health management may lead to increased risks of work injuries and occupational diseases, affecting employee health and increasing legal liabilities and fines.
• Governance Organization:	Management Department
• Management Measures:	Management measures encompass comprehensive policy formulation, systematic risk management, education and training for all employees, active health promotion, and health and safety requirements for supply chain partners, comprehensively safeguarding the safety and health of workers

4.5.1 Management Measures and Implementation

The company understands that healthy and happy employees lead to sustainable growth. To ensure the occupational safety and health of Group Up Industrial employees, we not only provide comprehensive safety and health education and training as required by law but also conduct on-the-job training multiple times based on the specific needs of different client factories, ensuring employees possess the necessary qualifications and safety awareness for on-site services. Furthermore, the company has a dedicated occupational safety and health management unit responsible for promoting and implementing relevant policies. We view occupational safety and health as one of the key indicators of operational performance and regularly review its implementation effectiveness to ensure the management system operates efficiently and continuously improves.

4.5.2 ISO 45001 Occupational Safety and Health Management System

In addition, the company has established an "ISO 45001 Occupational Safety and Health Management System" based on international standards and successfully passed third-party certification in December 2024. This system covers 100% of the company's full-time employees and all contractors operating within the workplace, with the internally formulated "Occupational Safety and Health Management Regulations" serving as the basis for implementation, ensuring that all activities are clearly guided.

To further implement and promote various occupational health and safety plans, Group Up Industrial has established an Occupational Safety and Health Committee in accordance with the law, holding regular quarterly meetings. This committee involves representatives from both labor and company management, primarily discussing and reviewing important topics such as the company's occupational safety and health policies, regulations, annual management plans, annual education and training implementation, employee health management, and occupational disease prevention.

4.5.3 Hazard Identification, Risk Assessment, and Incident Investigation

Systematic Risk Assessment and Control	● Regularly conduct safety and health status checks of the workplace in accordance with internal regulations such as the "Automatic Inspection Plan and Management Procedures" For operations identified as non-compliant with legal requirements
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	<p>or having higher hazard risks, immediate improvement will be required, or necessary operational control measures will be implemented. After completion of improvements, a comprehensive analysis of the improvement results will be conducted to ensure their effectiveness.</p> <ul style="list-style-type: none"> ● For the use of machinery, appliances, and equipment, strict adherence to the protection standards prescribed by the central competent authority is required, and the use of non-compliant equipment is prohibited to prevent potential hazards ● Implement pre-procurement safety and health assessments; for newly purchased machinery, equipment, chemicals, etc., safety and health requirements will be taken into consideration, and compliance with safety and health regulations will be confirmed before use to prevent hazards caused by design or manufacturing defects. ● For the procurement of gases and chemicals, suppliers are strictly required to provide the latest version of Safety Data Sheets (SDS), and all containers must display clear hazard pictograms in accordance with laws and the company's environmental, safety, and health control requirements. ● Implement standard operating procedures for change management to address potential safety and health impacts that may arise from changes in operations
Hazard Identification Management	<ul style="list-style-type: none"> ● All containers holding hazardous substances will be clearly labeled according to the classification and hazard pictograms specified in the "Regulations for Labeling and Communication of Dangerous and Hazardous Substances," primarily in Chinese, supplemented by foreign languages, if necessary, to facilitate identification by all employees ● The company provides Safety Data Sheets (SDS) to all workers who may encounter hazardous substances, reviews the accuracy of their content as actual conditions dictate, and updates them as needed, with related update records kept for at least three years to ensure timely and accurate information. ● Formulate and implement a "Hazard Communication Plan," with execution records kept for at least three years. The plan includes creating a list of hazardous substances, developing SDS-related information, conducting relevant education and training, and requiring contractors entering the plant to comply with relevant regulations, thereby establishing a comprehensive hazard information transmission and management mechanism
Work Environment Monitoring	<p>In accordance with Article 12 of the "Occupational Safety and Health Act," work environment monitoring should be implemented for workplaces designated by the central competent authority. Inspection items and deadlines are handled according to the "Regulations for the Implementation of Labor Environment Monitoring" to ensure that the work environment meets safety and health standards.</p>

Standard Operating Procedures and Safety Rules	Require personnel in all applicable workplaces to strictly follow the applicable standard operating procedures and safety and health work rules. By standardizing work processes and strengthening safe behavior, accidents caused by improper operations can be effectively avoided, and workplace safety can be jointly maintained.
Emergency Response and Incident Investigation	<ul style="list-style-type: none"> ● Incident Reporting and Handling: For any disasters occurring within the plant area involving company employees, contractors, equipment suppliers, general suppliers, or visitors, as well as injuries or major occupational accidents involving company employees during commuting or business trips, the handling process is immediately initiated in accordance with the company's procedure document, "Safety and Health Incident Investigation Management Regulations" ● Professional Incident Investigation and Improvement: After an incident occurs, an in-depth incident investigation will be conducted, covering root cause analysis, responsibility clarification, and the formulation of improvement measures, which will be strictly enforced. The company will continuously track the effectiveness of improvements to ensure that the root causes are resolved, and the investigation results will serve as an important reference for future preventive measures.

Source: Group Up Industrial Co. Ltd.

4.5.4 Occupational Accident Prevention

Group Up Industrial defines occupational accidents in accordance with Article 6 of the "Enforcement Rules of the Occupational Safety and Health Act," which refers to "any event arising from work activities, or necessary and incidental actions related to labor, that has a significant causal relationship with occupational activities". The company is committed to minimizing the incidence of occupational accidents through proactive prevention and stringent management, thereby safeguarding the health and safety of its employees.

The plant is equipped with fixed cranes and forklifts, and the company requires all operating personnel to obtain qualified operating licenses. Operators are also required to regularly undergo refresher training organized by government-approved units to ensure their operating skills and safety knowledge comply with the latest regulations. In addition, all personnel must wear appropriate safety protective equipment as required when operating relevant equipment.

Severity Rate (SR): This is calculated as $(\text{Total lost workdays} \times 1,000,000) \div \text{Total hours worked}$.

- The total number of lost workdays for disabling injuries was 0.
- For 2024, the calculation is $(0 \times 1,000,000) \div \text{Total hours worked} = 0$
- Frequency Rate (FR) = $(\text{Total number of lost-time injuries} \times 1,000,000) \div \text{Total hours worked}$
= $(0 \times 1,000,000) \div (244 \text{ employees} \times 8 \text{ hours/day} \times 252 \text{ day}) = 0$
- Severity Rate (SR): This is calculated as $(\text{Total lost workdays} \times 1,000,000) \div \text{Total hours worked}$.
- The total number of lost workdays for disabling injuries was 0.
- For 2024, the calculation is $(0 \times 1,000,000) \div \text{Total hours worked} = 0$
- Occupational Disease Rate (ODR) = 0

Throughout 2024, the company maintained an excellent record of 0 across all occupational accident indicators, including injury rate (FR), occupational disease rate (ODR), and lost workday rate (SR). This demonstrates the effectiveness of the company's occupational safety and health management system and the collective efforts of all employees

For occasional minor traffic incidents involving employees during their commute to and from work, the company ensures that company vehicles are adequately insured. Additionally, the plant manager utilizes weekly morning meetings to reinforce safe driving habits among employees, reminding them to pay attention to traffic safety and oncoming vehicles at intersections, continuously enhancing their traffic safety awareness

The company also follows the spirit of the "Labor Standards Act" regarding the recognition of occupational accidents, which mainly considers the employer's compensation liability. This scope includes injuries and illnesses resulting from performing duties, as well as commuting accidents under specific conditions.

