家登精密
Gudeng Precision

Partner with H.E.A.R.T. Grow with P.A.S.S.I.ON



SUSTAINABILITY REPORT

2025 ESG Report

家登精密
Gudeng Precision

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Official Website

ESG Hub

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Preface

About the Report

This report is the sixth Sustainability Report published by Gudeng Precision Industrial Co., LTD. (hereinafter referred to as "Gudeng Precision" or "the Company"). It aims to comprehensively disclose the Company's philosophy, actions, and outcomes in corporate social responsibility. To enhance stakeholders' understanding of the Company's sustainability policies and performance, this report covers the three core dimensions of Environmental, Social, and Governance (ESG), and presents detailed information on specific initiatives and performance results. The Company values communication with stakeholders. Each section addresses stakeholders' concerns and expectations, while feedback is continuously collected as a reference for sustainability strategies and action planning. This report is published annually to demonstrate the Company's commitment and determination to implement ESG practices and advance sustainable development.

Reporting Period

The information disclosed in this report covers the period from January 1, 2025 to December 31, 2025; however, certain material events are disclosed up to May 31, 2026.

Report Scope

The scope of disclosure in this report is based on Gudeng Precision Industrial Co., LTD. The scope of financial data is consistent with the consolidated financial statements audited by Deloitte & Touche. Environmental disclosures cover the Tucheng Headquarters(Guchii Office), Tucheng office, Fuxing Factory, Tainan Tree Valley Factory, and Southern Taiwan Science Park Branch. People-related disclosures cover the Tucheng Headquarters(Guchii Office), Tucheng office, Fuxing Factory, Tainan Tree Valley Factory, and Southern Taiwan Science Park Branch. If any chapter includes information beyond or inconsistent with the aforementioned scope, such exceptions will be clearly noted in the respective section; for example, R&D-related disclosures also include the Tucheng Headquarters. To support environmental protection and energy-saving and carbon-reduction policies, the Company promotes paperless operations. This report is available in both Chinese and English electronic versions and is published in the Company's ESG Sustainability section for stakeholders to view and download.

Report Editorial Principles

This report is prepared in accordance with the Global Reporting Initiative (GRI) Standards issued in October 2021, and also refers to the AA1000 Accountability Principles (2018), the Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies, and the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies. Certain disclosures reference the Sustainability Accounting Standards Board (SASB) standards for the Semiconductors industry and the Task Force on Climate-related Financial Disclosures (TCFD) framework, covering the four core elements of Governance, Strategy, Risk Management, and Metrics and Targets. These disclosures strengthen the Company's ability to identify and respond to climate-related risks and opportunities and enhance sustainability resilience. The Company will continue to align with international trends and regulatory requirements to improve reporting quality and strengthen the effectiveness of information disclosure and stakeholder communication.

Reporting Principles and Framework

- Global Reporting Initiative (GRI) Standards
- SASB Standards, now part of the IFRS Foundation
- AA1000 Accountability Principles Standard
- Task Force on Climate-related Financial Disclosures (TCFD) Framework
- UN Global Compact (United Nations Global Compact)
- SDGs (United Nations Sustainable Development Goals)
- Regulations Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies
- Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies
- Corporate Governance 3.0
- Sustainable Development Roadmap for TWSE/TPEx Listed Companies

Note: This report applies the eight reporting principles of the GRI Universal Standards: Accuracy, Balance, Clarity, Comparability, Completeness, Sustainability Context, Timeliness, and Verifiability.

Report Management Process

This report is compiled in accordance with the Procedures for the Preparation and Verification of Sustainability Reports. The Sustainability Office is responsible for overall coordination and drafting. The content is reviewed and verified by the managers of the respective responsible units to ensure data accuracy, followed by independent assurance by a third-party organization. The report is then reviewed by the Sustainable Development Committee and submitted to the Board of Directors for approval prior to publication, ensuring the completeness and credibility of the disclosed information.

Issuance History

- First Edition June 2021
- Previous Release July 2025
- Current Release July 2026
- Next Release July 2027

External Assurance

Sustainability Report	Assurance statement obtained from DQS Taiwan Inc.
Financial Information	Audited by Deloitte & Touche
Governance	ISO 30401:2018 Knowledge Management Certification
	ISO 27001:2022 Information Security Management System Certification
	Taiwan Intellectual Property Management Specification (TIPS) A-Level Verification
Environmental	ISO 50001:2018 Energy Management System Certification
	ISO 14064-1:2018 Greenhouse Gas Inventory (GHG) Statement
	ISO 14001:2015 Environmental Management System Certification
Quality	AS 9100D:2016 Aerospace Quality Management System Certification
	ISO 9001:2008 International Quality Management Certification
Social Aspects	ISO 45001:2018 Occupational Health and Safety Management System Certification
	RBA Code of Conduct Silver Certificate

Third-party Verification Certificate Company Annual Report

Feedback

We sincerely welcome any feedback or suggestions regarding this report or Gudeng Precision's sustainability initiatives.

ESG Website: https://esg.gudeng.com/
Contact: Chief Sustainability Officer, Mr. Randy Yu
Email: Randy.Yu@gudeng.com
Tel: +886-2-2268-9141 #61506
Address: No. 7, Zhongxing Rd., Tucheng District, New Taipei City, Taiwan

Message from the Chairman

In 2025, the global semiconductor industry continued to demonstrate strong growth momentum, driven by demand for generative AI, high-performance computing (HPC), and cloud data centers, further accelerating the development of advanced processes and key technologies such as HBM, 3D IC, Chiplet, CPO, and CoWoS. Among these, advanced packaging has become a critical enabler for overcoming the performance limitations of individual chips and driving system-level integration and industry upgrades. At the same time, U.S.-China technology competition, export controls, tariff policies, localization requirements, and supply chain security reviews are rapidly reshaping the global semiconductor supply chain. In addition to pursuing technological leadership, companies must further strengthen compliance governance, supply chain transparency, regional deployment, and operational resilience. Against this backdrop, Taiwan's semiconductor industry continues to serve as an irreplaceable strategic hub in the global AI and HPC supply chain, leveraging its comprehensive capabilities across manufacturing, materials, equipment, carriers, packaging and testing, and precision inspection. Through cross-enterprise collaboration, joint overseas expansion, and ecosystem integration, the industry is further enhancing global delivery capabilities and market responsiveness.

As a global leader in semiconductor carrier solutions, Gudeng Precision has in recent years focused its strategy on building an AI industry ecosystem. By integrating critical materials, advanced carriers, automation equipment, and innovative technology services, the Company works closely with upstream, midstream, and downstream semiconductor partners to build a globally competitive Taiwan semiconductor supply chain team. The TSS Holdings Alliance has expanded from its original eight members, with ten new members joining this year, bringing the total to 18 companies and further integrating partner resources across materials, equipment, advanced packaging, and industrial intelligence. Through global regional deployment and the establishment of diversified production and service locations, Gudeng Precision has not only strengthened local supply and rapid-response service capabilities but has also effectively diversified geopolitical, trade policy, and single-market dependency risks. Amid cyclical industry fluctuations and international uncertainty, Gudeng Precision will continue to focus on product portfolio optimization, technology upgrades, supply chain collaboration, and global service capabilities as its core strategies. While maintaining steady operations, the Company will help Taiwan's semiconductor supply chain continue to play a critical role in the AI era and amid the restructuring of global supply chains.

Gudeng Precision is deeply committed to ESG and has been recognized with the TCSA Taiwan Top 100 Sustainable Exemplary Enterprises Award, the Sustainability Report Gold Award, and the CommonWealth Corporate Citizenship Award. On the Environmental front, the Company joined the TRE100 renewable energy initiative as one of its founding members. All newly constructed Factorys are fully equipped with solar panels for self-generation and self-consumption, while the Company actively integrates small- and medium-scale solar power projects to advance toward its RE100 goals. With support from the Industrial Development Administration's "Large Enterprises Supporting SMEs" supply chain decarbonization program, the Company has developed its proprietary carbon inventory system and partnered with 12 key suppliers to achieve a total carbon reduction of 13,000 metric tons CO_2e, while assisting suppliers in obtaining ISO 14064-1 third-party verification statements. In parallel, Gudeng Precision continues to promote waste segregation, recycling, and reuse, transforming waste resources into eco-friendly products such as pallets, chairs, and logistics containers, with cumulative carbon reductions reaching 189 metric tons CO_2e.

On the Social front, Gudeng Precision invested approximately NT$8.85 million in arts and culture support, community care, support for disadvantaged groups, and diverse talent development initiatives. These included performing arts appreciation events, private movie screenings, donations of disaster assessment vehicles and fire rescue equipment, blood drives, winter relief programs, donations of supplies and wheelchairs for elderly convenience, scholarships for NTPC Industrial High School's Mold Department, and the Dream Fulfillment Program for the Puli Junior High School basketball team.

On the Governance front, Gudeng Precision ranked within the top 6%-20% in the 2025 Corporate Governance Evaluation, demonstrating the effectiveness of its governance practices. In information security, the Company successfully passed the ISO 27001:2022 transition audit, ensuring the continued implementation and improvement of information security policies. In intellectual property protection, the Company continues to maintain TIPS A-Level verification, strengthening the management and protection of R&D results, trade secrets, and critical technologies. The Company also places strong emphasis on cultural continuity, with the Chairman and senior executives personally conducting training sessions to cultivate employee values and management capabilities, shape organizational culture, and continuously adjust strategies and promote organizational growth. Gudeng Precision aims to become a model for steady development and sustainability transformation among SMEs in the industry.

As AI infrastructure accelerates in 2026, demand for advanced packaging continues to rise, and requirements related to regionalized global supply chains, geopolitical risks, and sustainability governance continue to increase. As an indispensable member of the global semiconductor supply chain, Gudeng Precision understands that corporate value is derived not only from technological innovation and operational performance, but also from long-term commitments to environmental sustainability, social responsibility, supply chain resilience, and the well-being of future generations.

Looking ahead, the Company will continue to strengthen its global footprint and local service capabilities, deepen critical technologies, supply chain collaboration, and regional operational resilience, and respond to stakeholder expectations through more proactive sustainability practices. Guided by a belief in steady progress and breakthrough innovation, Gudeng Precision will work together with customers, suppliers, employees, and social partners to build a smarter, lower-carbon, and more resilient semiconductor future.



Chairman, Gudeng Precision Industrial Co., LTD.

邱銘乾

About Gudeng Precision

Gudeng Precision is committed to becoming a sustainable and highly responsible enterprise. Guided by its vision to be "the preferred partner in innovative technologies for critical materials of global leading semiconductor manufacturers," the Company continues to uphold its sustainability mission: "Nurture employees with knowledge, enhance the Company through management, move customers through service, and contribute to society through value creation." In 2025, Gudeng Precision achieved consolidated revenue of NT$7.347 billion, earnings per share (EPS) of NT$9.43, and a gross margin of 42%, demonstrating solid business performance. Revenue has maintained double-digit growth for three consecutive years, reflecting the Company's outstanding operational efficiency, product competitiveness, and financial resilience.

In addition to the steady development of its core business, Gudeng Precision actively advances sustainability initiatives across the Environmental, Social, and Governance (ESG) dimensions and embeds sustainability into operational decisions and daily management. We firmly believe that long-term and stable value can only be created by balancing business performance, environmental stewardship, social well-being, and sound governance. This is not only an important commitment to all stakeholders, but also the cornerstone of Gudeng Precision's sustainability vision.

Gudeng Precision Industrial Co., LTD.

Establishment Date

1998 / 3 / 20

Company Headquarters

No. 7, Zhongxing Rd., Tucheng District, New Taipei City, Taiwan 236041

Consolidated Revenue

NT$7,347,242 thousand

Number of Employees

646

Corporate Mission and Vision

- Global innovative critical materials technology provider
- Be the first-choice partner with global leading semiconductor companies by offering innovative critical materials technology

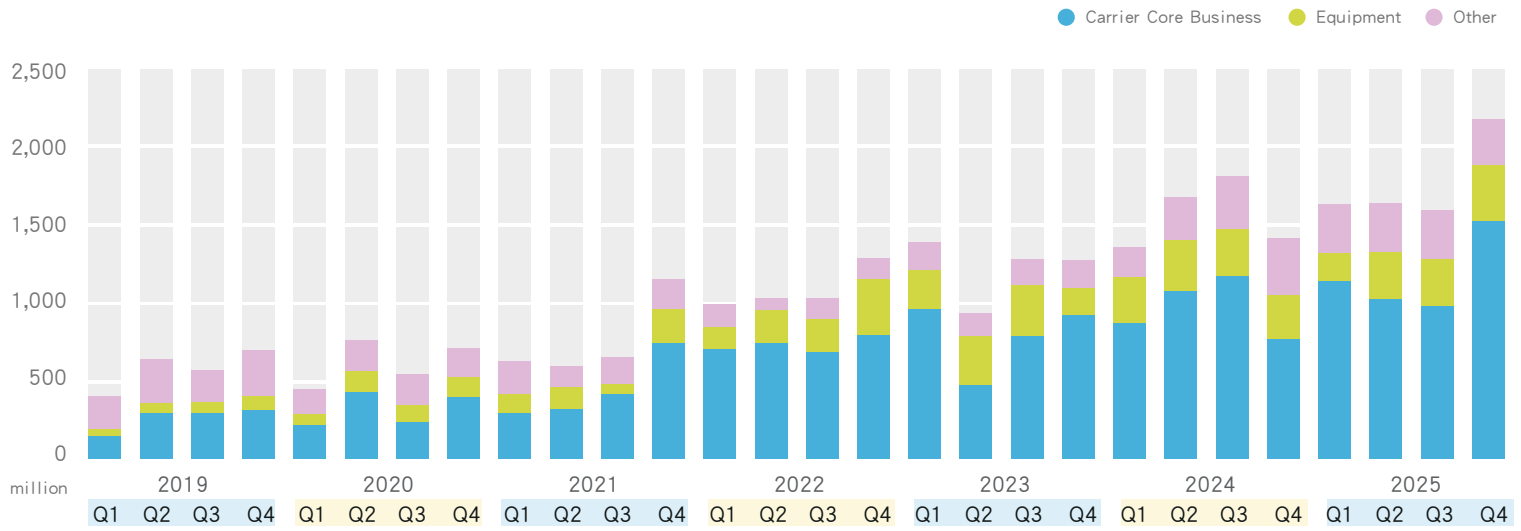
Main Products

1. Mask Carrier Solutions
2. Wafer Carrier Solutions
3. Carrier Substrate Transport Solutions
4. Machine Equipment (Gudeng Equipment)
5. Other Services

Aerospace Main Products

1. Hydraulic Damping Cylinder
2. High-Pressure Hydraulic Transmission Conduit
3. Dynamic Balance Motor Base
4. Positive and Negative Pressure Heat Conduction Isolator

Gudeng Group Revenue (NT$ million)



Gudeng 2025 Financial Performance

Revenue	NT$7.347 billion, up 12% year-on-year
Annual EPS	NT$9.43
Gross Margin	42%
Market Share	Over 70% global market share for photomask pods; FOUP wafer carriers have successively passed certification by major customers, and more than half of Greater China customers use Gudeng as the baseline.

Innovative Service Model

Gudeng Precision integrates its core technologies with suppliers' professional capabilities, focusing on four major service areas: injection molding, precision machining, mechanical design, and material testing. Through the "Co-Creation" mechanism, Gudeng works with partners to jointly develop integrated solutions that combine quality, efficiency, and competitive advantages.