Note: Definition and Scope of Occupational Accidents in the Report:

The term "occupational accident" in this report primarily adheres to the statutory definition from the "Occupational Safety and Health Act" and its enforcement rules. This focuses on injuries or illnesses caused by hazardous conditions or job activities within the employer's controllable and managed workplaces (including internal company premises and locations for official assignments or business trips). The aim is to prevent such incidents through systematic management.

4.5.5 Employee Health Management

The company formulates and implements a "Labor Health Protection Plan" in accordance with the "Occupational Safety and Health Act," actively promoting various employee health protection and promotion measures.

Specific Health Hazard Prevention

- Promote human factors hazard prevention programs to prevent musculoskeletal disorders in the workplace caused by improper working postures or repetitive movements.
- Implement a prevention program for diseases induced by abnormal work loads, focusing on situations such as prolonged working hours, shift work, night work, and high-stress levels, to prevent employees' health from being affected by overwork
- Prevent illegal infringements in the workplace, including verbal, physical, and psychological violence, as well as sexual harassment incidents.
- Implement a maternal health protection program, providing individualized health protection for female employees who are planning to conceive, are pregnant, are within one year postpartum, or are breastfeeding, to prevent workplace hazards from affecting the health of

both mother and infant

Health Check-ups and Consultation

- Regularly provide health check-ups for employees. This year, compared to the basic items mandated by general statutory labor health examinations, the company proactively increased its health check-up budget to expand the scope of examinations, offering a more comprehensive health assessment. Newly added check-up items this year include CT scans, abdominal and thyroid ultrasound examinations, colonoscopies, and gastroscopies. Special health check-ups are continuously provided for employees engaged in high-risk operations, with health grading management and follow-up based on the results
- Continuously provide special health check-ups for employees engaged in high-risk operations, with health grading management and follow-up based on the results
- Irregularly arrange for occupational nurses or contracted in-plant physicians to be stationed at the factory each month, providing employees with professional physical and mental health consultation and assistance programs.

Health Promotion Activities

- Regularly provide employees with health education information, such as the "Master 5 Moves, Easily Prevent Metabolic Syndrome!" health seminar organized by the Management Department on November 15, 2024, to help employees adopt a healthy lifestyle and mitigate the risk of chronic diseases like metabolic syndrome
- Continuously conduct environmental sanitation and disinfection operations in the factory area, and coordinate with the government's announcements of major epidemics to carry out relevant epidemic prevention awareness campaigns

Workplace Health Service Content Report

The company adheres to the Occupational Safety and Health Act and the Labor Health Protection Regulations, partnering with an occupational safety and health consulting service institution approved by the Ministry of Labor for labor health consulting services. It strictly safeguards the confidentiality of employee health information, providing the on-site health services for employees as described in the following table

	Work Item	Status Description	Recommendations
1	Employee Physical (Health) Examination Results, Analysis, and Management Measures	For 2024, health examination grading was: Level 1: 9 people, Level 2: 103 people, Level 3: 79 people, Level 4: 22 people. Interviews have been completed for 23 people in Level 3 and 4, achieving a 23% completion rate	The 2024 health examinations were completed by the end of October. Consultations began in December, and remaining consultations are scheduled to be completed by the first half of 2025
2	Job Placement, Occupational Injury/Disease Prevention, Case Management, and Programs	0 occupational injuries/diseases in 2024 0 rehabilitated workers in 2024	There were no work-related injuries this year. If there are any, a return-to-work meeting should be conducted before resuming work to protect employee rights
3	Health Protection Plan for Workers Under 18 and Middle-to-Older Aged Workers	1.The protection plan for workers under 18 does not include personnel of this age, so it is not listed in the annual plan 2.The health protection	Based on the 2025 labor health service schedule, a suitable work protection plan for middle-to-older aged workers will be formulated

		plan for middle-to-older aged workers has not yet been revised or implemented	
4	Workplace Maternal Health Protection Plan	This year, there is 1 protected person under maternal health protection (pregnancy)	Revise the plan and relevant forms based on the updated third edition of the "Workplace Maternal Health Protection Technical Guidelines" dated May 23, 2025
5	Prevention of Diseases Induced by Abnormal Workloads	In 2024, for the prevention of diseases induced by abnormal workloads such as shift work, night work, and prolonged working hours; a total of 19 people were identified for recommendations and interviews after analysis	Expected to be completed by the first half of 2025
6	Workplace Illegal Infringement Prevention	1. In 2024, self-assessment checklists for supervisor levels have been completed 2. In 2024, workplace illegal infringement prevention - hazard identification and risk assessment has been implemented 3. In 2024, workplace illegal infringement prevention - hazard identification and risk assessment has been implemented	Workplace illegal infringement prevention plan - hazard prevention and communication skills related courses, it is recommended to outsource to external organizations
7	Ergonomic Hazard Prevention	In 2024, a musculoskeletal symptom survey was conducted for 243 employees, defining suspected hazard cases as experiencing fatigue, soreness, numbness, or tingling for more than 2 weeks in the past year, with any body part scoring 3 points or higher, and symptoms lasting for more than six months. After screening, 9 people were identified as suspected hazard cases, and 1 person completed an interview	The 2024 ergonomic hazard prevention assessment (NMQ form) was conducted in November, with subsequent interviews ongoing and expected to be completed by the first half of 2025
8	First Aid Response Plan	First aid kit management in 2024: checking whether contents are compliant and	According to Article 15, Paragraph 3 of the Labor Health Protection Regulations: First aid

		confirming if any items are expired	medicines and equipment specified in Paragraph 1 shall be placed in appropriate fixed locations and kept clean, inspected at least every six months, and contaminated or expired items shall be replaced and replenished promptly
9	Health Education and Hygiene Guidance & Health Promotion	1. In 2024, 15 health promotion materials were produced 2. In 2024, 1 illegal infringement prevention education material was produced.	Regular announcements of monthly on-site medical and nursing staff service hours can be made
10	mental health management	In 2024, employees will make an appointment for health consultation on their own for 2 people	Can regularly announce the monthly service hours of on-site medical staff in the factory

Source: Group Up Industrial Co. Ltd.