In its semiconductor industry deployment, Gudeng Precision centers on one-stop solutions, integrating four major product lines with professional technical services to continuously meet customers' diverse needs in advanced processes, advanced packaging, and high-end applications, thereby creating greater added value and innovative competitiveness.



Explanation of Purpose or Function

Mask Carrier Solutions	Provide optimal protection for masks during production, use, and transportation against electrostatic discharge, micro-contamination, and particle generation: 1. Extreme Ultraviolet (EUV) Pod; EUV (RSP 200) low-moisture-absorption series. 2. Full-size Mask Carrier Series; Low-moisture-absorption Mask Carrier Series. 3. Standard Mechanical Interface (SMIF) High-End Mask Carrier Series. 4. LCD 85 Series Large-size Mask Box; OHT MRSP Mask Carrier Series.
Wafer Carrier Solutions	Protect wafers from micro-particle contamination during semiconductor processing, transport systems, or storage and provide comprehensive protection throughout each process stage: 1. 18-inch Front-Opening Unified Pod (450mm FOUP); 18-inch Multi-Application Carrier (450mm MAC). 2. 12-inch Front-Opening Unified Pod (300mm FOUP); Light Cassette fully automatic carrier; PLP300 fully automatic carrier. 3. 8-inch Wafer Carrier (Lot Box); 8-inch Wafer Box (Glass Box); 8-inch Wafer Shipper (Cassette); 6-inch Wafer Box. 4. 2/4/6-inch LED/Solar Wafer Carriers and other wafer box series.
Machine Equipment	Provide storage space in a clean environment for masks: 1. Mask micro-contamination control nitrogen/ultra-clean gas filling equipment; high-cleanliness mask storage cabinets. 2. Mask cleaning machines; gas-blow mask cleaning machines. 3. Inflatable mask storage cabinets; wafer transport trolley (PGV).
Other Related Services	1. Product recycling, cleaning and maintenance services, and sales of fixtures, externally purchased items, plastic products, molds, spare parts, etc. Micro-contamination testing, ion testing, and other inspection services are also provided. 2. Mask/wafer carrier cleaning services, micro-contamination testing services, ion testing, and precision component machining services (product introduction link).

Revenue Proportion of Main Products in Gudeng Group

	2025 Net Operating Revenue	2025 Proportion	2024 Net Operating Revenue	2024 Proportion	2023 Net Operating Revenue	2023 Proportion
Mask Carrier Products	2,330,972	46%	2,288,791	35%	3,032,238	41%
Wafer Carrier Products	967,118	19%	1,942,595	30%	1,859,744	25%
Machine Equipment Products	1,074,060	21%	1,149,790	18%	1,172,351	16%
Consumables for Semiconductor Manufacturing Raw Materials	94,799	2%	88,660	1%	215,200	3%
Others (Note1)	611,396	12%	1,074,960	16%	1,067,709	15%
Total	5,078,345	100%	6,544,796	100%	7,347,242	100%

Note 1: Others mainly comprise maintenance and cleaning services, spare parts, etc.
Note 2: The above product classification information is provided by the Company.

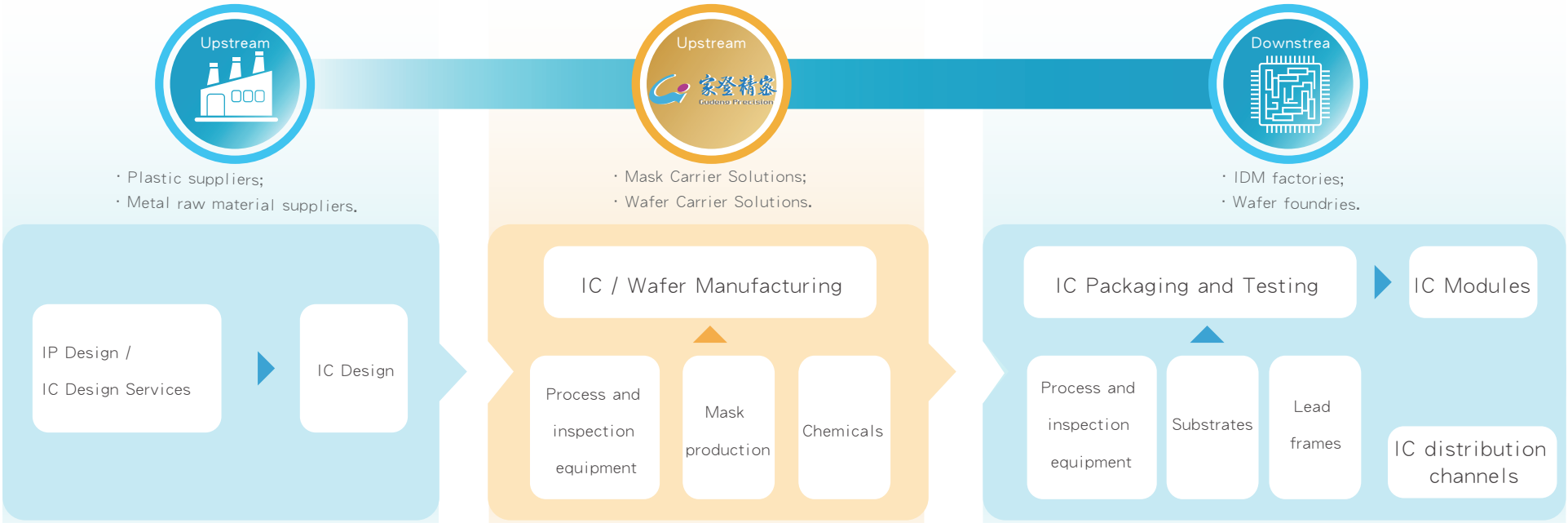
Main Product Sales Regions

The Company's principal sales (service) regions in 2025 were approximately 62% domestic and 38% export. Major domestic customers currently include leading wafer foundries, central processing unit (CPU) manufacturers, semiconductor transport and storage manufacturers, and mask manufacturers.

Region/Year		Domestic Sales	Export Sales	Total
2025	Amount	4,542,990	2,805,252	7,347,242
	%	62%	38%	100%
2024	Amount	3,192,032	3,352,764	6,554,796
	%	49%	51%	100%
2023	Amount	3,105,154	1,973,191	5,078,345
	%	61%	39%	100%

Value Chain Context

Gudeng Precision operates in the midstream of the semiconductor industry value chain as a supplier of critical materials and equipment. The Company focuses on the R&D, manufacturing, and innovative services of mask carriers (Mask Package / Reticle SMIF Pod / EUV Pod) and wafer carriers (FOUP / FOSB), providing professional carrier systems with high cleanliness, anti-static properties, and contamination control. Its products are used in critical stages such as mask transfer, wafer handling, and advanced process control, helping downstream IDM manufacturers and foundries protect high-value chips and masks from contamination, electrostatic interference, and mechanical damage during production, thereby stabilizing process yields, improving production-line efficiency, and reducing operational risks. In response to the high-cleanliness and high-reliability requirements arising from advanced EUV processes and advanced packaging such as CoWoS, Gudeng Precision continues to optimize carrier design and material technologies, helping customers shorten development cycles, accelerate mass-production schedules, and strengthen the stability and competitiveness of advanced processes. Gudeng Precision is not only a provider of critical products, but also an important partner in helping customers achieve high efficiency, high yield, and highly stable processes.



Source: Industrial Value Chain Information Platform

2025 Sustainability Highlights and Recognitions

E Environmental Sustainability		S Social Inclusion		G Economic Performance	
12 suppliers	Assisted 12 key suppliers in passing ISO 14064-1 greenhouse gas verification and obtaining verification statements.	31,096 hours	Total annual employee training hours.	12%	Revenue growth rate, reaching a record high for the seventh consecutive year.
13,000 metric tons	Worked with 12 supply-chain partners to achieve cumulative actual carbon reductions exceeding 13,000 metric tons CO_2e.	NT$8.48 million	Total annual investment in social welfare activities.	785	Cumulative number of patents through 2025.
47%	Carbon emissions per unit of revenue reduced by 47% by 2025, using 2021 as the base year.	19 months	Average annual salary equivalent.	NT$9.43	EPS
70%	Water consumption per unit of revenue reduced by 70% by 2025, using 2021 as the base year.	NT$18.60 million	Employee project bonuses.	NT$340 million	Total R&D investment.
53%	Waste per unit of revenue reduced by 53% by 2025, using 2021 as the base year.	6%-20%	Ranking band in the 12th Corporate Governance Evaluation.	-	-

Company History

1998 Company founded in Xinzhuang on March 20, focusing on CNC machining of plastic housing molds; initial capital NT$5 million.

2000 Entered front-end semiconductor process equipment and component fields and began R&D on components for photolithography processes.

2001 Obtained ISO 9001:2000 Quality Management System certification.

2005 Won the 13th SME Innovation Research Award.

2008 Won the 11th Rising Star Award.

2009 Obtained ISO 9001:2008 Quality Management System certification; ISO 14001:2004 Environmental Management System certification; Taiwan Intellectual Property Management System (TIPS) verification; won the 2009 Industrial Innovation Achievement Award and the 17th Industrial Technology Development Award.

2011 Won the 21st National Quality Award; won the 1st National Industrial Innovation Award - Outstanding SME Award; won the 18th Industrial Innovation Award.

2012 Obtained OHSAS 18001 Occupational Health and Safety Management System certification; won the 20th Taiwan Excellence Award.

2013 Obtained ISO 9001:2008 International Quality Management certification.

2014 Won the 22nd Taiwan Excellence Award; obtained Corporate Governance System Evaluation Certification; obtained advanced TIPS verification.

2016 Obtained ISO 14001:2015 Environmental Management System certification.

2017 Tainan Tree Valley Factory completed.

2019 Obtained TIPS A-Level verification.

2020 Obtained AS 9100D:2016 Aerospace Quality Management System certification and ISO 45001:2018 Occupational Health and Safety Management System certification.

2021 Won the 6th Outstanding Mittelstand Enterprise Award; won the 2022 National Talent Development Award; won the 15th TCSA Sustainability Report Gold Award; obtained the RBA Code of Conduct 200-point Platinum Certificate; obtained SGS ISO 30401:2018 Knowledge Management certification; obtained ISO 27001:2013 Information Security Management System certification.

2022 Obtained ISO 50001:2018 Energy Management System certification and ISO 14064-1:2018 Greenhouse Gas Inventory Statement.

2023 Won the 16th TCSA Sustainability Report Platinum Award and the CommonWealth Sustainable Citizenship Newcomer Award.

2024 Won the 27th National Quality Award; won the 17th TCSA Taiwan Top 100 Sustainable Exemplary Enterprises Award; won the 17th TCSA Sustainability Report Platinum Award; won the CommonWealth Sustainable Citizenship Award.

2025 Selected among Taiwan's Top 100 by foreign institutional investors; won the 18th TCSA Taiwan Top 100 Sustainable Exemplary Enterprises Award; won the 18th TCSA Sustainability Report Gold Award; won the CommonWealth Sustainable Citizenship Award; obtained ISCC PLUS certification; obtained TIPS A-Level verification; groundbreaking for the Kurume Factory in Japan; completion of the Group Headquarters - Guchii Office; obtained ISO 14064-1:2018 Greenhouse Gas Inventory Statement.



1 Sustainable Business Strategy

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1.1 Sustainable Development Blueprint

"Global innovative critical materials technology provider."

"Cultivating global professionals in innovative critical material technology."

"Be the first-choice partner with global leading semiconductor companies by offering innovative critical materials technology"

"Gudeng Precision" (stock code: 3680) embodies the aspiration to become a world-class enterprise known by households everywhere and to reach the pinnacle with world-class technology. The English name "Gudeng" is also intended to convey "lasting for a long, long time" in Taiwanese, expressing the Company's hope to operate sustainably on this land, while enabling employees to gain family happiness and personal growth within the Gudeng family. Through employees' efforts, every stakeholder can likewise enjoy lasting well-being.

1. Implement Corporate Governance

To ensure that Gudeng partners understand and practice the Company's management philosophy and move together toward its mission and vision, while strengthening Gudeng Precision's global competitiveness, the founder established "Integrity," "Excellence and Innovation," "Proactive Accountability," "Win-Win Partnership," and "Teamwork" as the Company's core values and principles of conduct. The Company also promotes the culture of Partner with H.E.A.R.T. and Grow with P.A.S.S.I.ON., with the aim of embedding these values in every Gudeng employee. We firmly believe that sustainable Group development requires lifelong learning and a broad perspective as the foundation for innovation, proactively understanding customer needs, selfless transfer of experience, and teamwork. Only through mutual support can the organization face change and innovate with courage, continuously pursue the growth of the Company, customers, suppliers, individuals, and other stakeholders, and strengthen the corporate governance blueprint.

2. Promote Sustainable Innovation

With decades of R&D investment, key products such as EUV POD and FOUP have achieved multiple-fold production growth and high market share. Gudeng will continue to innovate technologies and products, optimize integrated systems management, provide customers with one-stop solutions for high-end mask and wafer carrier products, and integrate diversified Group resources to develop the aerospace industry. The Group's near-term revenue target is to challenge NT$10 billion.

3. Promote Environmental Protection

Gudeng Precision continues to promote green supply chains, green manufacturing, and the circular economy, while actively investing in clean energy. In addition to pursuing RE100, EV100, and EP100 for its own operations, the Company plans to share clean energy with upstream and downstream supply-chain partners, jointly moving toward net-zero carbon emissions and forming a green semiconductor industry chain.

4. Build an Inclusive Workplace

Gudeng Precision regards employees as important assets, provides compensation and benefits superior to industry peers, and is committed to implementing policies on human rights, diversity and inclusion, and talent development, with the goal of becoming a world-class organization of "global professionals in innovative critical material technology."

5. Engage in Society

Guided by Gudeng Precision's core values of "Partner with H.E.A.R.T., Grow with P.A.S.S.I.ON.," and linked to the United Nations Sustainable Development Goals (SDGs), the Company carries out social service initiatives.

To strengthen sustainability governance and improve information transparency, the Company communicates and discloses information to internal and external stakeholders through multiple channels:

1. Internal employees:

The Company regularly publishes policy announcements, training information, and explanations of grievance mechanisms through bulletin boards and the internal Portal system, ensuring that employees fully understand relevant rights protections and communication channels.

2.External stakeholders:

Suggestions or complaints may be submitted through the contact information published on the official website (https://www.gudeng.com/Page?itemid=15&mid=52) or through the dedicated grievance channel (refer to page 41 of this report, Gudeng Precision Whistleblowing and Grievance Section). The Company commits that all grievance information will be handled anonymously and kept confidential to protect complainants' rights and promote a culture of integrity and responsibility.

1.2 ESG Implementation Framework

Gudeng Precision upholds its corporate "Vision" and "Mission," combining the rigorous discipline and lean-production spirit of manufacturing with the service industry's approach of treating customers as partners and responding attentively to their needs. Based on this philosophy, the Company has established its ESG implementation framework. Guided by the United Nations Sustainable Development Goals (SDGs), Gudeng steadily advances sustainability actions and creates long-term value together with stakeholders.

Sustainability Roles and Responsible Units

Sustainability Role	Coordinating Department	Responsibilities
Risk Management	Business Continuity Management Committee	Responsible for identifying enterprise operational risks, planning exercises, and establishing business continuity plans.
Foundation for Sustainable Development	Sustainable Development Committee	1. Plan and control the implementation of sustainability work items and monitor project progress. 2. Integrate sustainability thinking with ESG and maintain stakeholder relationships. 3. Propose net-zero action plans in accordance with regulations and international trends. 4. Manage stakeholder concerns relating to international initiatives, ESG ratings, awards, and other matters.
Corporate Governance	Finance Department	Responsible for the corporate governance evaluation required by the Financial Supervisory Commission, strengthening Board functions and enhancing sustainable corporate value.
Information Security Management	Information Security Management Committee	Maintain the confidentiality, integrity, and availability of the Company's information assets and safeguard the security and privacy of customer and personal data.
Environmental Management	Occupational Safety Office; Facilities Department	Follow the 2050 net-zero emissions goal, promote sustainable environmental operations, and manage environmental impacts within Factorys.
Social Value	Secretariat	In accordance with the United Nations Sustainable Development Goals (SDGs) and the principle of giving back to society, promote the Group's social welfare development.
Human Rights Management	Internal Customer Service Department	Follow the principles and spirit of the Universal Declaration of Human Rights, the UN Global Compact, and the ILO Declaration on Fundamental Principles and Rights at Work, and promote policies on fundamental human rights and diversity and inclusion.
Value Chain Management	Supply Chain Partnership Department	Promote the Company's sustainable procurement policy from environmental and social responsibility perspectives to ensure the development of a more responsible supply chain.

Sustainable Development Committee

To strengthen sustainability management and respond to domestic and international sustainability disclosure requirements, the Company continues to build a top-down, cross-functional sustainability governance structure, clearly defining the authorities and responsibilities of the Board of Directors, Sustainable Development Committee, Sustainability Promotion Office, and functional units. This ensures that sustainability strategies, risk management, and concrete actions are effectively embedded in daily operations.

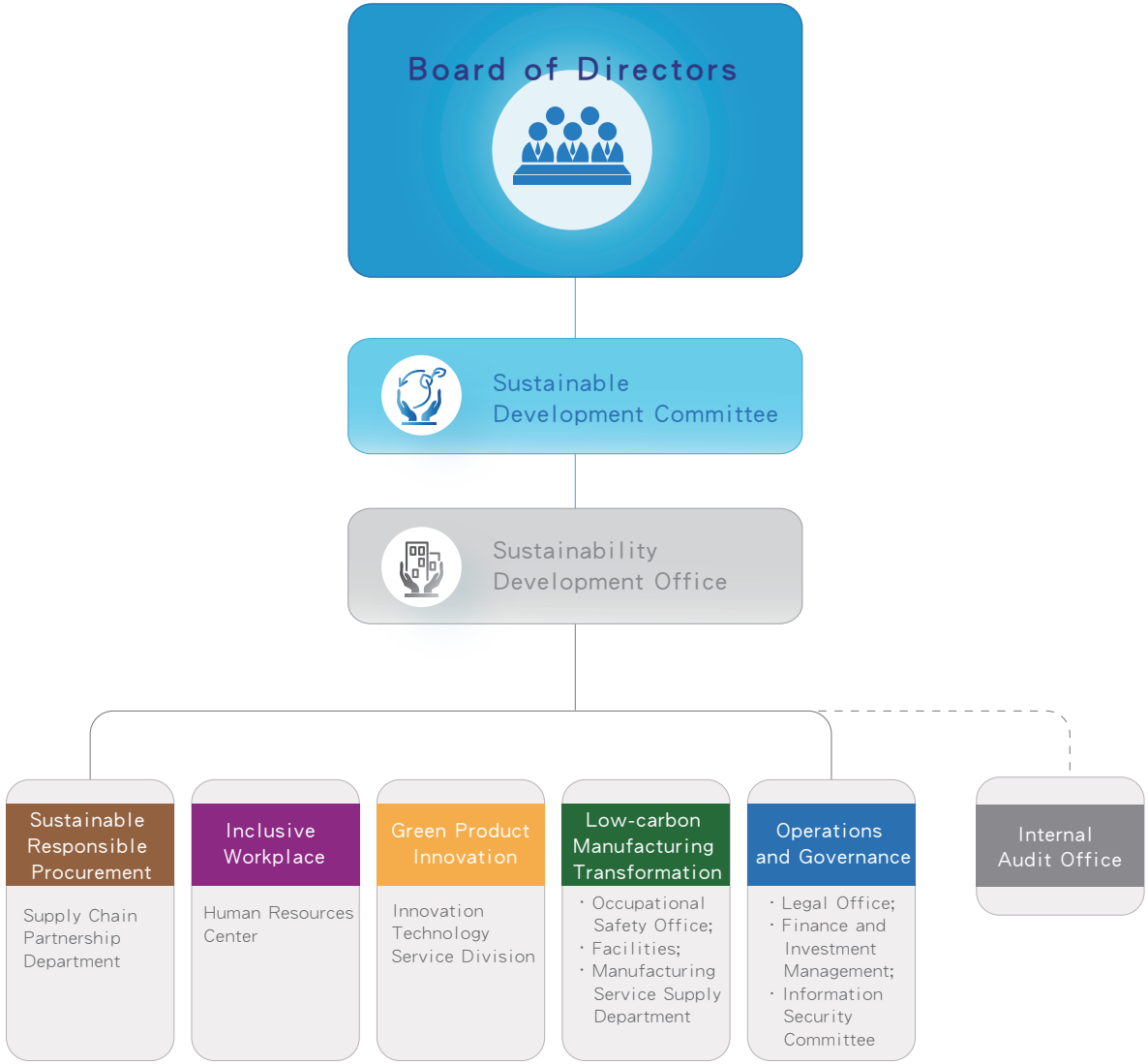
The Board of Directors is the Company's highest governance and supervisory body for sustainable development. It is responsible for reviewing sustainability policies, strategic directions, and medium- and long-term targets, and regularly supervises progress and performance in major sustainability topics. The Board also oversees the management of significant economic, environmental, and social impacts. By reviewing materiality analysis, climate risk assessments, greenhouse gas management, sustainable supply-chain management, regulatory compliance, and other results submitted by the Sustainable Development Committee, the Board confirms that key sustainability topics and potential risks have been properly identified and supervises management in developing forward-looking and actionable response strategies. These are incorporated into operational decision-making, resource allocation, and risk management processes to enhance organizational resilience and long-term competitiveness.

A Sustainable Development Committee is established under the Board as an important mechanism for sustainability strategy planning, material-topic review, and implementation oversight. It regularly reviews the Company's progress across Environmental, Social, and Governance dimensions. The Committee discusses and tracks major topics including climate change, net-zero transition, supply-chain management, talent development, occupational safety and health, information security, corporate governance, and stakeholder engagement. Each quarter, it reports to the Board on sustainability progress, management of material topics, achievement of annual targets, risk response measures, and follow-up improvement plans. The Board reviews and supervises the reported matters and provides guidance as appropriate, serving as the basis for subsequent sustainability strategy adjustments, resource allocation, and management improvement.

At the implementation level, the Sustainability Promotion Office coordinates sustainability-related matters across the Company, integrates departmental resources, and promotes sustainability strategies, annual action plans, sustainability report preparation, stakeholder engagement, external rating responses, regulatory compliance, and sustainability disclosures. In response to IFRS S1, IFRS S2, and domestic sustainability disclosure trends, the Company continues to strengthen sustainability data collection, internal controls, cross-functional data integration, and disclosure quality management, improving the accuracy, completeness, consistency, and traceability of sustainability information.

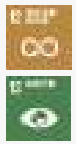
The Company has also established a cross-functional sustainability working group with participation from business and functional units. Under defined responsibilities, the group advances concrete sustainability actions in greenhouse gas inventory and reduction, energy management, low-carbon supply-chain transformation, occupational safety and health management, talent development, human rights management, information security, and social engagement, and regularly reports progress and results to the Sustainability Promotion Office.

Through a tiered management mechanism consisting of Board oversight, Committee supervision, Office coordination, and departmental implementation, the Company systematically advances sustainable development, improves internal and external communication efficiency, strengthens sustainability governance capabilities, and embeds sustainability value as an important foundation for long-term operations and steady growth.



1.3 Implementation of the United Nations Sustainable Development Goals (SDGs)

Gudeng ESG Direction	Corresponding SDGs	2025 Highlights and Performance	Short-term Goals (2026)	Medium-term Goals (2027)	Long-term Goals (2030)
Build an Inclusive Workplace		1. Total employee training budget reached NT$1,829,340, with 2,099 training participations. 2. A cumulative total of 153 internal instructors were cultivated. 3. Total annual employee training hours reached 31,096 hours. 4. Promotion rate of female employees was 48.48%. 5. Female executives at Vice President level accounted for 50%. 6. Employment rate of persons with disabilities was 1.55%. 7. Average occupational safety and health training hours per employee reached 3.6 hours. 8. The Company fully subsidized annual employee health examinations.	1. Retain >90% of talent with critical value-chain capabilities. 2. Regularly develop digital instructors and establish competency training maps. 3. Achieve an average of 50 learning hours per employee per year. 4. Build a diverse and inclusive corporate culture through training and information sessions.	1. Improve employee satisfaction. 2. Build a talent reserve. 3. Continue promoting innovation and enhancing competitiveness. 4. Increase diversity in recruitment. 5. Continue providing a disability-friendly environment. 6. Continue optimizing diversity and inclusion policies and processes.	1. Establish internal instructor awards to encourage experience transfer. 2. Launch succession planning. 3. Achieve an average of 80 learning hours per employee per year. 4. Provide more than 1,000 online courses through LMS.
Implement Corporate Governance		1. Consolidated revenue reached NT$7.347 billion, EPS NT$9.43. 2. Average annual employee compensation was approximately 19 months of salary. 3. Corporate Governance Evaluation ranking: 6%-20%. 4. Conducted courses on trade-secret protection, information-security prevention, business philosophy, business ethics, management implications, and TIPS intellectual property awareness.	1. Obtain ISO 20400 Sustainable Procurement Guidelines certification. 2. Continue strengthening employee awareness of trade-secret protection, information-security prevention, business philosophy, business ethics, management implications, and TIPS intellectual property.	1. Continue strengthening Board diversity. 2. Rank within the top 5% in the Corporate Governance Evaluation.	Rank within the top 5% in the Corporate Governance Evaluation.
Engage in Society		Participated in 29 social welfare projects with total benefits of NT$8.85 million, covering "Arts and Culture Support," "Community Care," "Support for Disadvantaged Groups," "Diverse Talent Development," and "Environmental Conservation."	Continue participating in the five major social welfare categories.	Support public welfare activities through donations, volunteer services, or collaborative projects.	Actively participate in social welfare initiatives supporting education, health, poverty alleviation, disaster relief, and other areas, giving back to society.

Gudeng ESG Direction	Corresponding SDGs	2025 Highlights and Performance	Short-term Goals (2026)	Medium-term Goals (2027)	Long-term Goals (2030)
Sustainable Innovation Promotion		1. Continued producing eco-friendly pallets and ergonomic plastic chairs, achieving zero output of secondary materials and waste. 2. Used packaging capable of repeated loading for transportation with customers.	1. Increase R&D bonuses, encourage employees to propose environmental improvement suggestions, promote technological innovation, and reduce environmental impact. 2. Continue optimizing circular regeneration projects and establish emerging business models.	Reduce product carbon footprints through equipment upgrades and process optimization.	Achieve product carbon neutrality by reducing greenhouse gas emissions, increasing carbon removals, and other measures.
Promote Environmental Protection		1. Implemented one energy-saving project, saving 60,000 kWh of electricity. 2. Electricity consumption per unit of revenue decreased by 2.3% compared with 2024. 3. Carbon emissions per unit of revenue decreased by 2.7% compared with 2023.	Expand Scope 3 inventory, assist suppliers in implementing ISO 14064-1, and provide free greenhouse gas inventory platform accounts to improve inventory efficiency and accuracy through digitalization.	1. Follow SBTi to establish a carbon-reduction pathway. 2. Plan the introduction of renewable energy.	1. Obtain SBTi target validation. 2. Achieve RE60.

1.4 Materiality Analysis and Stakeholder Engagement

STEP 1 Identify Stakeholders

Based on operating characteristics, industry value-chain relationships, and daily business interactions, the Company identifies seven major stakeholder groups highly relevant to its operations and sustainable development: employees, customers, suppliers, shareholders/investors, government agencies, media, and local communities. These groups form the basis for subsequent sustainability-topic collection, stakeholder engagement, feedback, and materiality assessment.

STEP 2 Identify Sustainability Topics

To ensure completeness of the sustainability-topic inventory and reflect stakeholder concerns, the Company refers to the GRI Universal Standards, SASB Standards, MSCI ESG rating indicators, IFRS sustainability disclosure framework, UN Sustainable Development Goals (SDGs), prior-year material topics, Corporate Governance Evaluation requirements, peer disclosure trends, and stakeholder feedback. Relevant responsible units collect, inventory, and consolidate topics, forming a pool of 22 sustainability topics for the current year's double-materiality assessment.

STEP 3 Survey Stakeholder Concerns and Collect Risk/Opportunity Information

Based on 390 valid questionnaires collected in 2025, the Company analyzed the level of concern among key stakeholder groups regarding sustainability topics. Through internal interviews, management discussions, and departmental feedback, it also identified potential risks and opportunities arising from each topic as the basis for subsequent impact-materiality and financial-materiality assessments.

STEP 4 Assess Impact Materiality

The Sustainability Office convenes relevant departments to identify impacts associated with each sustainability topic, including actual or potential positive and negative impacts on the economy, environment, and people arising from the Company's own operations and value-chain activities. The Company further assesses impact characteristics, time horizon, impact boundaries, and the Company's degree of involvement. Each impact is scored based on severity and likelihood to determine the impact materiality of each sustainability topic.

STEP 5 Assess Financial Materiality

For risks and opportunities that sustainability topics may create for the Company's operations and financial performance, the Sustainability Office works with Finance, Operations, Procurement, and other responsible units to assess potential effects on revenue, costs, cash flows, asset values, financing conditions, supply-chain stability, and enterprise value. Impact magnitude and likelihood are considered together to determine financial materiality.

STEP 6 Prioritize Material Topics and Determine Disclosure Content

The Sustainability Office consolidates stakeholder concern, impact-materiality, and financial-materiality assessment results and performs an integrated analysis under the double-materiality principle. Any topic material in either impact or financial materiality is included as a candidate material topic. The Sustainable Development Committee then reviews and confirms the year's material topics and determines their priority. The assessment identified 12 material topics for the year. In accordance with the GRI Universal Standards and the Company's sustainability disclosure policy, the report explains management approaches, risk and opportunity assessments, response mechanisms, action plans, implementation progress, and performance results for each material topic as the substantive basis for sustainability disclosure.

Note: To improve the objectivity and consistency of materiality analysis, the Company commissions an external professional organization every three years to perform an external audit and process validation, ensuring that topic identification and impact assessment methods align with international standards and stakeholder expectations, while continuously improving topic management and sustainability practices.