Occupational Safety and Health Education and Training

To enhance employees' safety and health awareness and response capabilities, the company conducts and effectively implements various education and training programs in accordance with the "Occupational Safety and Health Act" and the "Occupational Safety and Health Education and Training Regulations:

- All new hires must receive at least three hours of general safety and health education and training upon reporting for duty. The training hours are planned based on the specific high-risk operations (e.g., operating production machinery, handling hazardous and harmful substances) that new hires may undertake. This includes basic training as stipulated by the "Occupational Safety and Health Education and Training Regulations" and additional hours, aiming to provide a more solid foundation of safety knowledge and skills [i]. Course content includes an overview of occupational safety and health laws, occupational safety and health concepts and work rules, pre/during/post-operation self-inspections, standard operating procedures, emergency incident response, fire safety and first aid knowledge and drills, etc.

- In addition to general safety and health education and training, for personnel in specific roles such as engineering and machinery operation, as well as other new hires who may be involved in higher-risk operations like operating production machinery or handling hazardous and harmful substances, the company will provide additional professional safety and health education and training hours based on their job nature and hazard risks, to deepen their specialized knowledge and safe operating skills. For personnel operating hazardous machinery or equipment (e.g., cranes), managing hazardous substance operations, or engaged in other special operations, we strictly require them to obtain qualified licenses issued by government-approved training institutions. Concurrently, the company also tracks the validity of these licenses and arranges for regular refresher training to ensure that their professional skills and safety knowledge continuously meet the latest standards.

1 Emergency Response Preparedness and Fire Safety

To ensure a rapid and effective response to emergencies, minimizing casualties and property loss, the company has established a comprehensive emergency response mechanism.

- Emergency Drills: At least once every six months, a comprehensive factory-wide emergency response and evacuation drill is conducted to enhance employees' response, notification, and escape capabilities.

- Fire Safety Facilities and Management:

- ✓ The factory premises are equipped with sufficient and legally compliant fire safety equipment, including guard rooms, access control systems, various types of dry powder fire extinguishers, fire hydrants, foam fire suppression systems, automatic fire alarm systems, emergency broadcasting equipment, exit direction signs, evacuation apparatus, emergency lighting, etc.
- ✓ Monthly maintenance is performed on important facilities such as elevators.
- ✓ In addition to regular inspections by the fire authorities, qualified employees are assigned to obtain fire safety manager licenses, responsible for the daily maintenance and management of fire safety equipment and regularly planning and conducting fire drills.

2 Contractor Safety and Health Management

The company strictly adheres to the relevant provisions of the "Occupational Safety and Health Act" and has established comprehensive contractor management regulations [i]. We require all contractors and their dispatched personnel to fully comply with the company's safety and health regulations and various operational standards when working on the factory premises, to ensure a safe working environment and effectively prevent disasters caused by improper contractor operations.

3 Employee Dormitory Management

The company is committed to providing employees with a safe, healthy, and comfortable living environment, safeguarding the well-being of resident employees through proactive management and care measures

• Fire Safety and Residential Assurance

All foreign migrant worker dormitories have regularly passed fire safety inspections and reviews, fully complying with strict requirements for fire safety equipment in terms of extinguishing apparatus, evacuation and escape devices, fire signs, emergency lighting equipment, and automatic fire alarm systems

• Life Care and Safety Patrols

To ensure that foreign employees have a suitable and secure living environment, the company irregularly dispatches personnel to provide care regarding their daily living conditions and conducts strict dormitory safety patrols. The patrol content is not limited to hardware safety but also covers the cleanliness of the living environment, the integrity of facilities, and the overall quality of life.

4.6. Focusing on Human Rights Issues and Related Measures

4.6.1 Human rights policy

Group Up Industrial adheres to internationally recognized human rights norms, including international labor conventions and the Responsible Business Alliance (RBA) Code of Conduct, and is committed to complying with relevant domestic labor laws. This commitment covers all employees and extends to value chain partners, with the human rights policy clearly defined in the company's "Sustainable Development Best Practice Principles". All employees and stakeholders are required to comply with these principles.

- **Prohibition of Discrimination and Harassment:** Group Up Industrial is committed to providing an equal, respectful, and harassment-free work environment, free from any form of discrimination (including race, class, language, ideology, religion, political affiliation, origin, gender, marital status, appearance, sexual orientation, age, disability, etc.) and harassment (including sexual harassment and workplace violence).
- **Prohibition of Child Labor and Forced Labor:** Strictly prohibits any form of child labor and forced labor.
- **Freedom of Association:** Guarantees employees' right to lawful assembly and association.
- **Safe and Healthy Working Environment:** Committed to providing safe and healthy working conditions to prevent occupational injuries and illnesses.

Group Up Industrial addresses human rights issues that its employees, suppliers, customers, and other stakeholder groups may face, and proposes relevant measures to ensure a more comprehensive implementation of corporate responsibility.

1. Employee Rights Protection and Workplace Friendliness

Equal Employment and Non-Discrimination: The company adheres to the principles of meritocracy and equal opportunity in all aspects of talent recruitment, appointment, promotion, training, and compensation. All recruitment information is public and transparent, without any discriminatory language or conditions, and candidates are objectively evaluated based on their professional abilities and job requirements.

2. Gender Equality and Maternity Protection : We are committed to creating a gender-friendly work environment. The factory area has a designated mother-and-child room for breastfeeding, ensuring the privacy of female employees and meeting their childcare needs. At the same time, we strictly comply with the "Act of Gender Equality in Employment" and provide employees with maternity leave, paternity and accompanying paternity leave, parental leave without pay, and other related holidays and rights in accordance with the law.

3. Prevention of Workplace Harassment : The company has established internal "Measures for the Prevention, Complaints, and Disciplinary Actions for Sexual Harassment" and created open complaint channels. We regularly promote the concept of preventing sexual harassment to employees, for example, by conducting campaigns during weekly all-staff meetings and posting anti-harassment signs on bulletin boards. If a complaint is filed, the Sexual Harassment Complaint Handling Committee will be activated in accordance with internal procedures to conduct a confidential, fair, and objective investigation and handling, effectively protecting the rights of the victim and imposing appropriate penalties on the perpetrator.

3. Ensuring Reasonable Working Hours for Employees : The company strictly complies with the "Labor Standards Act" regarding working hours, ensuring that employees' regular working hours do not exceed 8 hours per day. If employees need to work overtime due to business needs, they must apply through legal procedures and are given overtime pay or compensatory leave in accordance with the law.

4. Safeguarding Freedom of Association : The company respects and grants every employee equal freedom of assembly and association. We encourage employees to participate in health and leisure activities during their free time, such as joining employee-initiated health clubs, and they can use the leisure room provided by the company for group exercise after work. This not only promotes physical health but also helps to relax the mind, further promoting a balance between work and

life.

5. Supply Chain Human Rights Management

Suppliers are required to comply with human rights items, including attention to employee occupational health and safety, working hours management, freedom of choice in employment, and wages and benefits. Through the signing of the "Supplier Corporate Social Responsibility Commitment Letter," suppliers are required to implement improvement measures for human rights risks, and the progress of these improvements is continuously tracked.

6. Customer Rights

The company's external promotional materials, press releases, and statements are free of any discriminatory language. We adhere to the principle of fair treatment for every customer, publishing open and transparent information on the company's website for customers to access and use through various channels. Furthermore, adhering to the principle of "customer-first," a dedicated team promptly responds to all customer issues, ensuring that customer rights are fully protected.

Our company has established diverse internal and external communication and complaint channels for employees, suppliers, customers, and other stakeholders to file complaints or raise concerns regarding any suspected violation of human rights or the company's policies. All complaints are investigated and handled in a confidential and fair manner, and appropriate corrective and preventive measures are taken. The company continuously reviews and improves its human rights protection efforts.

5 Social Impact

5.1 Social Inclusion Philosophy

Group up Industrial is deeply rooted in Yangmei, Taoyuan, and is aware of the importance of creating corporate social value and local prosperity. We are not only dedicated to creating economic value but also view giving back to society as a responsibility, following the philosophy of 'taking from society, using for society' by investing corporate resources in various public welfare activities. We contribute to enhancing social well-being and actively promote the comprehensive development of the community by supporting local development, caring for disadvantaged community members, and encouraging employees to participate in social services, all while actively responding to the United Nations Sustainable Development Goals (SDGs). We strive to become good partners in the community. We hope to exert a positive influence, co-exist and prosper with all stakeholders, and demonstrate our corporate commitment and contribution to social well-being.

SDGs	Content	Action
4 Quality Education	1.Increase the next generation's awareness of environmental issues and cultivate future talent. 2. Through corporate visits, internship programs, etc., increase industry-academia exchanges and cultivate future industry talent.	1. Participated in 1 environmental education corporate volunteer project. 2. A total of 10 schools and hundreds of students participated in corporate visits and practical exchanges.
10 Reduced Inequalities	The company is committed to creating a diverse and inclusive workplace. In 2024, the company employed a total of 44 excellent colleagues from Vietnam, the Philippines, Thailand, accounting for approximately 18% of the total workforce.	1.To ensure unobstructed information dissemination, the company provides multilingual translations for important meetings (such as weekly morning meetings) and bulletin board information. 2.All foreign colleagues enjoy the same fair treatment in company benefits as local colleagues.
1 No Poverty 11 Sustainable Cities and Communities	1.Starting from caring for vulnerable groups, planning and implementing donation programs to strengthen ties with the community 2.To maintain the local and surrounding natural environment, employees and their families are mobilized to participate in beach cleanup activities	1.Donating necessary supplies and financial support to local disadvantaged groups (e.g., orphanages, long-term care centers) to actively support childcare and elder care in the community, fulfilling the commitment to good neighborliness 2.In 2024, more than 50 colleagues responded to the call to participate in the Taoyuan Guanyin coast cleanup activity, organized jointly by employees and their families
8 Decent Work and Economic Growth	Employing Local Staff	As of the end of 2024, among all company employees, a total of 205 employees are registered in Taoyuan City, accounting for 84% of the total workforce

Source: Group Up Industrial Co. Ltd.

Overview of Social Welfare Engagement

	Donation Recipient	Donation Amount
1	Donation to Shangtian Village Our Lady Procession Committee	6,000
2	Taoyuan City Industrial Association Enterprise Management Club	5,000
3	Spinal Cord Injury Potential Development Center	10,000
4	Yude Children's Home	10,000
5	Taoyuan Ren-ai Home	12,200
6	Donation to Love Social Welfare Foundation	10,000
7	Taoyuan Enterprise Federation	250,000
	Total Donation	NTD\$ 303,200

Source: Group Up Industrial Co. Ltd.



Source: Group Up Industrial Co. Ltd

Localization of Talent Employment

Our company adheres to the principles of fairness and transparency in talent recruitment. When applicants possess the same or similar professional abilities and qualifications, we prioritize hiring residents registered in the locality of our operations (Taoyuan City) and its surrounding areas. The policy is as follows:

- **Localization Employment Policy:** We view local employment as a long-term human resource strategy. We actively expand local talent recruitment channels through cooperation with local governments, participation in local campus recruitment events, and encouraging internal employees to recommend local relatives and friends.
- **2024 Local Employee Overview:** As of the end of 2024, among all company employees, a total of 205 employees is registered in Taoyuan City, accounting for 84% of the total workforce
- **Local Senior Management Ratio:** To promote localized management and deepen ties with the community, the company also emphasizes the promotion and employment of local management talent. As of the end of 2024, the proportion of senior executives hired from the local community (Taoyuan City) is 57%.

Note: Senior executives are defined as the company's managers.

Community Engagement and Impact Assessment

To promptly understand the development of its operating locations and issues of common concern to the community, the company actively participates in important local industrial and commercial organizations. It regularly participates as a member of the Taoyuan City Industrial Association, Yangmei Youth Expanded Industrial Zone Manufacturers' Association, and Taoyuan Enterprise Federation, and designates representatives to regularly attend their meetings. This allows for exchange and dialogue on public issues such as industrial development, infrastructure, environmental protection, and transportation, enabling a deeper understanding of community expectations and needs.

Environmental engagement

Group up Industrial is committed to the protection and sustainable development of the natural environment, and it continues to hold beach cleanup events annually, inviting employees, their families, and supplier partners to participate. In 2024, one beach cleanup event was held with over 50 participants, who collected approximately 337.5 kg of general waste and 34.5 kg of recyclables, collectively contributing to the improvement of the coastal environment.

In addition, Group up Industrial has long supported the Taiwan Printed Circuit Board Environmental Education Foundation (TPCF), serving as a partner for the foundation's corporate volunteer actions for many consecutive years. In 2024, the company participated in one corporate environmental volunteer event, with a curriculum that extended into a local elementary school to help promote marine environmental education. This initiative responds to the United Nations Sustainable Development Goal (SDGs) 14, "Life Below Water," by guiding students to learn basic marine literacy, with the hope of cultivating the next generation's awareness and emphasis on environmental protection from a young age.



Source: Group Up Industrial Co. Ltd

5.2 Industry-Academia Collaboration

With the decreasing birth rate in Taiwanese society and fluctuations in the labor force in Taoyuan, the concern about labor shortages is growing. The recruitment of talent for hardware equipment poses challenges due to its high difficulty and technical nature, which must be addressed. To expand talent acquisition channels, we have adopted industry-academia collaboration with universities as our development direction. We have been visiting various university departments to discuss possible collaboration models, such as campus ambassadors, internship programs, and industry-academia partnerships. Furthermore, we have met with professors from different departments to exchange ideas on professional human resource development, hoping to enhance our corporate brand image