Material Topics - Risks and Opportunities

	Material Topic	Importance and Strategy Relevance to Gudeng Precision (High / Moderate Relevance)					Value Chain Impact Boundary (●Direct Impact ◎Contributing Impact)			Corresponding SDGs	Corresponding GRI	Potential Risks	Potential Opportunities
		Increase Revenue	Operating Risk	R&D / Innovation	Customer Satisfaction	Employee Cohesion	Upstream Supply Chain	Gudeng Precision	Downstream Customers				
1	Information Security		V		V	V	●	●	◎		GRI 418	Leakage of stakeholder data may result in compensation claims and reputational damage.	Implement ISO 27001 to enhance stakeholder trust and satisfaction.
2	Inclusive Workplace				V	V		●	●		GRI 401 GRI 405 GRI 406	Failure to continuously foster an inclusive workplace may harm employee health, reduce job satisfaction, increase talent loss and labor-management tensions, and ultimately affect operational stability and employer brand image.	Promoting an inclusive workplace, employee care, diversity and inclusion, and career development can strengthen employee identification and retention, organizational cohesion, talent competitiveness, and sustainability resilience.
3	Operating Performance	V			V	V		●	●		GRI 201 GRI 203	If operating performance cannot sustain stable growth, the Company may face weaker profitability, lower investor confidence, reduced resource investment, and diminished long-term competitiveness.	Improving operating efficiency, strengthening technological innovation, and optimizing product and service quality can expand market opportunities and enhance long-term corporate value.
4	Quality Management	V		V	V			●	●		GRI 417 Custom indicators: yield, number of customer complaints, quality-abnormality improvement rate	Failure to meet customer product-quality requirements may result in returns, delivery delays, or refunds, leading to lower revenue.	Regularly track customer satisfaction and uphold the vision of being "the preferred partner for global leading manufacturers in critical-material innovation technologies" to earn customer trust, increase revenue, and establish long-term partnerships.
5	Labor-Management Relations		V		V	V		●	◎		GRI 402	Poor labor-management communication or inadequate protection of employee rights may trigger labor disputes, lower morale, and talent loss, thereby affecting operational stability.	Establishing open communication channels, sound grievance mechanisms, and fair and reasonable employment conditions can strengthen employee trust, organizational cohesion, and
6	Occupational Safety and Health		V			V		●			GRI 403	Employees or contractors may be injured, or accidents may lead to production interruptions.	Maintain a positive corporate social image and provide workers with a safe and stable workplace to achieve high-quality work outcomes.
7	Customer Relationship Management	V			V			◎	●		GRI 416 GRI 417	Failure to respond promptly to customer needs or maintain product and service quality may reduce customer satisfaction, cause order losses, and damage corporate reputation.	Strengthening customer communication, quality management, and partnerships can enhance customer trust, long-term cooperation stability, and market competitiveness.

	Material Topic	Importance and Strategy Relevance to Gudeng Precision (High / Moderate Relevance)					Value Chain Impact Boundary (●Direct Impact ◎Contributing Impact)			Corresponding SDGs	Corresponding GRI	Potential Risks	Potential Opportunities
		Increase Revenue	Operating Risk	R&D / Innovation	Customer Satisfaction	Employee Cohesion	Upstream Supply Chain	Gudeng Precision	Downstream Customers				
8	Risk Management		V		V		●	●	●		GRI 2-12 / 2-13 / 2-16 / 2-23 / 2-25	Inadequate risk identification and response mechanisms may lead to business interruption, financial losses, regulatory non-compliance, or reputational damage, affecting long-term stable development.	Establishing a robust risk-management system, strengthening internal controls and operational resilience, can improve the Company’s ability to respond to market, regulatory, climate, and supply-chain changes and enhance sustainable competitiveness.
9	Talent Attraction and Retention	V		V		V	◎	●	◎		GRI 401 GRI 202 GRI 405	If competitive compensation and benefits, career development, and an inclusive work environment are not provided, recruitment difficulties, talent loss, and gaps in critical competencies may arise.	Enhancing talent development, promotion systems, compensation and benefits, and a diverse and inclusive workplace can improve employee identification, retention, and long-term competitiveness.
10	R&D / Technological Innovation	V		V	V		●	●			GRI 201 GRI 203	Insufficient R&D investment or lagging technological innovation may affect product competitiveness, customer loyalty, and market expansion capability.	Continuing to invest in R&D, enhance process technologies, and develop low-carbon innovative products can strengthen differentiation and create new market-growth momentum.
11	Talent Development	V		V		V		●			GRI 404	Inadequate talent development and career-development mechanisms may create competency gaps, promotion discontinuity, and declining organizational competitiveness.	Improving education and training, competency development, and succession planning can enhance employee expertise, organizational resilience, and long-term growth momentum.
12	Sustainable Supply Chain	V	V				●	●			GRI 204 GRI 308 GRI 414	If suppliers fail to comply with environmental, labor, human-rights, occupational-safety, or regulatory requirements, supply disruptions, customer-audit deficiencies, and reputational damage may occur.	Strengthening supplier management, low-carbon transition, and sustainability collaboration mechanisms can enhance supply-chain resilience, reduce operational risks, and create long-term partnership value.

Short-, Medium-, and Long-term Goals for Material Topics

	Material Topic	Operational Importance	Key Performance Indicators	2025 Achievement Status	2025 Targets	2026 Short-term Targets	2027 - 2030 Medium- / Long-term Targets
1	Information Security	Build a complete and traceable IT system and implement information-security risk management.	Number of major information-security incidents	V V V	・ Passed the ISO 27001:2022 transition audit ・ Strengthened the file-output tracking mechanism to reduce the risk of improper reuse of sensitive information such as R&D drawings when transmitted externally ・ Established a high-availability (HA) architecture for external network firewalls to strengthen information-security protection and redundancy	・ Major information-security incidents = 0	・ Achieve "Lean Production and Smart Manufacturing" in accordance with Gudeng's information-security policies and objectives ・ Become a supplier recognized by customers for both speed and security, supported by a complete and traceable IT system
2	Inclusive Workplace	An inclusive workplace brings together diverse talent and stimulates innovation, serving as a key driver of sustainable growth and enhanced operational resilience.	Employee Net Promoter Score (eNPS)	V V	・ Increase the promotion rate of female employees ・ Increase the employment rate of persons with disabilities	・ Improve employee satisfaction ・ Continue to provide a disability-friendly working environment ・ Continue to optimize diversity and inclusion policies and processes	・ Implement comprehensive equality policies to create a fair promotion environment free from discrimination and glass ceilings ・ Deepen a healthy and inclusive culture and become an employer brand that gives employees a strong sense of belonging and well-being
3	Operating Performance	Stable financial growth is the foundation for sustainable corporate innovation, enabling economic value creation and strengthening the trust of international customers.	・ Annual revenue growth rate (YoY) ・ R&D expenses as a percentage of revenue (%)	V	・ Annual revenue growth rate > 10%	・ Maintain positive annual revenue growth ・ Continue investing in R&D to maintain technological leadership	・ Expand global market share, maintain stable revenue and profit growth, and reasonably share operating results with shareholders and employees
4	Quality Management	"Technology-driven quality and smart processes" enhance product quality and develop competitive delivery and service capabilities.	・ Annual customer satisfaction survey ・ Number of customer complaints	V V V	・ Strengthen operational fundamentals; achieve 100% accuracy in SPC basic data ・ Achieve a post-service questionnaire customer satisfaction score of 80 ・ Implement ISCC international sustainability and carbon certification	・ SPC basic-data sampling defects ≤ 12 cases ・ 15 customer audit/certification approvals ・ 140 supplier part numbers qualified for inspection exemption ・ Post-complaint customer satisfaction score: 85	・ Implement intelligent manufacturing processes and promote process-improvement programs, leveraging technology to achieve quality-management objectives
5	Labor-Management Relations	Stable labor-management relations build mutual trust between the Company and employees.	・ Number of major labor disputes ・ Implementation rate of resolutions from regular labor-management meetings	V X	・ Hold four labor-management meetings ・ Zero labor disputes	・ Hold labor-management meetings quarterly ・ Maintain zero major labor disputes	・ Maintain a record of zero major labor disputes; establish a digital real-time labor-management feedback system and maintain excellent satisfaction with two-way labor-management communication

	Material Topic	Operational Importance	Key Performance Indicators	2025 Achievement Status	2025 Targets	2026 Short-term Targets	2027 – 2030 Medium- / Long-term Targets
6	Occupational Safety and Health	Put employee safety and health first and continuously optimize the workplace environment.	・ Number of major occupational accidents ・ Training completion rate	V V	・ No major occupational accidents and no penalties ・ New-hire safety and health training completion rate: 100%; average training hours per employee: 3.6 hours	・ Major occupational accidents = 0 ・ New-hire training completion rate: 100%	・ Regularly conduct occupational-safety training and emergency-response drills and review hazard identification and risk assessments to eliminate medium- and high-risk factors and reduce their likelihood ・ Protect employee health through annual health examinations and periodic health-promotion activities
7	Customer Relationship Management	Maintain outstanding customer satisfaction and collaborate with international leading manufacturers to develop next-generation technologies.	Annual customer satisfaction score: 85	V	・ Annual customer satisfaction score: 85	・ Annual customer satisfaction score: 85 ・ Shorten the delivery time for general customer-complaint corrective-action reports (8D Report)	・ Sustain customer satisfaction above 90 over the long term ・ Transform customer pain points into Co-Creation collaborative projects
8	Risk Management	Implement risk identification and response drills to ensure business continuity, prevent supply-chain disruptions, and strengthen organizational resilience.	Coverage rate of critical business-continuity drills	V	・ Major business interruption incidents: 0	・ Major business interruption incidents: 0	・ Major business interruption incidents: 0 ・ Major business interruption incidents: 0 ・ Coverage rate of critical production-line material-shortage risk drills > 90%
9	Talent Attraction and Retention	Talent is critical to the Company's competitiveness in the global market; green processes, products, and services all depend on outstanding talent.	Development and retention of talent with critical value-chain capabilities	V	・ Development and retention of talent with critical value-chain capabilities > 90%	・ Development and retention of talent with critical value-chain capabilities > 90%	・ Development and retention of talent with critical value-chain capabilities > 90%
10	R&D / Technological Innovation	Strengthen R&D momentum and build a patent landscape.	Number of patent application	V V V	・ 20 patent applications ・ Continue R&D investment ・ Develop new technologies	・ Pass the new-cycle TIPS management-system verification application ・ Increase patent applications to > 10	・ Perform regular annual TIPS maintenance and continuously strengthen patent-strategy deployment. For details, refer to Gudeng's Intellectual Property Management Plan
11	Talent Development Talent Development	Develop semiconductor professionals, strengthen talent development, and advance the succession system.	・ Number of LMS online courses ・ Course satisfaction ・ Average annual training hours per employee	V V	・ Optimize Gudeng University's semiconductor professional program ・ Average annual learning hours per employee: 50 hours	・ Number of LMS online courses > 350 ・ Course satisfaction > 90 points ・ Average annual training hours per employee > 60 hours	・ Gudeng's learning-service management policy is rooted in the corporate core values "Partner with H.E.A.R.T., Grow with P.A.S.S.I.ON." and follows ISO 21001 principles to continuously optimize talent-development policies
12	Sustainable Supply Chain	In accordance with RBA policies, communicate with suppliers annually, implement supplier management and risk reduction, and build stable and sustainable strategic partnerships across the semiconductor alliance.	Completion rate for signing social-responsibility commitment statements by new suppliers	V	・ Supplier social-responsibility commitment signing rate = 100%	・ Maintain 100% signing of social-responsibility commitments by new suppliers	・ Conduct annual evaluations of major suppliers/contractors; if standards are not met, provide guidance first to support improvement and maintain strong partnerships ・ Guide supply-chain carbon reduction, introduce GHG inventory mechanisms, gradually use renewable energy, set climate-change targets in advance, and reduce operating costs over the long term

Stakeholder Engagement

Gudeng Precision recognizes that decisions made in the course of business may affect stakeholders and may also be influenced by their opinions and expectations. Accordingly, when planning sustainable-development strategies and implementing corporate social responsibility, the Company continuously collects and incorporates stakeholder opinions and feedback, reviews their needs and expectations based on issues of concern, formulates corresponding communication methods and frequencies, and establishes effective and ongoing interaction mechanisms as an important basis for improving sustainability practices and continuous improvement.

Based on operating characteristics, industry value-chain relationships, and daily business interactions, the Company identifies seven key stakeholder groups highly relevant to operations and sustainable development: employees, customers, suppliers, shareholders/investors, government agencies, media, and local communities. Gudeng Precision establishes diverse, smooth, and effective two-way communication channels to understand stakeholder concerns and feedback, serving as an important reference for long-term operating strategies and goals. In addition to stakeholder communication channels, Gudeng Precision discloses ESG sustainability-management information on its website and shares corporate-governance, environmental-ecology, and social-inclusion performance through annual reports, financial reports, and other public information.

Stakeholder	Issues of Concern	Communication Channels/ Frequency	2025 Communication Results	Gudeng Response and Improvement
Employees	Gudeng regards partners as its most valuable corporate asset. Beyond fully protecting employees' lawful rights, the Company cultivates a workplace culture of respect and care and treats employees as closely connected family members. By moving forward together with employees, Gudeng drives sustainable operations and outstanding growth.	・Explanation of operating strategy indicators; ・corporate-development strategy and operating conditions; ・compensation and benefits; ・talent training and development; ・workplace health and safety; ・human-rights policy.	・Monthly meetings / monthly; ・Employee Welfare Committee / as needed; ・labor-management meetings / quarterly; ・employee engagement survey / annually; ・internal satisfaction survey / twice annually; ・intranet and bulletin boards / anytime; ・Occupational Safety and Health Committee / quarterly; ・employee suggestion box and confidential grievance hotline / as needed.	・Held 12 monthly meetings to maintain communication with employees on operations, activity announcements, ・and policies; held 4 labor-management meetings; ・held 4 Occupational Safety and Health Committee meetings.	1. Conduct quarterly labor-management communication. 2. Strengthen job-related education and training and improve digital-learning materials. 3. Implement talent-development plans and receive recognition through the National Talent Development Award. 4. Through LMS digital learning, cumulatively developed 139 internal instructors, with an average instructor-course satisfaction score of 4.7/5.