Source: Group Up Industrial Co. Ltd

Receiving Industry-Academia Collaboration Visits

Month	industry-academia	Partner	Description
January	Departmental Consultation	Institute of Human Resource Management, National Central University	Visited the institute for consultation and exchanged views on human resource topics.
February	Physical Survey	National Yunlin University of Science and Technology	The company cooperates with the university's teaching program to promote scientific and technological academic research, hoping to enhance teaching quality and make academic learning more practical. By doing so, it can train professionals needed by the industry. This is also a continuation of the company's commitment to business and talent development goals.
February	Physical Survey	College of Commerce, National Chengchi University	To understand the global trend of green and sustainable development, the company invited the professor to conduct an ESG transformation survey for Taiwan's listed and OTC companies. It is hoped that through this questionnaire, we can understand the status of ESG implementation by companies in environmental protection, social responsibility, and corporate governance.
March	Model Entrepreneur	Department of Business Administration, National Central University	The company chairman delivered a speech as a model entrepreneur and visited the chairman's office.
April	Departmental Visit	Department of Business Administration, National Central University	Visited by professor and students.
May	Teaching Observation	New Taipei Municipal Xintai Junior High School	"Life-in-Tech Exploration Course": We assisted in promoting digital energy for sustainable development. We went to a local elementary school to help promote the marine environmental education curriculum, echoing the United Nations Sustainable Development Goal 14 (Life Below Water). We hope to cultivate the next generation's awareness and attention to environmental protection from a young age.
May	Environmental Education	Taoyuan Municipal Tangtou Elementary School	The Taiwan Printed Circuit Board Environmental Education Foundation (TPCF) is dedicated to environmental education activities in schools. In May, they entered a local elementary school to share a marine environmental education course.
May	Department Visit	Chihlee University of Technology	Visited by teachers and students for consultation.
September	Departmental Consultation	Department of Mechanical Engineering,	Visited the department for consultation and exchanged views on the latest

		National Central University	mechanical engineering topics.
September	Academic Exchange	Sustainable and Green Energy Technology Research Institute, National Central University	We encourage our colleagues to read and study. With the guidance of the professor, we have a deeper connection with our colleagues. We are committed to fostering deep connections with people in academia.
October	Exhibition Exchange	Taipei Municipal Neihsu Senior High School AI Technology Class	We received a call from the Taiwan Printed Circuit Association (TPCA) Foundation to participate in the TPCA Show, encouraging students to enter the electronics industry. We shared information about the factory's cutting-edge electronic equipment and the latest developments in the field.
November	Campus Recruitment	Yuan Ze University	Yuan Ze University's Department of Education has long promoted campus activities. The school has been selected as the labor force development agency to establish the ESG talent and skills training program. The company was invited to deliver a speech and share the "ESG Sustainable Development Report." We represent the company's current ESG implementation and conduct on-site interviews.
November	Campus Speech	National Taiwan University of Science and Technology	This lecture was part of a required course on "Management and Corporate Governance." More than 60 students from various departments, including industrial management, finance, and business management, participated. The company's representative shared experiences and discussed the issue of corporate management and sustainable development.
December	Site Filming	National Taipei University	A group of students from National Taipei University came to film a video. They focused on the machines and equipment in the factory. The filming took about four hours, and we interviewed about 20 students.
Jan-Dec	Consulting Services	Student Affairs Office, National Central University	Group Up Industrial's employees volunteer to become mentors. They regularly mentor students from National Central University's Department of Chinese Literature, one-on-one, and provide consultations.

Source: Group Up Industrial Co. Ltd.

6 Environmental Sustainability

6.1 Greenhouse Gas Emission Management (Material Topic)

Climate change is a significant global challenge, posing potential risks to corporate operations while also presenting opportunities for transformation. The Company considers greenhouse gas emission management as the foundation for corporate sustainable development, aligning with national net-zero emission goals. Thus, it has designated greenhouse gas emission management as a material topic, actively formulating and implementing relevant policies and actions to address the global trend of net-zero transition.

Material Topic Management Approach	
•Commitment and Goals: The Company aligns with national net-zero goals and its operational characteristics, categorizing its objectives into short-term, medium-term, and long-term phases: 1. Short-term: Enhance the proportion of self-generated green electricity through the installation of rooftop solar power systems, thereby reducing carbon emissions. 2. Medium-term: Consider procuring green electricity externally to gradually increase the proportion of renewable energy usage year by year. 3. Long-term: Achieve net-zero emissions by 2050.	
• Positive and Negative Impacts: Positive: Effective greenhouse gas management, through enhanced energy efficiency and the application of renewable energy, reduces carbon emissions and demonstrates the Company's commitment to sustainable development. Negative: Failure to improve energy efficiency or transition energy structures may result in high carbon taxes and impact on the trust of customers and investors.	
•Governance Organization: ESG Team	
•Management Actions: 1. Replace outdated equipment and optimize manufacturing processes to reduce energy waste. 2. Continuously conduct greenhouse gas inventories in accordance with ISO 14064-1 or regulatory standards. 3. Continuously promote greenhouse gas reduction measures 4. Regularly assess key climate opportunities and establish response measures and management objectives in accordance with the TCFD framework.	

6.1.1 Greenhouse Gas Inventory

The Company has adopted the ISO 14064-1 Greenhouse Gas Inventory Management System, which includes boundary setting (currently covering only the Yangmei headquarters, with gradual inclusion of subsidiaries in the future), identification of emission sources, data collection, quantification, report writing, and internal audits. To further enhance the credibility of information, the Company plans to complete the third-party verification of its greenhouse gas inventory in 2025, increasing the reliability of inventory data.

Source: Group Up Industrial Co. Ltd.

Type of Emission Source		Emissions(ton)	Total Emissions(ton)
Category 1	Stationary	0.2790	146.1281
	Mobile	56.1738	
	Process	0.2002	
	Fugitive	89.4750	
Category 2	Electricity purchased	437.0034	437.0034
Category 3	Employee Commuting, (Note 1)	107.2082	248.1495
	Employee Business Travel (Note 2)	140.9413	
Category 4	Upstream Transmission & Distribution	86.0738	184.3124
	Upstream Transmission	14.4654	

	& Distribution		
	Purchased Printing Paper	4.3087	
	Purchased Tap Water	1.2723	
	Leased Employee Dormitory (Water, Electricity)	56.0571	
	General Business Waste (Incineration + Transportation)	6.4076	
	Recycled Waste (Paper) + Transportation	7.7995	
	Recycled Waste (Cans) + Transportation	7.9281	
Total Emissions			1015.5934
Total Emissions Intensity (Category 1 + Category 2) (tonnes CO ₂ e/NT\$ million)			0.23

Note 1: Employee commuting includes cars, motorcycles, and Taiwan Railways.

Note 2: Employee business travel includes airplanes and Taiwan High-Speed Rail.

Note 3: The 2023 greenhouse gas emissions were calculated using the control-based method. The emission factors were referenced from the Greenhouse Gas Emissions Factor Management Office 6.0.4, and GWP values were from the IPCC Sixth Assessment Report.

Note 4: The scope of the greenhouse gas inventory includes four types of greenhouse gases: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and hydrofluorocarbons (HFCs).

Note 5: Group Up Industrial conducted small-scale greenhouse gas inventories internally from 2020 to 2022, but due to difficulties in data collection and loss of past data, the data representativeness was low. It was not until 2023 that the Company participated in the Ministry of Economic Affairs' "Net-Zero Transition Promotion Plan for the Manufacturing Sector" (1+N model), where a professional consulting team guided the identification of corporate greenhouse gas emission sources and assisted in the inventory, finally calculating Scope 1 to Scope 3 carbon emissions for that year. Therefore, emission intensity is only compared up to 2023.

6.2 Energy Management



6.2.1 Solar Power Generation

The Company actively responds to the global net-zero emission trend and deeply understands that purchased electricity is the primary source of carbon emissions. To effectively reduce carbon emissions from electricity, use and increase the proportion of renewable energy, the Company actively promotes the construction of solar power generation systems in its factory area, demonstrating its commitment to energy transition through practical actions

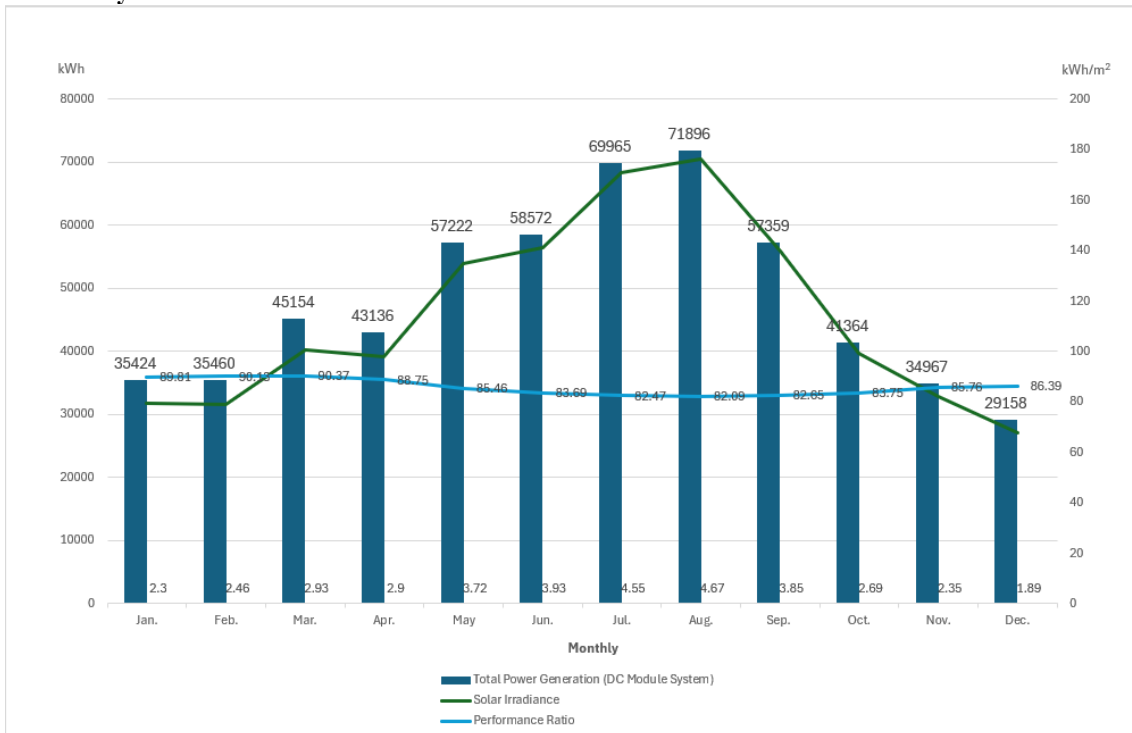
The first phase of solar power generation equipment was officially completed in 2023, with an installed capacity of 496.54 kilowatts (kWp). This phase of power generation equipment fully adopts the Taiwan Power Company's (TPC) feed-in tariff model, connecting the generated green electricity to the national grid and contributing to national renewable energy development goals. In 2024, the total annual electricity generation reached 579,676 kWh, becoming an important part of supporting regional energy transition and demonstrating the Company's commitment to environmental sustainability.

Considering the need to strengthen the Company's operational electricity and further reduce carbon emissions from purchased electricity, the Company actively planned and constructed the second phase of solar engineering. This project was completed and launched in April 2025, and will fully adopt a self-consumption model, directly supplying the electricity needed for the factory's operations, increasing the proportion of green energy in the Company's operations, and moving towards a low-carbon transition goal.

Source: Group Up Industrial Co. Ltd.

The first phase of solar power generation equipment	The second phase of solar power generation equipment
	

Monthly Solar Power Generation




Source: Group Up Industrial Co. Ltd.

6.3Water Resource Management

Group Up Industrial is a machinery equipment manufacturing industry, where the manufacturing process mainly involves component assembly and does not involve actual process water use (only a brief use of cooling water during equipment pre-shipment testing). Overall operational activities do not involve process-type water pollution sources, and the factory primarily uses water for office purposes. The water source is from the tap water company, with no use of groundwater, so there is no negative impact on water sources, and related disposal methods comply with water pollution control laws and other relevant regulations.

In addition, the Company has a rainwater harvesting system, where collected rainwater is primarily used for cleaning external areas and irrigation, replacing part of the tap water usage and reducing daily water demand. Although not included in the total water consumption statistics, the Company still incorporates it into its water resource self-management and tracks it through simple estimations and internal water saving inventories.

Rainwater Storage and Recycling Device



The Company has a rainwater storage and recycling device. After simple filtration to remove impurities and settling, the collected rainwater can be used for toilet flushing, irrigation, and gardening, reducing tap water usage and promoting water resource reuse.

Source: Group Up Industrial Co. Ltd.

The Company has a rainwater storage and recycling device. After simple filtration to remove impurities and settling, the collected rainwater can be used for toilet flushing, irrigation, and gardening, reducing tap water usage and promoting water resource reuse.

Water Intensity

In terms of water conservation, Group Up Industrial actively promotes water conservation and uses water-saving faucets to reduce water consumption, continuously striving to protect environmental resources. The water intensity was 16.58 (m³/person) in 2023 and 23.55 (m³/person) in 2024, an increase of 6.97% from the previous year. The increase in water usage was mainly due to a burst of the main water pipe inside the factory area at the end of that year, leading to a short-term surge in water consumption for emergency repairs and drainage, which was not a normal operational state. Repairs have now been completed, and the risk of aging pipelines in the factory area has been re-evaluated and will be included in equipment inventory and preventive maintenance plans to avoid similar incidents in the future and continuously stabilize water-saving performance.

Year	2023	2024
Water consumption (m ³)	4262	5746
Water Intensity (m3/ Number of people)	16.58	23.55

Source: Group Up Industrial Co. Ltd.

Note 1: Water consumption data source is water bills.

Note 2: The number of people using water in 2023 and 2024 was 257 and 244, respectively.

6.4 Waste Management

Group Up Industrial primarily assembles and tests mechanical equipment. During the manufacturing process, it does not involve a large amount of material processing or the use of highly polluting raw materials. All waste generated is non-hazardous industrial waste, mainly including waste metals (aluminum, stainless steel), electronic components, wastepaper, and general waste. All waste is entrusted to qualified clearing and processing contractors to ensure that waste disposal processes comply with legal requirements and maximize their reuse value.