Stakeholder	Issues of Concern	Communication Channels/ Frequency	2025 Communication Results	Gudeng Response and Improvement
Customers	Starting from the customer's perspective, Gudeng is committed to providing products and services that satisfy customers and strives to create maximum value for them.	・Product and service quality; ・climate-change response strategy; ・development strategy and operating status; ・R&D innovation; ・information-security privacy protection.	・Customer satisfaction survey / annually; ・business visits / anytime; ・information-security assessments / anytime; ・customer annual audit and assessment questionnaires / weekly or as needed; ・product R&D project meetings / twice annually; ・intranet and bulletin boards / anytime; ・Occupational Safety and Health Committee meetings / quarterly.	・Conducted one customer satisfaction survey; ・participated in the CDP questionnaire and received a B rating for climate change in 2025; ・participated in one domestic/international semiconductor exhibition.	1. Respond to customer corporate-sustainability self-assessment questionnaires, value stakeholder concerns, and continuously improve. 2. Strengthen climate-change response measures, with CDP Climate Change rating as a target. 3. Customer service satisfaction reached 95%; continue optimizing. 4. Invest approximately 7% of revenue in R&D innovation.
Supply-chain Partners	Supply-chain partners are indispensable. Supplier or contractor performance can determine a company's operating future; therefore, Gudeng establishes its operating foundation through rigorous supplier/contractor management.	・Service quality, delivery and price; ・integrity management and conflict minerals; ・EHS management, development strategy and operations; ・labor-management relations and human rights; ・net-zero carbon, energy and resource management.	・Supplier conference / annually; ・supplier evaluation questionnaire survey and audit visits / annually; ・procurement contracts and commitment letters / as needed.	・Held annual supplier conferences and supplier evaluations to communicate product/service quality needs, integrity and ethical requirements, and business philosophy; ・worked with supply-chain partners to purchase recycled eco-friendly pallets for inbound/outbound shipments to reduce environmental burden; ・conducted annual questionnaires and audit visits; promoted low-carbon supply-chain transformation, provided energy-saving guidance reports to Tier 1 suppliers, and continuously tracked improvements.	1. Pass ISO 20400 and implement sustainable procurement guidelines, working with suppliers on sustainable development. 2. Work with 12 key suppliers to achieve carbon reductions of 13,000 metric tons CO2e and assist them in obtaining ISO 14064-1 third-party verification statements.
Shareholders and Investors	With long-term support from shareholders and investors, Gudeng assumes supervisory responsibility and gives back through steady growth and transparent, self-disciplined management.	・Corporate governance; ・sustainable-development strategy; ・operating performance; ・risk management; ・market image; ・ESG execution performance.	・Shareholders' meeting / annually; ・financial annual report and Chinese/English sustainability reports / annually; ・investor conferences / as needed; ・corporate website investor information, investor relations, and contact windows / as needed.	・Published four financial reports as required; ・Corporate Governance Evaluation ranked in the second band; ・held one annual shareholders' meeting; ・held five investor conferences; ・released 53 material announcements on the Market Observation Post System.	1. Hold at least one investor conference each quarter so shareholders can obtain timely and accurate information. 2. Publish English annual reports, financial reports, sustainability reports, and other public information for overseas investors. 3. Continue tracking and improving Corporate Governance Evaluation items.

Stakeholder	Issues of Concern	Communication Channels/ Frequency	2025 Communication Results	Gudeng Response and Improvement
Media	The media is an important bridge for Gudeng's external communication, enabling the Company to transmit information to stakeholders promptly, quickly, and accurately while maintaining its principle of transparent self-governance.	・Sustainable-development strategy; ・operating performance; ・Group operating strategy; ・environmental issues.	・Press releases / monthly; ・media gatherings / as needed.	・One Company anniversary dinner; ・released 12 press releases; ・initiated a corporate-website update project to design easier-to-understand browsing pages and strengthen investor communication.	Gudeng has maintained media relations for many years, with more than 30 long-term media contacts and cooperation with more than 20 newspapers and magazines.
Government Agencies	Compliance with legal requirements is the most basic corporate culture at Gudeng Precision. Cooperating with government policy requirements, following policy communications, and shaping a law-abiding workplace are the Company's responsibilities.	・Compliance with laws and policies; ・pollution prevention and conservation of energy/resources; ・personnel safety and health; ・Corporate Governance Evaluation.	・Official correspondence and material announcements / as needed; ・regulatory briefings / as needed; ・forums or seminars / as needed; ・Market Observation Post System / as needed.	・Occupational Safety and Health Committee met once per quarter; ・released 53 material announcements on the Market Observation Post System.	1. No major regulatory violations occurred in 2025. 2. One labor-management issue violation occurred in 2025; it was actively corrected and completed in accordance with regulatory requirements.
Local Communities	Using the SDGs as the main axis of public-welfare giving, Gudeng expands from individuals and families to society, mobilizing employees and the public to participate and gradually expand the impact of public welfare.	・Environmental management; ・employment/internship opportunities; ・community feedback and investment; ・regulatory compliance.	・Building management committee / annually; ・industry-academia cooperation projects / as needed; ・community activities or forums / as needed; ・contact information for each corporate service location on the website / as needed	・Served as a building-management committee member, regularly participated in discussions on environmental matters, and maintained positive relationships with other occupants/companies; ・recruited 10 people through industry-academia cooperation; ・invested in 29 social-welfare initiatives.	1. Through Company-led and employee-initiated efforts, jointly completed 29 public-welfare projects in 2025; continue establishing long-term assistance plans, with priority on improving medical quality for remote areas and disadvantaged groups. 2. Continue promoting industry-academia cooperation programs.

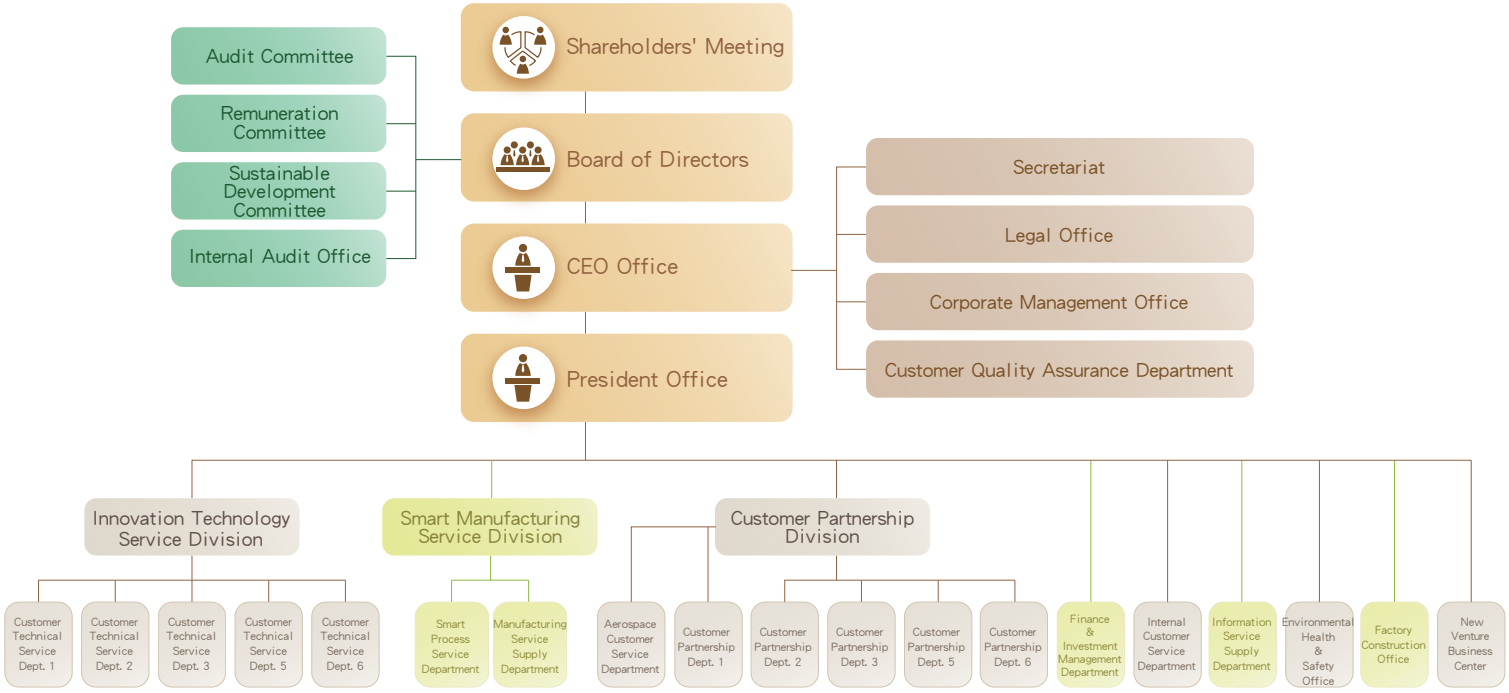


2 Sustainable Governance

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2.1 Organization Overview

Gudeng Precision Organization Chart



Corporate Governance Principles

Gudeng Precision actively fulfills its corporate operating responsibilities, safeguards the lawful rights of all shareholders, and takes into account the interests of all stakeholders. By strengthening Board governance effectiveness and management execution, the Company establishes a decision-making and supervisory mechanism centered on the overall interests of the Company and shareholders, improves operating efficiency and resource-allocation effectiveness, strengthens corporate competitiveness, implements sustainable operations, gives back to society, and promotes overall well-being.

Gudeng Corporate Governance Principles：

1. Protect shareholder rights and interests.
2. Strengthen Board functions.
3. Respect stakeholder rights and interests.
4. Enhance information transparency.

2.1.1 Financial Performance

In 2025, the Group's consolidated revenue was NT$7.347 billion, up 12% from NT$6.545 billion in the previous year. Gross margin was 42%, net income attributable to owners of the Company was NT$905 million, and earnings per share were NT$9.43. Gudeng's total revenue reached another record high in 2025, mainly benefiting from the Company's early deployment in next-generation key technologies, which drove continued growth in demand for wafer carriers and mask carriers and demonstrated solid operating momentum and market competitiveness. Looking ahead, Gudeng will continue to deepen its core technology advantages and focus on semiconductor High-NA EUV Pods, advanced-process 12-inch FOUPs, advanced packaging technologies, aerospace, and other diversified growth areas. Through a multi-track operating strategy, the Company will further balance market risks and strengthen growth momentum; Group operating performance in 2026 is expected to be promising.

For detailed financial information, refer to Gudeng Precision's financial statements.

Unit: NT$ thousand

Item / Year	2021	2022	2023	2024	2025
Operating Revenue	1,994,676	3,159,978	3,495,633	4,445,156	4,748,433
Gross Profit	941,111	1,590,892	1,630,427	1,938,824	1,918,539
Operating Income	338,607	724,886	634,966	790,261	808,489
Net Income After Tax	336,660	933,071	905,006	1,167,778	905,287
EPS (NT$)	4.03	11.12	10.24	12.32	9.43

Note: Individual-company financial statements for 2021-2025.

Tax Governance

Gudeng Precision upholds a corporate culture of integrity and strictly complies with tax laws in all operating locations, safeguarding the lawful rights and interests of the Company and stakeholders. All operations comply with applicable laws and regulations. Through sound tax-governance mechanisms and internal tax discipline, the Company effectively manages tax risks and implements a compliance-oriented approach, fulfilling its commitment to ethical and sustainable operations.

- Follow tax laws in each jurisdiction, pay taxes honestly, and do not use tax havens or other methods to avoid taxation.
- Consider tax impacts in major operating decisions and material transactions.
- Disclose financial-report information in accordance with applicable laws and regulations and engage a third-party accounting firm for audits.
- Maintain sound interaction with tax authorities to ensure timely communication of tax information and issues.
- Use internal-control mechanisms and risk management to ensure that financial and tax systems comply with regulatory requirements.
- Regularly monitor changes to local and international tax laws to ensure timely updates to the Company's tax systems.

Effective Tax Rate

Year	Profit Before Tax	Income Tax Expense	Effective Tax Rate(%)	Income Tax Paid	Cash Tax Rate
2021	410,514	73,854	17.99%	133,660	32.56%
2022	1,068,227	135,156	12.65%	160,555	15.03%
2023	984,747	79,741	8.10%	192,709	19.57%
2024	1,311,675	143,897	10.97%	92,213	7.03%
2025	1,052,712	147,425	14.00%	158,058	15.01%

Economic Value Distributed to Stakeholders

Unit: NT$ thousand

Item	Sub-item	2021	2022	2023	2024	2025
Direct Economic Value Generated	· Operating Revenue	1,994,676	3,159,978	3,495,633	4,445,156	4,748,433
Economic Value Distributed	· Operating Costs	1,053,535	1,569,086	1,865,206	2,506,332	2,829,894
	· Employee Salaries and Benefits	473,858	763,483	741,109	828,273	907,197
	· Payments to Providers of Capital	234,715	336,998	377,883	364,232	182,479
	· Payments to Government	73,854	135,156	79,741	143,897	147,425
	· Community Investment	5,892	5,480	14,752	3,291	8,848
Economic Value Retained		626,680	1,113,772	416,942	599,131	672,590

2.1.2 Board Governance

Board Diversity and Independence

Gudeng Precision's Board of Directors is the Company's highest governance body. The term of the 8th Board runs from May 24, 2024 to May 23, 2027. To strengthen Board diversity and governance effectiveness, the Company held a full director election on May 24, 2024 and formed the 8th Board with nine directors. Members cover different age groups and professional backgrounds and include one female director. Going forward, the Company will continue promoting gender balance and diversity in Board composition to improve decision quality, governance resilience, and sustainable-development capability.

Corporate Governance Operations

To implement independent supervision and checks and balances, the Board meets regularly to review operating strategy and financial conditions, provide professional guidance to the management team, and supervise operating performance, ensuring sound operations in accordance with the Articles of Incorporation and applicable regulations. The Board held seven meetings in 2025. Important resolutions of the shareholders' meeting and their implementation are detailed on pages 49-51 of the Annual Report.

Director Election Process

Gudeng Precision has established the "Corporate Governance Best Practice Principles," which set out the Board diversity policy under the section on strengthening Board functions. In addition to following the Articles of Incorporation, director nomination and selection adopt a candidate nomination system and comprehensively consider two dimensions to ensure diverse composition and professional decision-making capabilities:

1. Basic conditions and values: gender, age, nationality, and cultural background, promoting diverse perspectives and value integration.
2. Professional knowledge and skills: legal, accounting, industry, finance, marketing, technology, and other professional backgrounds, together with relevant professional competence and industry experience, strengthening overall Board decision-making and oversight functions.

The Company will continue to promote Board diversity and professionalism under this approach to strengthen corporate governance and sustainable-development capability.

Director Diversity Background and Core Competencies

In accordance with the Corporate Governance Best Practice Principles, Gudeng Precision requires directors to possess diverse professional backgrounds in operational management, accounting and financial analysis, legal affairs, risk management, industry knowledge, decision-making and crisis management, and international market perspectives. In recent years, responding to strategic transformation and changes in the external environment, the Company has also emphasized practical Board experience in the green-energy and environmental industries to balance governance effectiveness with sustainability goals. To advance the Company toward becoming a global leader in critical semiconductor materials, Chairman Ming-Chien Chiu and Vice Chairman Tien-Jui Lin leverage deep experience in molds, CNC precision machining, and injection-molding technologies to continuously upgrade existing technologies and lead the Company's expansion into aerospace businesses.
In support of RE100 targets and energy-management strategies, the Company also draws on Independent Director Chia-Hung Chin's international market experience in the green-energy industry and Director Chih-Fang Wei's practical experience in the green-power industry, bringing key momentum to renewable-energy utilization and transition planning. Overall, during director selection the Company considers not only professional competence and industry experience but also moral character, leadership ability, and reputation, ensuring sound decision-making, risk oversight, and sustainability governance capabilities.

Director Independence, Gender, and Age Statistics

The 8th Board in 2025 comprises nine directors. Directors who are employees account for 22%, independent directors account for 44%, and there is one female director. By age, three directors are over 60 and six are between 50 and 60. The Company values gender balance and diversity and plans to increase the number of female directors in the next Board election to further strengthen diversity and governance effectiveness. For details of director backgrounds, refer to pages 6-10 of the Annual Report; for director training records, refer to page 47.

Board Performance Evaluation Mechanism

The Company has established the "Board Performance Evaluation Regulations" and conducts annual Board self-evaluations. Assessment covers directors' participation in Company operations, decision quality, internal relationships and communication, continuing education, and internal control, using a questionnaire approach. Every three years, an external independent institution is commissioned to conduct a Board performance evaluation. In January 2026, the Company engaged the Taipei Foundation of Finance to complete the evaluation. Objective professional recommendations are used to optimize Board functions, improve corporate governance effectiveness, and advance sustainable development. Results also serve as an important reference for individual director compensation and renomination.

Director Performance and Compensation System

The Company has established the "Board Performance Evaluation Regulations" and related mechanisms and conducts Board performance evaluations annually. Based on each director's tenure and responsibilities, weighted analysis focuses on operating participation, professional competence and continuing education, internal and external relationship management, understanding of Group strategy, and participation in ESG topics. Results are submitted to the Remuneration Committee as an important reference for director compensation and renomination. To enhance corporate-governance transparency and implement the principle of sharing operating results, Gudeng Precision also establishes a reasonable ratio between director and employee remuneration and voluntarily discloses director compensation information. Refer to page 18 of the Annual Report.

Director Conflict-of-Interest Avoidance Mechanism

The Company has established the Ethical Corporate Management Best Practice Principles, Code of Ethical Conduct, and Whistleblowing System, demonstrating its commitment to transparent operations, ethical management, and regulatory compliance. Directors and managers are required to strictly comply with the Company Act, Securities and Exchange Act, and applicable listing regulations and to implement conflict-of-interest avoidance and anti-corruption principles. Under the Rules of Procedure for Board Meetings, where an agenda item involves the interests of a director or the legal entity represented by that director and may harm the Company's interests, the director must proactively recuse from discussion and voting and may not exercise voting rights on behalf of another director. Recusal circumstances, including the director's name, agenda content, and handling method, are fully recorded in meeting minutes to safeguard the best interests of the Company and stakeholders. Positions held by directors at other companies are disclosed on pages 6-10 of the Annual Report, demonstrating transparency and ethical governance.

Communication of Critical Major Events

When critical major events arise during Company operations, the Board plays a central role in decision oversight and communication guidance. If a major matter may affect operations, reputation, or stakeholder rights, the Board supervises management in promptly activating response mechanisms and ensures that information, after careful assessment, is communicated externally in a transparent, accurate, and consistent manner in accordance with regulatory requirements and integrity principles. The Board also continuously monitors the effect of major events on long-term risk management and sustainability goals and, where necessary, may convene extraordinary meetings or authorize the Sustainable Development Committee to assist, ensuring communication strategies are consistent with corporate values and stakeholder expectations. Through this oversight and guidance mechanism, the Company strengthens the stability, trustworthiness, and responsiveness of external communications. No major event occurred during the year, so the critical-major-event communication procedure was not activated.

2.1.3 Ethical Corporate Managemen

Gudeng Precision is founded on "integrity and ethics" and is committed to building a strong corporate culture of integrity. The Company complies with ethical-management requirements, does not accept improper benefits, implements conflict-of-interest avoidance, and protects business confidentiality. In 2025, no violations of laws or regulations in the social and economic fields occurred, nor were there any anti-competitive, antitrust, or monopolistic practices.

To establish a corporate culture of ethical management and a sound business model, Gudeng Precision has established the Ethical Corporate Management Best Practice Principles, Code of Ethical Conduct, and Whistleblowing System, clearly declaring its position on operational transparency, regulatory compliance, and anti-corruption and demonstrating its commitment to ethical management for shareholders and all stakeholders.

Regulatory Compliance

Gudeng Precision's directors, managers, and all employees comply with the Ethical Corporate Management Best Practice Principles and fully understand the legal-compliance requirements stipulated in Article 4, including the Company Act, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Act, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, applicable listed-company regulations, and other laws governing business conduct, which form the basic prerequisite for ethical corporate management.

The Company has established an Internal Audit Office under the Board as the dedicated unit, with sufficient resources and qualified personnel. In accordance with the Regulations Governing Establishment of Internal Control Systems by Public Companies, it establishes internal-control systems and regularly audits changes in new regulations, accounting systems, and internal controls, updating relevant standards accordingly. The unit is responsible for establishing and supervising ethical-management policies and prevention programs, including compliance with the Company Act and Securities and Exchange Act. Each year, all units conduct internal-control self-assessments covering legal compliance, awareness of employee ethical standards, and related risk assessments. The Company adjusts the design and execution of internal controls based on assessment results and establishes an annual audit plan to implement self-monitoring. Audit results are regularly reported by the Internal Audit Office to the Audit Committee and Board each quarter. An Internal Control System Statement is ultimately issued, approved by the Audit Committee and Board, publicly filed, and reported to the shareholders' meeting.

Promoting Compliance among Supplier Partners

Gudeng Precision communicates the RBA Responsible Business Alliance Code of Conduct to suppliers, covering labor rights, health and safety, environmental protection, ethics, and management systems. Suppliers are required to comply with the Supplier Code of Conduct and sign the "Ethical Conduct Compliance Statement." The supplier signing rate for the Ethical Conduct Compliance Statement reached 100% in 2025. Through the annual supplier audit mechanism, the Company also confirms supplier implementation of relevant requirements and works jointly to promote corporate social responsibility and sustainable supply-chain management.

Zero Tolerance for Corruption

Gudeng Precision requires each Factory, department, and subsidiary to conduct self-reviews through annual internal-control self-assessments. The assessment scope covers the Ethical Corporate Management Best Practice Principles, RBA Code of Conduct, employee ethics, and regulatory compliance. The Company explicitly prohibits employees, directly or through third parties, from offering, promising, requesting, or accepting illegal political donations, bribery, improper charitable donations or sponsorships, unreasonable gifts or entertainment, or other improper benefits, and has established relevant preventive measures and handling procedures. Ethical-management courses are mandatory onboarding courses for new employees, and the Company also provides related communications and notices to employees, managers, and directors on an irregular basis to continuously strengthen awareness of integrity and self-discipline.

Ethical Corporate Management Policy

Gudeng Precision upholds the principles of integrity, transparency, and responsibility and complies with the Company Act, corporate-governance policies, and applicable laws and regulations. It establishes governance policies based on integrity and revises the Articles of Incorporation and related rules as needed in response to operating needs and regulatory changes. Such revisions are implemented after Board approval to establish sound corporate governance and risk-control mechanisms and create an operating environment conducive to sustainable corporate development. The Company also discloses the Ethical Corporate Management Best Practice Principles, Corporate Governance Best Practice Principles, and related regulations in the Corporate Governance section and on the Market Observation Post System, and continuously updates corporate-governance implementation status and results to enhance information transparency and stakeholder trust.

Education, Training, and Promotion of Ethical Management

To implement ethical-management principles, Gudeng Precision regularly invites internal and external instructors to provide education, training, and communications for employees, managers, directors, and de facto controllers so they fully understand the Company's determination, policies, preventive measures, and potential consequences of unethical conduct. New employees must complete courses on the employee code of ethics, ethical corporate management, and anti-corruption during onboarding. The completion rate reached 100% in 2025. In November 2025, the Company also conducted communications for all employees in Taiwan, including Tucheng Headquarters (Guchii Office), Tucheng office, Fuxing Factory, Tainan Tree Valley Factory, and Southern Taiwan Science Park Branch., covering the Personal Data Protection Act, PIP confidential-information protection, Trade Secrets Act, and employee ethics. The course lasted 0.5 hours and continued to strengthen employees' compliance awareness and ethical self-discipline.

Whistleblower Reward / Gudeng Precision Whistleblowing and Grievance Section

- nternal and external grievance email: GDaudit@gudeng.com
- Internal and external grievance hotline: +886-2-2268-9141 ext. 61116

2.1.4 Risk and Internal Control

Risk Management Policy

For more than two decades, Gudeng Precision has upheld rigorous risk-management principles, faced the challenges posed by uncertainty, and sought to transform potential risks into growth opportunities through systematic risk assessment and crisis-response mechanisms, continuously strengthening corporate resilience and competitiveness. Based on overall operating strategy, the Company establishes Group risk-management policies and builds a management mechanism characterized by "early identification, accurate measurement, effective supervision, and strict control" for various risks. Through risk-tolerance settings and early-warning systems, the Company continuously monitors internal and external environmental changes, adjusts response strategies as appropriate, and introduces best risk-management practices to safeguard the rights and interests of employees, shareholders, partners, and customers, optimize resource allocation, and enhance overall enterprise value.

To identify and respond promptly to potential risks, the Company also establishes diverse communication and reporting mechanisms, including employee suggestion boxes, internal/external whistleblowing mailboxes, and stakeholder contact sections, actively collecting possible risk events, strengthening identification and management of internal and external risks, and ensuring operational stability and sustainable development.

Risk Management Organization and Operation

Gudeng Precision established a "Risk Management Committee" in June 2022. The Board serves as the highest governance body for risk management, while the CEO serves as the highest risk-management executive and coordinates Group risk-management policies and operating mechanisms. The President and first-level unit heads serve as first-line risk-management personnel responsible for risk detection, identification, assessment, and development of response measures and regularly review and supervise these matters at operating meetings. For different risk types and material events, the Company may establish response teams as needed and appoint responsible executives to coordinate handling to ensure timely response and effective control. Within the internal-control system, the audit unit is responsible for reviewing implementation of risk-management measures. Risk assessments, measurements, and management operations are ultimately reported regularly by the Corporate Governance Officer to the Audit Committee and Board, strengthening risk oversight and governance effectiveness.

Milestones

- Nov. 6, 2020 - Board approved addition of the Risk Management Policy.
- Aug. 5, 2022 - Board approved revision of the Risk Management Policy to respond to international trends and practice sustainable corporate development.
- Dec. 21, 2022 - annual Risk Management Plan operations reported to the Board, covering risk identification and operations.
- Jun. 23, 2022 - Risk Management Committee established. 2023 - ISO 22301 Business Continuity Management System introduced and Group BCP program promoted.
- Aug. 6, 2025 - Board approved revision of the Risk Management Policy to align with Company operating trends.

Business Continuity Management Mechanism

Gudeng Precision follows a Business Continuity Plan (BCP) and regularly reviews and adjusts related strategies. Department-level executives jointly form the "Business Continuity Management Committee," which regularly collects internal and external information through departments, identifies and assesses risk factors and events that may affect business continuity, and further strengthens capabilities for coordination, assessment, review, and execution of emergency-response measures. For major risk-management topics, the Committee also discusses response measures to ensure stable operations, protect the rights and interests of shareholders and stakeholders, and continue meeting customer requirements for quality, capacity, and stable supply.

Risk Management Scope

Each year, the Business Continuity Management Committee collects potential risk events, risk sources, and possible consequences across three major dimensions - economic, environmental, and information security - and conducts risk identification and assessment. Results are presented using a risk matrix to comprehensively examine the likelihood of internal and external Group risks and their potential impact on Company operations, define risk levels, and formulate corresponding response measures and management actions for each level.

Risk Category	Potential Risks	Response Measures and Goals
Financial Operations	● Foreign-exchange risk; ● interest-rate hike risk; ● fund-utilization risk; ● accounts receivable.	· Use foreign-currency revenue to pay foreign-currency material-purchase liabilities, applying natural hedging to reduce most FX risk; depending on FX market changes, use hedging derivatives such as forward sales or purchases to mitigate exchange-rate volatility. · Maintain more than six months of operating funds on the books, maintain close relationships with banks, and preserve short-, medium-, and long-term financing facilities to support working-capital needs and financial flexibility
Supply Chain Risk	● Raw-material shortages; ● supplier management; ● incoming-material quality.	· Maintain safety stocks of important raw materials; · obtain quotations from at least two suppliers for the same raw material to reduce purchasing concentration risk; · implement Forecast Order management; · conduct Tier supplier-level surveys; · cultivate local supply-chain alliances.

Risk Category	Potential Risks	Response Measures and Goals
R&D and Innovation	● Intellectual-property rights and legal litigation; ● departure of key R&D personnel; ● trade secrets.	・Establish a comprehensive patent-protection network and continuously strengthen the scope and mechanisms of patent management. Introduce the Taiwan Intellectual Property Management System (TIPS), strengthen intellectual-property protection and management databases, effectively search and manage internal patents, and systematically manage patent/IP news, search data, and regulatory information to enhance patent knowledge-management effectiveness. ・Strengthen knowledge management and preservation of R&D records, require R&D personnel to maintain R&D journals and research notebooks, and regularly hold R&D design-review meetings to promote technical exchange and experience transfer. Model-review records, experiment and test content, and related R&D documents are uploaded to the PDM system to ensure complete retention and effective management of R&D results.
Operational Risk	● Industry-cycle and macroeconomic risks; ● geopolitics; ● customer strategic adjustments; ● information security.	・Maintain sound financial and operating conditions and monitor international industry-development trends and market changes in a timely manner to strengthen operational responsiveness; ・actively expand into new markets and customers and diversify revenue sources to spread potential operational and market risks; ・maintain long-term customer partnerships, co-develop products, and proactively understand market demand and technology trends; ・make strategic investments and promote local semiconductor supply-chain alliances to strengthen industrial collaboration and supply-chain resilience; ・introduce and upgrade information and ICT infrastructure hardware services to improve operational efficiency, system stability, and digital-management capabilities.
Climate Change	● Summer power rationing/outages; ● water shortages and fires; ● floods, windstorms, earthquakes, and other natural disasters.	・Implement regulatory compliance and management systems, including ISO 45001, to ensure operations meet or exceed environmental and occupational-safety regulations, and plan the four major worker-health protection programs with the goal of "zero hazardous points in the workplace." ・Strengthen organization-wide safety and health awareness and responsibility, treating safety and health management as an important responsibility of supervisors at all levels; through leadership and participation, jointly identify and eliminate hazards, prevent accidents and occupational diseases, and continuously improve workplace safety through on-site hazard-identification activities. ・Strengthen environmental and safety performance management by regularly updating and announcing safety performance indicators; periodically compile energy/resource use, emissions data, and accident occurrence, analyze causes, develop preventive measures, and continuously self-diagnose and improve toward excellent environmental and safety performance.
Human Resources	● Human-rights due diligence; ● talent-resource gaps	・Implement the Human Rights Policy, identify risks across human-rights topics, establish corresponding management measures, regularly evaluate effectiveness, and adjust improvement measures based on results to effectively control and mitigate potential human-rights risks and strengthen protections. ・For talent loss, use an annual compensation-adjustment mechanism to regularly assess market pay levels and internal talent structure, strengthen retention of key technical talent, and maintain organizational competitiveness and operating stability. ・Establish diverse communication channels, including employee grievance hotlines, dedicated grievance email, employee information website, employee discussion forums, labor-management meetings, and welfare committees, allowing employees to promptly raise opinions and issues, promoting two-way labor-management communication and harmonious workplace relations, and building employee advocacy and communication platforms.