◦ In this reporting year, the total weight of recyclable waste processed included 21.6 metric tons of wastepaper, 31.575 metric tons of scrap iron, and 6.46 metric tons of scrap aluminum, totaling 59.635 metric tons. This is the highest amount in recent years, demonstrating the effectiveness of continuously incorporating reusable materials into the circular economy and fulfilling corporate responsibility for environmental protection and resource efficiency.

Within the factory offices, the Company continues to promote household waste sorting and reduction measures, completing the first half of the year's resource recycling statistics. It was found that the total weight of recycled iron/aluminum cans, plastic bottles, and paper was approximately 1.51 metric tons, and approximately 18.77 metric tons of non-recyclable waste were processed. The Company also utilizes weekly morning meetings and bulletin boards to continuously strengthen employee awareness.

Waste Treatment Volume

Waste Type	Disposal Method	Weight (ton)	Percentage of Total Generated (%)
Aluminum	Reutilized	6.46	8.24%
Iron	Reutilized	31.575	40.27%
Paper	Reutilized	21.6	27.55%
General Business Waste	Incineration (No Energy Recovery)	18.77	23.94%
Total Output		78.405	100%

Source: Group Up Industrial Co. Ltd.

Waste Type	Item	Disposal Method	Waste Disposal Volume(ton)	
			2023	2024
Hazardous Waste	Aluminum/ Iron	Reutilized	62.399	38.035
	Paper	Reutilized	26.36	21.6
	General Business Waste	Incineration (No Energy Recovery)	22.765	18.77
Total Waste Weight			111.524	78.405
Waste Density (Waste Volume / Million NTD in Revenue)			0.04465	0.02957

Source: Group Up Industrial Co. Ltd.

In addition to recycling and reusing waste, the Company also focuses on source reduction. In the process of product design, development, and manufacturing, it collaborates with government agencies, suppliers, customers, and academic institutions to innovate and develop, striving to improve resource utilization efficiency. The various equipment provided by Group Up Industrial helps customers improve PCB production speed, yield, and quality, thereby reducing unnecessary raw material and energy waste during the manufacturing process, contributing to environmental sustainability.

GRI Index Table

GRI Index Table	The sustainability report was prepared in accordance with GRI standards. The information disclosed in this report covers the period from January 1 to December 31, 2024.
GRI 1	GRI 1: Foundation
Applicable GRI Sector Standard	N/A

GRI 2: General Disclosures

GRI standards	Disclosure items	Chapter	Pages
2-1	Organizational details	About This Report 2 Corporate Governance:2.1 Company Overview	1.16
2-2	Entities included in the sustainability report	About This Report 2 Corporate Governance:2.1 Company Overview	1.16
2-3	Reporting period, frequency and contact person	About This Report	1
2-4	Restatements of information	About This Report	1
2-5	External assurance	About This Report	1
2-6	Activities, value chain and other business relationships	2 Corporate Governance 3 Core Business Operations and Innovative R&D	16.42
2-7	Employees	2 Corporate Governance: 2.1Company Overview 4 Healthy and Happy Enterprise	16.50
2-8	Workers who are not employees	4 Healthy and Happy Enterprise	50
2-9	Governance structure and composition	2 Corporate Governance: 2.1 Company Overview	16
2-10	Nomination and selection of the highest governance body	2 Corporate Governance: 2.1 Company Overview	16
2-11	Highest governance body's role	2 Corporate Governance :2.2 Board Functions	22
2-12	Highest governance body's role in supervising impacts	1 Practicing Sustainable Operations:1.4 Materiality Assessment Process 2 Corporate Governance	10.16
2-13	Accountability for impact management	1 Practicing Sustainable Operations 1.4 Materiality Assessment Process 2 Corporate Governance	10.16
2-14	Highest governance body's role in sustainability reporting	2 Corporate Governance: 2.1 Company Overview	16
2-15	Conflicts of interest	2 Corporate Governance: 2.3 Corporate Governance and Integrity Management	29
2-16	Communication of critical material events	1 Practicing Sustainable Operations 1.4 Materiality Assessment Process 2 Corporate Governance	10.16
2-17	Highest governance body's collective knowledge	2 Corporate Governance :2.2 Board Functions	16
2-18	Performance evaluation of the highest governance body	2 Corporate Governance :2.2 Board Functions	16
2-19	Remuneration policies	2 Corporate Governance :2.2 Board Functions	16
2-20	Process for determining remuneration	2 Corporate Governance :2.2 Board Functions	16
2-21	Annual total remuneration ratio	N/A	/

2-22	Statement on sustainability strategy	Chairman's Message+ CSO's Message	3
2-23	Policy commitments	1 Practicing Sustainable Operations Sustainable commitment 4 Healthy and Happy Enterprise: 4.6.1 Human rights policy	6.66
2-24	Responsible impact management process	1 Practicing Sustainable Operations: Sustainable commitment 1 Practicing Sustainable Operations 1.4 Materiality Assessment Process	6.10
2-25	Responsible impact management process	1 Practicing Sustainable Operations 1.4 Materiality Assessment Process 2 Corporate Governance: 2.3 Corporate Governance and Integrity Management 4 Healthy and Happy Enterprise: 4.6.1 Human rights policy 、 4.5 Occupational Safety and Health	10.29 66.67
2-26	Mechanism for seeking advice and raising concerns	1 Practicing Sustainable Operations 1.4 Materiality Assessment Process 2 Corporate Governance: 2.3 Corporate Governance and Integrity Management	10.29
2-27	Legal compliance	2 Corporate Governance: 2.5 Regulatory Compliance	35
2-28	Stakeholder engagement	1 Practicing Sustainable Operation: 1.5 Participates in industry associations	13
2-29	Stakeholder communication and management	1 Practicing Sustainable Operations 1.4 Materiality Assessment Process	10
2-30	Collective bargaining	4 Healthy and Happy Enterprise: 4.4 Labor-Management Relations and Communication	57

GRI 3: Material Topics

GRI standards	Disclosure items	Chapter	Pages
3-1	Process for determining material topics	1 Practicing Sustainable Operations 1.4 Materiality Assessment Process	10
3-2	List of material topics	1 Practicing Sustainable Operations 1.4 Materiality Assessment Process	10
3-3	Management of material topics	1 Practicing Sustainable Operations 1.4 Materiality Assessment Process	10

GRI 201: Economic Performance

GRI standards	Disclosure items	Chapter	Pages
201-1	Financial implications arising from the organization	2 Corporate Governance: 2.1 Company Overview	16
201-2	Financial implications from climate change adaptation	2 Corporate Governance: 2.3 Corporate Governance and Integrity Management :2.3.2 Risk management	30
201-3	Obligations related to defined benefits and other retirement plans	4 Healthy and Happy Enterprise 4.3: Sound Compensation and Benefits	54

GRI 202: Market Presence

GRI standards	Disclosure items	Chapter	Pages
202-2	Proportion of senior management hired from the local community	5 Social Impact 5.1: Social Inclusion Philosophy	68