2.1.5 Internal Audit

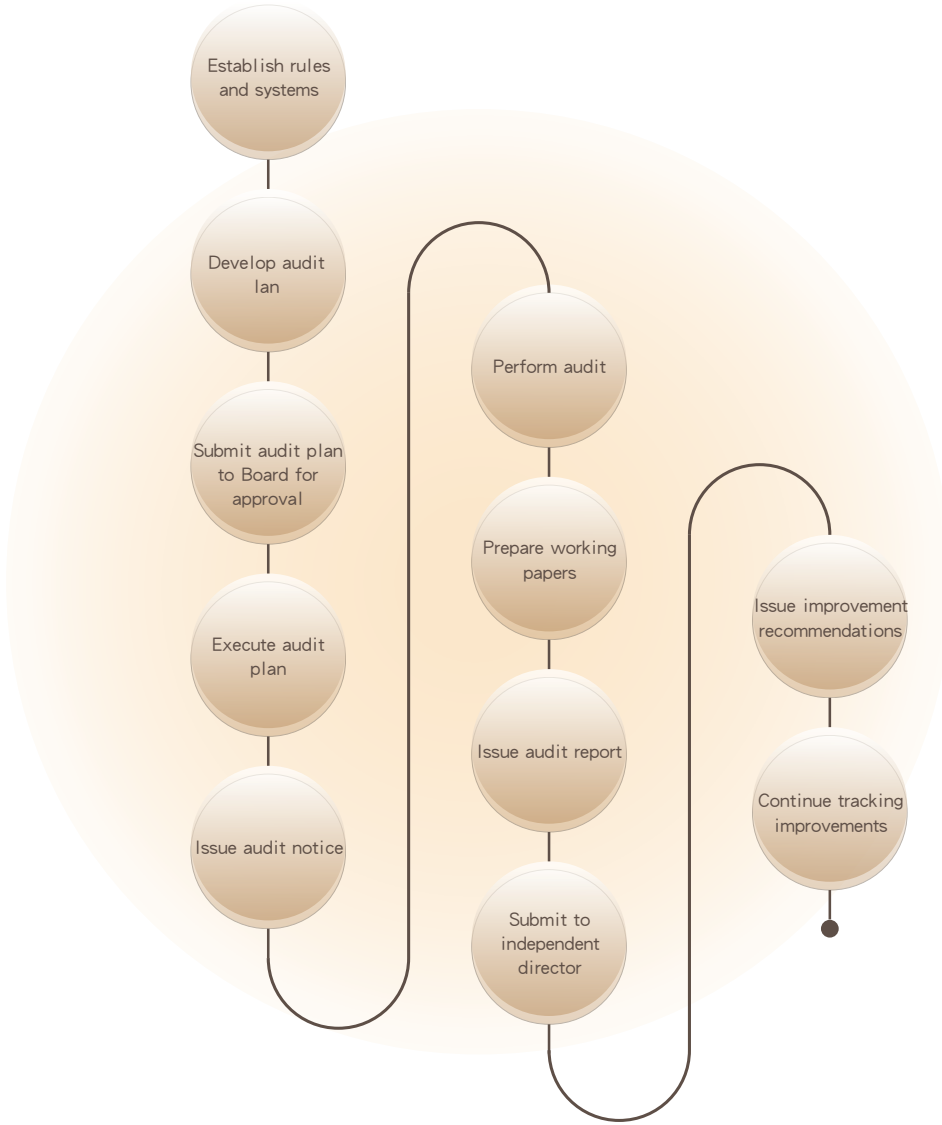
Internal Audit Office Responsibilities

The Company's Internal Audit Office reports directly to the Board and has one Chief Audit Executive responsible for coordinating internal-audit activities and supervising execution of internal audits. An appropriate number of dedicated auditors are also assigned to perform regular and irregular Group audits, special audits, and related work. Appointment or dismissal of the Chief Audit Executive requires Board approval to ensure independence and objectivity. Appointment, dismissal, performance evaluation, and compensation of other internal auditors are submitted by the Chief Audit Executive to the Chairman for approval.

Internal Audit Operations

- **Annual Audits**：Each year, based on risk-assessment results and regulatory requirements, the Internal Audit Office prepares an annual audit plan and executes it after Board approval. The Chief Audit Executive reports monthly audit results to directors and independent directors and provides routine audit-business reports to the Board quarterly, strengthening Board oversight of internal-control and risk-management implementation.
- **Special Audits**：Based on the operating-management needs of the Board and senior management, the Internal Audit Office performs irregular special audits of specific risk topics, important operating processes, or management matters to help strengthen internal controls and improve operating-management effectiveness.

Audit Process



2.2 Information Security

Material Topic	Information Security
Policy	Based on the need to protect the Company's R&D achievements, trade secrets, statutory requirements, and contractual obligations, Gudeng Precision has established stringent information security policies to ensure that corporate assets and important information are adequately protected in terms of confidentiality, integrity, and availability.
Management Approach	1. In accordance with information-security regulations applicable to public companies, the Company has appointed a Chief Information Security Officer and established a dedicated information-security unit, while implementing an ISO 27001 Information Security Management System (ISMS). 2. The information unit manages information assets and performs risk assessments, incident reporting, internal and external audits, employee training, and technical controls to protect R&D and operational data, reinforce customer trust, and ensure regulatory compliance.

2025Achievements

- Passed the ISO 27001:2022 transition audit.
- Strengthened file-output tracking to prevent misuse or unauthorized disclosure of R&D drawings and sensitive information.
- Introduced Managed Detection and Response (MDR) services to enhance real-time monitoring and behavioral analysis of internal Internet use and block internally initiated cyberattacks.
- Established a high-availability architecture for external-network firewalls.
- Optimized the SAP ERP network architecture in response to overseas expansion, adopting SD-WAN to improve network availability and security.

2026 Short-term Goals

- Complete the annual ISO 27001:2022 surveillance audit.
- Introduce a Security Operations Center (SOC) monitoring service with AI-enabled real-time threat alerts.
- Establish a Group-wide UPAS internal network management platform.
- Upgrade Internet behavior management and deploy an L7 management platform.
- Establish scheduled automated endpoint backup mechanisms.
- Apply RFID to mold and injection-molding production-flow management to enable real-time equipment status, production history, and traceability.
- Introduce an AI SOP assistant to improve production-line efficiency and reduce human error.

2027-2030 Medium- and Long-term Goals

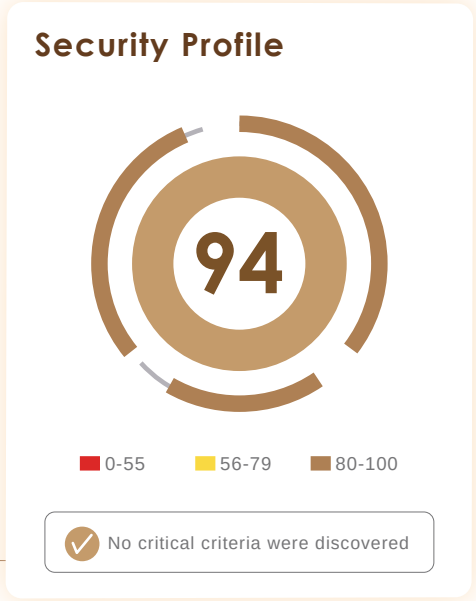
- Continue obtaining third-party cybersecurity ratings, such as Panorays, for key customer requirements each year.
- Continue conducting social-engineering drills.
- Strengthen Group-wide internal and external network security and integrate data-center, system-data, and infrastructure resources to improve data security and high availability.
- Continue reviewing information-security objectives and strategies in alignment with organizational and business goals, strengthening top-down and feedback-based governance.

2.2.1 Annual Information Security Strategy: Lean Production and Smart Manufacturing

Goal 1: Become a Supplier that Delivers Both Speed and Security in the Eyes of Customer

The Company's information-security governance framework guides and controls information-security activities and aligns security requirements with business operations through a top-down and feedback-based mechanism. In response to customer requirements, the Company follows TSMC-SCSA supply-chain cybersecurity requirements and is monitored throughout the year through the Panorays cybersecurity rating platform.

Panorays Cybersecurity Rating: 94



Note: Panorays conducts irregular monitoring of network behavior and testing of network devices. Newly disclosed vulnerabilities that have not yet been patched may temporarily lower the score. The Company therefore continuously monitors rating changes and promptly completes remediation to maintain information-security protection.

Information Technology Governance Responsibilities

Based on the results of the risk assessment and the organization's operational needs, identified risks requiring improvement are prioritized, and corresponding risk treatment plans are developed. These plans cover both organizational governance and management arrangements as well as technical control systems.

- Management Level: Focuses on information-security threats and determines appropriate protection measures and implementation priorities.
- Business Level: Identifies critical businesses and systems and ensures that related risks are effectively controlled.
- Operational Level: Based on management direction and business criticality, implements comprehensive protection for important information assets.

Goal 2: Establish a Complete and Traceable Information System

The Company continues to improve system-service quality and business continuity to prevent service interruption and maintain system availability and confidentiality. Measures include strengthening ICT infrastructure, internal-network access control, and OT security; applying RFID to production-line tracking; and introducing an AI SOP smart assistant to advance lean production and smart manufacturing.

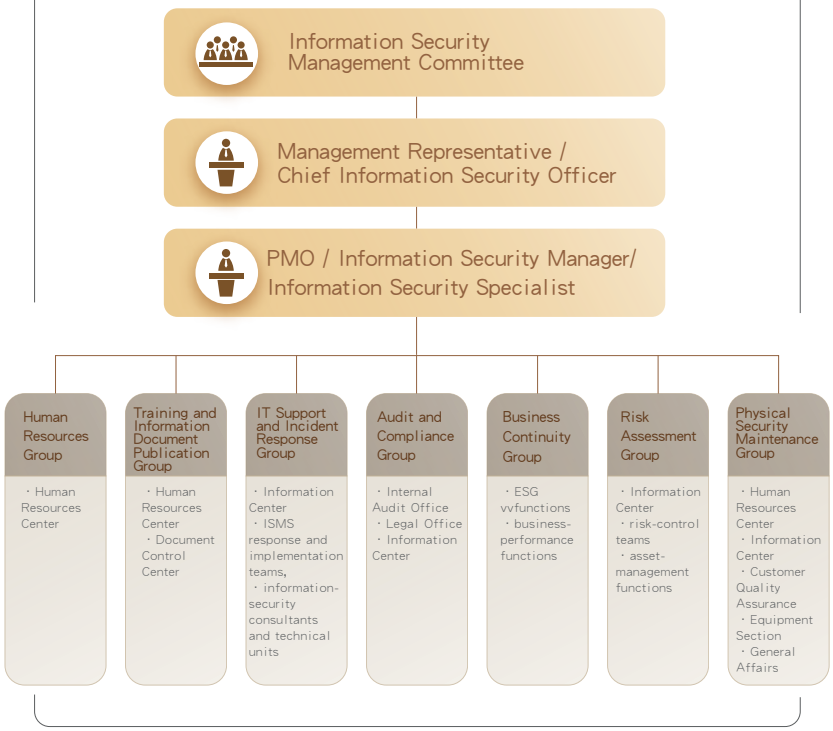
2.2.2 Information Security Management Committee

The Information Security Management Committee was established in October 2021. To ensure the suitability, adequacy, and effectiveness of the business continuity and information-security management systems, the Company considers operating strategies and stakeholder needs when formulating information-security policies. Stakeholder needs and objectives are analyzed in relation to core business processes and important operations, and the ISO 27001 framework is used to assess potential impacts and determine appropriate risk-treatment measures.

At least one Information Security Management Committee meeting is held each year. In addition, the Chief Information Officer reports monthly at management meetings on the following matters：

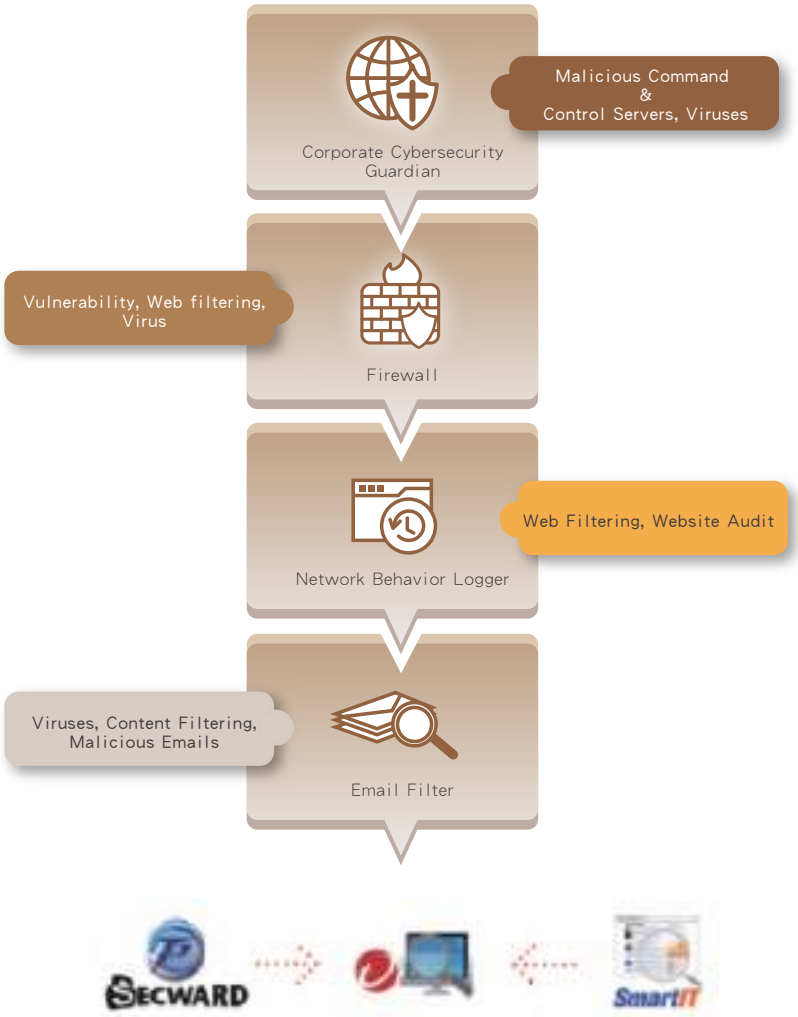
1. Follow-up actions from previous management reviews.
2. Changes in internal and external issues relevant to the ISMS.
3. Information-security performance and feedback, including nonconformities and corrective actions, monitoring and measurement results, audit results, and achievement of objectives.
4. Stakeholder feedback and customer responses.
5. Risk-assessment results and the status of risk-treatment plans.
6. Opportunities and recommendations for continual improvement of the ISMS.
7. Resource, technology, information, and financial forecasts compared with actual results.
8. Risks affecting operation of the ISMS.

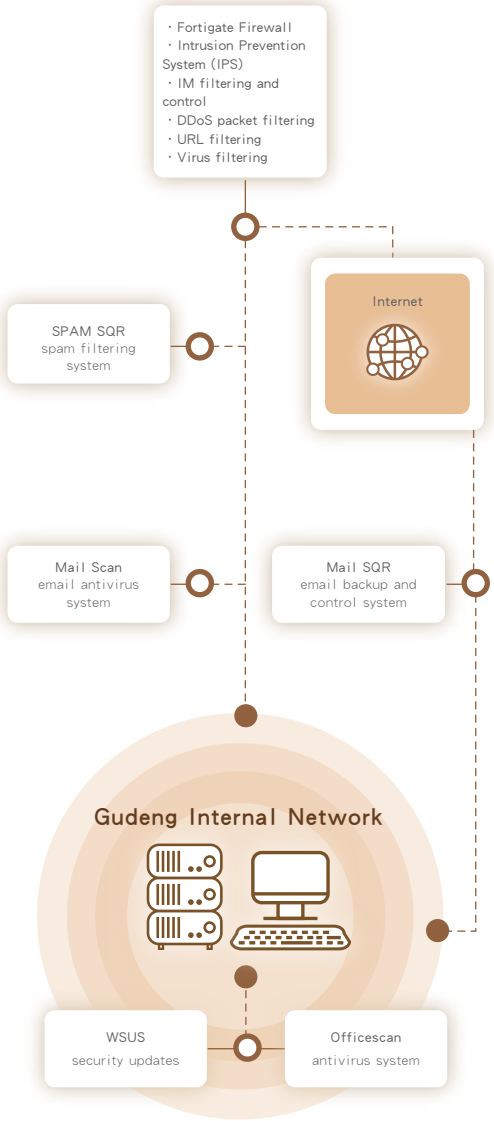
Information Security Management Committee Structure



Information Security Protection Measures

Gudeng Precision uses its internal network and firewall architecture to establish an information-security protection system, ensuring the confidentiality, integrity, and availability of Company information while protecting customer information from leakage and preventing business interruption. These are key commitments to customers.
As cybersecurity becomes increasingly important, major customers are imposing stricter information-security requirements on suppliers. Regular and ad hoc information-security self-assessments and audits have become routine. Gudeng Precision therefore continues to strengthen its information-security system and implementation practices to prevent cybersecurity incidents from causing significant harm to the Company or its customers.