GRI 204: Procurement Practices

GRI standards	Disclosure items	Chapter	Pages
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204-1	Proportion of spending on local suppliers	2 Corporate Governance: 2.6 Sustainable Supply Chain Management	38
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GRI 205: Anti-corruption

GRI standards	Disclosure items	Chapter	Pages
205-1	Operating sites where corruption risk assessments were conducted	2 Corporate Governance: 2.3 Corporate Governance and Integrity Management	30
205-2	Communication and training on anti-corruption policies and procedures	2 Corporate Governance: 2.3 Corporate Governance and Integrity Management	30
205-3	Confirmed corruption incidents and actions taken	2 Corporate Governance: 2.3 Corporate Governance and Integrity Management	30

GRI 206: Anti-competitive Behavior

GRI standards	Disclosure items	Chapter	Pages
206-1	Legal actions related to anti-competitive behavior, antitrust, and monopoly practices	2 Corporate Governance: 2.3 Corporate Governance and Integrity Management	30

GRI 207: Tax

GRI standards	Disclosure items	Chapter	Pages
207-1	Tax policy	2 Corporate Governance: 2.3 Corporate Governance and Integrity Management: 2.3.3 Tax Policy	33
207-2	Tax governance, control and risk management	2 Corporate Governance: 2.3 Corporate Governance and Integrity Management: 2.3.3 Tax Policy	33
207-3	Stakeholder communication and management on tax-related issues	2 Corporate Governance: 2.3 Corporate Governance and Integrity Management: 2.3.3 Tax Policy	33

GRI 302: Energy

GRI standards	Disclosure items	Chapter	Pages
302-1	Energy consumption within the organization	6 Environmental Sustainability: 6.1 Greenhouse Gas Emission Management	74
302-2	Energy consumption outside of the organization	6 Environmental Sustainability: 6.1 Greenhouse Gas Emission Management	74
302-3	Energy intensity	6 Environmental Sustainability: 6.1 Greenhouse Gas Emission Management	74
302-5	Reduction in energy demand for products and services	6 Environmental Sustainability: 6.2 Energy Management	76

GRI 303: Water and Effluents

GRI standards	Disclosure items	Chapter	Pages
303-1	Interactions with shared water resources	6 Environmental Sustainability: 6.3 Water Resource Management	78
303-2	Management of impacts related to discharge	6 Environmental Sustainability: 6.3 Water Resource Management	78
303-3	Water withdrawal	6 Environmental Sustainability: 6.3 Water Resource Management	78
303-4	Water discharge	6 Environmental Sustainability: 6.3 Water Resource Management	78
303-5	Water consumption	6 Environmental Sustainability: 6.3 Water Resource Management	78

GRI 305: Emissions

GRI standards	Disclosure items	Chapter	Pages
305-1	Direct (Scope 1) greenhouse gas emissions	6 Environmental Sustainability:6.1 Greenhouse Gas Emission Management	74
305-2	Energy indirect (Scope 2) greenhouse gas emissions	6 Environmental Sustainability:6.1 Greenhouse Gas Emission Management	74
305-3	Other indirect (Scope 3) greenhouse gas emissions	6 Environmental Sustainability:6.1 Greenhouse Gas Emission Management	74
305-4	Greenhouse gas emissions intensity	6 Environmental Sustainability:6.1 Greenhouse Gas Emission Management	74

GRI 306: Effluents and Waste

GRI standards	Disclosure items	Chapter	Pages
306-1	Waste generation and significant impacts related to waste	6 Environmental Sustainability: Waste Management	79
306-2	Management of significant impacts related to waste	6 Environmental Sustainability: Waste Management	79
306-3	Waste generation	6 Environmental Sustainability: Waste Management	79
306-4	Waste diverted from disposal	6 Environmental Sustainability: Waste Management	79
306-5	Waste directly disposed of	6 Environmental Sustainability: Waste Management	79

GRI 308: Supplier Environmental Assessment

GRI standards	Disclosure items	Chapter	Pages
308-1	New suppliers that were screened using environmental criteria	2 Corporate Governance: 2.6 Sustainable Supply Chain Management	38
308-2	Negative environmental impacts in the supply chain and actions taken	2 Corporate Governance: 2.6 Sustainable Supply Chain Management	38

GRI 401: Employment

GRI standards	Disclosure items	Chapter	Pages
401-1	New employee hires and employee turnover	4 Healthy and Happy Enterprise: 4.1 Employee Composition and Diversity -4.1.2 New Hires and Turnover Status	51
401-2	Benefits provided to full-time employees (not including temporary or part-time employees)	4 Healthy and Happy Enterprise 4.3: Sound Compensation and Benefits	54
401-3	Parental leave	4 Healthy and Happy Enterprise 4.3: Sound Compensation and Benefits	54

GRI 403: Occupational Health and Safety

GRI standards	Disclosure items	Chapter	Pages
403-1	Occupational health and safety management system	4 Healthy and Happy Enterprise 4.5 Occupational Safety and Health	58
403-2	Hazard identification, risk assessment, and incident investigation	4 Healthy and Happy Enterprise 4.5 Occupational Safety and Health	58
403-3	Occupational health services	4 Healthy and Happy Enterprise 4.5 Occupational Safety and Health	58
403-4	Worker participation, consultation, and	4 Healthy and Happy Enterprise 4.5 Occupational Safety and Health	58

	communication on occupational health and safety		
403-5	Worker training on occupational health and safety	4 Healthy and Happy Enterprise 4.5 Occupational Safety and Health	58
403-6	Worker health promotion	4 Healthy and Happy Enterprise 4.5 Occupational Safety and Health	58
403-7	Prevention and mitigation of occupational health and safety impacts directly related to jobs	4 Healthy and Happy Enterprise 4.5 Occupational Safety and Health	58
403-8	Workers covered by the occupational health and safety management system	4 Healthy and Happy Enterprise 4.5 Occupational Safety and Health	58
403-9	Work-related injuries	4 Healthy and Happy Enterprise 4.5 Occupational Safety and Health	58
403-10	Work-related diseases	4 Healthy and Happy Enterprise 4.5 Occupational Safety and Health	58

GRI 404: Training and Education

GRI standards	Disclosure items	Chapter	Pages
404-1	Average hours of training per employee	4 Healthy and Happy Enterprise: 4.2. Talent Development and Retention-4.2.2 Education and Training	53
404-2	Programs for managing employee skills and for lifelong learning	4 Healthy and Happy Enterprise: 4.2. Talent Development and Retention	52
404-3	Performance and career development reviews	4 Healthy and Happy Enterprise: 4.2. Talent Development and Retention	52

GRI 405: Diversity and Equal Opportunity

GRI standards	Disclosure items	Chapter	Pages
405-1	Diversity of governance bodies and employees	4 Healthy and Happy Enterprise: 4.1 Employee Composition and Diversity	50
405-2	Ratio of basic salary and remuneration of men to women	4 Healthy and Happy Enterprise: 4.3: Sound Compensation and Benefits	54