Continuous Analysis & Monitoring / Threat Hunting (24/7)

Item	Implementation Details
Outbound Email Automatic Review System (Mail Audit)	Email is the primary channel for external data transmission and also one of the channels with the highest risk of sensitive-data leakage. The Company has implemented Mail SQR Expert, a comprehensive email-management solution, to review emails containing sensitive internal information and prevent accidental or intentional leakage by employees.
Control of USB Devices and Optical Drives on Internal PCs	Employees are prohibited from using USB drives, optical drives, and other external storage devices. Relevant procedures are clearly defined in the Confidential Information Protection Management Rules. Application-control mechanisms are also used to manage access permissions on personal computers, improving the security of sensitive-data use and reducing the risk of security incidents and data leakage.
Proactive Intrusion Prevention System (IPS)	The Company uses high-performance, highly stable, and resilient cybersecurity services provided by Chunghwa Telecom's cybersecurity team. The service can isolate network viruses, block malicious connections, and defend against ransomware, cryptomining malware, spyware, and other attacks, enabling real-time threat detection and protection.
External Network Protection	Firewalls are deployed at all network boundaries as the first line of defense for internal and external communications. IDS/IPS, gateway antivirus, and malicious-connection blocking functions are integrated to reduce external-intrusion risks. Data transmitted through VPN connections uses encrypted channels to preserve confidentiality and integrity. Multi-factor authentication (MFA) is also used to strengthen remote-access security.
Internet Access Management	A Web Proxy Content Gateway is deployed to manage employee Internet access. The system classifies applications and protocols, records connections, and blocks inappropriate or high-risk behavior in real time, reducing risks arising from human error or misuse while strengthening compliance and information-asset protection.
Document Encryption Management	The Company applies document-encryption controls that record and monitor document opening, editing, saving, and printing, and automatically apply encryption policies at critical operational points. This improves the security level of sensitive internal information and keeps documents controlled throughout circulation and sharing.
MDR Cybersecurity Service	The Company continues to strengthen internal information-security protection by introducing Threat Detection and Response (TDR) / MDR services for real-time detection and blocking of potential threats and attacks. Through proactive monitoring and behavioral analytics, the Company moves beyond traditional passive defense and improves the security of information assets and the stability and continuity of business operations.

2.2.3 Information Security Education and Training

To improve information-security awareness and protection capabilities across the workforce, the Company regularly conducts information-security risk education and communications. New employees receive basic information-security and confidential-information protection training upon joining, while existing employees receive ongoing training through monthly meetings, ad hoc educational sessions, and email reminders.

The Company also conducts annual email social-engineering drills using simulated phishing subjects and content to help employees identify potential threats through practical experience. These exercises improve vigilance and judgment and reduce cyberattack risks caused by accidental clicks on malicious emails or visits to high-risk websites, further strengthening awareness of cybersecurity and sensitive-data protection.

2025 Training Performance

- At least two information-security awareness sessions were conducted for all employees during the year, one hour each, with 1,437 total training participations.
- Two information-security courses were arranged for IT personnel in 2025, with 36 total participations.

2.2.4 Customer Privacy Protection

To deepen cybersecurity defense, the Company not only uses MDR services to monitor and analyze user network behavior in real time, but also plans to introduce SOC monitoring services in 2026, using AI to identify threats in real time and improve protection effectiveness. The Company is also implementing an L7 management platform, upgrading traffic-control equipment, and establishing automated endpoint backups to strengthen information-asset risk management. Through these safeguards, customer data involved in critical business and supply-chain processes are effectively monitored and strictly managed.

2025 Results

- No substantiated complaints concerning breaches of customer privacy or loss of customer data occurred in 2025.
- Legal reviews conducted through RBA, TIPS verification, and annual internal-control self-assessments confirmed no related violations.
- Annual internal and external audits and monitoring of the information-security management system identified no related information-security anomalies.

2.3 Sustainable Supply

Material Topic	Sustainable Supply Chain
Policy	Implement the Responsible Business Alliance (RBA) Code of Conduct and build a localized semiconductor supply-chain alliance.
Management Approach	Operations are carried out in accordance with the Supplier Management Procedure and RBA Supplier Management Rules. The Company also integrates ISO 20400 Sustainable Procurement guidance to continuously strengthen sustainable-procurement policies and implementation practices.

2025 Achievements

1. Assisted 12 key suppliers in reducing emissions by 10,000 metric tons CO2e and obtaining ISO 14064-1 certificates.
2. Launched Gudeng's proprietary carbon-management platform (GSP).
3. Local procurement ratio reached 86%.
4. Supplier Commitment Letter signing rate reached 100%.
5. Tier 1 supplier ESG (RBA) questionnaire completion rate reached 100%.
6. 100% of suppliers used no conflict minerals.
7. Obtained third-party verification under ISO 20400 Sustainable Procurement Guidelines.

2026 Short-term Goals

1. Continue increasing sustainability assessment items in supplier evaluation/audit reports in line with international standards and sustainability trends.
2. Increase the local procurement ratio to 88%.
3. Achieve a 100% completion rate for Tier 1 supplier ESG (RBA) questionnaires.
4. Achieve 100% use of compliant minerals by suppliers.
5. Conduct 12 on-site supplier audits based on RBA standards.

2027-2030 Medium- and Long-term Goals

1. Continue assisting suppliers in obtaining ISO 14064-1 third-party verification.
2. Assist high-electricity-use suppliers in implementing ISO 50001 and continue long-term carbon-reduction coaching.
3. Achieve a 100% signing rate for social-responsibility commitments.
4. Increase local procurement ratio to 90%.
5. Maintain a 100% completion rate for Tier 1 supplier ESG (RBA) questionnaires.
6. Maintain 100% supplier use of compliant minerals.
7. Incorporate climate change, water resources, and waste management into supplier-selection standards.
8. Encourage suppliers to use or jointly develop environmentally friendly packaging solutions.
9. Strengthen sustainability assessment items in supplier evaluation/audit reports.
10. Conduct 12 on-site supplier audits based on RBA standards.

Sustainable supply chain management policy

Sustainable Supplier Management Strategy

Gudeng Precision takes "Cultivating Local Taiwan Suppliers" as its mission and vision and is committed to advancing sustainable supply-chain development. Management topics include the RBA Code of Conduct, ESG policies, supply-chain business continuity, conflict minerals, and other sustainability issues. Each year, the Company communicates ESG concepts to suppliers through supplier conferences, online questionnaires, and training, and conducts on-site audits to help suppliers improve quality, human rights, environmental, and ethical practices, thereby actively building supplier sustainability capabilities.
In 2025, Gudeng Precision launched an industry-specific carbon-management platform and played a leadership role in supplier collaboration, actively helping small- and medium-sized suppliers build greenhouse gas inventory capabilities while sharing its own carbon-reduction experience and best practices. The Company expanded sustainability policies across the entire supply chain and actively shared resources and experience with downstream suppliers. Gudeng Precision also provided professional energy-saving technical support, arranging third-party engineers to conduct on-site energy-efficiency diagnostics so suppliers could improve energy efficiency, reduce production costs, and lower environmental impacts.

In addition, Gudeng Precision obtained ISO 20400 Sustainable Procurement certification during the year, further establishing sustainability standards and guidelines and encouraging suppliers to comply with these principles and improve sustainable management performance.

2025 Sustainable Supply Chain Action Plan

1. Activated the industry carbon-management platform with three major modules: ISO 14064-1, ISO 14067, and ISO 20400.
2. Continued on-site energy-saving guidance by third-party professional engineers to improve energy efficiency.
3. Following the Company's 2022 RBA Platinum certification, obtained ISO 20400 Sustainable Procurement Guidelines certification in 2025 to establish sustainability standards and guidelines for suppliers.

2.3.1 Supplier Overview

Gudeng Precision's suppliers are categorized into four types: non-production materials, production materials, customer-designated materials, and project-based suppliers.

1. Non-production material suppliers provide office, administrative, indirect-procurement, and contracted-service requirements not directly related to product manufacturing.
2. Production material suppliers provide raw materials, components, manufacturing processes, and related services associated with final-product production and form part of the core production system.
3. Customer-designated material suppliers provide materials or services from designated brands or specific process suppliers as required by customers.
4. Project-based suppliers are engaged for specific projects based on end-customer requirements and may provide services, outsourced processing, or agency sales.

Supplier Classification as of 2025

Type	Domestic	Overseas
Non-production Materials	769	9
Production Materials	108	12
Customer-designated Materials	6	2
Special Project Requirements	24	6
Total	907	29

Supplier Management Process

To implement sustainable supply-chain goals, Gudeng Precision differentiates supplier management between new suppliers and existing suppliers and has established complete management processes for both non-production and production materials. The process is designed to ensure that partners meet the Company's requirements for quality, environment, social responsibility, and ethical conduct.

Supplier Commitment Letter

All suppliers are required to sign the Supplier Commitment Letter before cooperation. From 2021 to 2025, the signing rate among newly added suppliers was 100% every year. The commitment covers:

1. Implementation of the Responsible Business Alliance (RBA) Code of Conduct.
2. Business ethics requirements prohibiting corruption, improper benefits, and dishonest conduct.
3. Management systems and compliance with applicable local and international laws and regulations.
4. Commitment to human rights and responsible supply chains, including a conflict-free minerals policy.
5. Compliance with Gudeng Precision's procurement policy to build an ethical, transparent, and sustainable supply-chain management system.

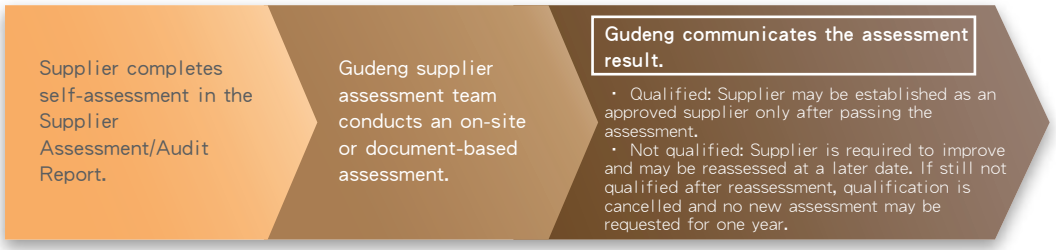
Supplier Social Responsibility Requirement	2021	2022	2023	2024	2025
Number of New Suppliers	149	91	138	118	130
Supplier Commitment Letter Signing Rate	100%	100%	100%	100%	100%

New Supplier Assessment

For new suppliers of critical production materials, Gudeng Precision performs a new-supplier assessment. Technical and quality capabilities that meet international standards such as ISO 9001 are primary evaluation criteria. Suppliers must also commit to complying with local laws, ethical requirements, environmental requirements, conflict-mineral restrictions, and the RBA Code of Conduct, and must sign the Supplier Commitment Letter.

For new suppliers involving processes with high environmental impact, such as surface treatment, painting, or anodizing, the Company requires additional pollution-prevention plans, relevant environmental reports, or environmental permits issued by competent authorities during supplier evaluation. Only suppliers that meet these environmental compliance requirements may pass the assessment process.

Production New Supplier Assessment Process



2025 Production New Supplier Assessment Results

Assessment Type	Number of Suppliers	Improvement Recommendations	Follow-up Completion Rate
On-site Assessment	2	9	100%
Document-based Assessment	0	0	0

Periodic Audits and Guidance

To continuously monitor supplier operating performance and sustainability practices, the Company selects existing key suppliers for annual audits based on prior-year transaction amounts and RBA audit-screening criteria. Audit areas include quality management, environmental safety, occupational health and safety, business continuity, and RBA requirements such as prohibition of forced labor and child labor, employee freedoms and rights, legal working hours and wages, safe and healthy working environments, business integrity and ethics, and supplier RBA management. Nonconformities trigger corrective action plans with specified deadlines.

RBA Supplier Classification and Requirement Matrix

Category	Subcategory		Document or Requirement 1 Supplier Commitment Letter	2 Confidentiality Agreement	3 Substance-content testing (1) inspection reports	3 Substance-content testing (2) composition statements	4 Conflict-free Minerals Due Diligence (3) CMRT	4 Conflict-free Minerals Due Diligence (4) EMRT	5 RBA Supplier Audit Report	6 On-site Audit	7 Wage and Working-hours Questionnaire, where applicable
Material Suppliers	A-1	Domestic suppliers with prior-year transactions exceeding NT$40 million.	●	●	●	●	●	●	●	●	
	A-2	Overseas suppliers with prior-year transactions exceeding NT$40 million.	●	●	●	●	●	●	●		
	B	Suppliers of critical raw materials or processes.	●	●	●	●			●		
Service Contractors	A-1	Waste removal/treatment contractors and security contractors with prior-year transactions exceeding NT$1 million.	●	●					●	●	●
	A-2	Waste removal/treatment contractors and security contractors with prior-year transactions not exceeding NT$1 million.	●	●					●		●
	B-1	Labor-agency services with at least 50 migrant workers served in the prior year and transactions exceeding NT$700,000.	●	●					●	●	
	C-2	On-site group-meal contractors.	●	●						●	●

Existing Supplier Assessment Process



2025 Supplier Audits

Main audit areas: quality and delivery.

Item	Number of Suppliers	On-site Audits	Document Audits	Improvement Recommendations	Follow-up Completion
Periodic Audits	5	5	0	37	100%

2025 RBA Supplier Audits

Main audit areas: labor, health and safety, supplier management, and related RBA topics.

Item	Number of Suppliers	On-site Audits	Document Audits	Improvement Recommendations		Follow-up Completion	
				Human Rights	Environment	Human Rights	Environment
RBA Audits	18	12	6	21.4%	28.6%	85.4%	94.5%

Supplier Quality Management Assessment Process



2.3.2 Supplier Risk Assessment and Survey

To strengthen supply-chain risk oversight and ensure the stable supply of materials and services, the Company continues to improve supplier-management mechanisms, build safe and healthy working environments, and reduce potential environmental and social impacts across the supply chain. A comprehensive supplier-risk management mechanism has been established for key suppliers, including suppliers of critical raw materials, critical processes, and special processes, to identify and control potential risks from multiple dimensions.

Annual Supplier Assessment

Gudeng Precision conducts annual risk assessments of major suppliers of direct raw materials, outsourced processing services, and critical materials to determine partner risk levels. Assessment indicators include quality, service, delivery, and price. Suppliers rated Grade C or D are classified as high-risk suppliers and are notified to complete corrective actions within a specified period. They must submit specific corrective action plans for abnormal items within one month, which are reviewed by Quality Assurance to confirm effectiveness. If effective improvement is not achieved, the Supplier Improvement and Support Process is initiated and relevant units provide assistance on audit items that fail to meet standards.

In the event of a major quality issue, the Supplier Quality team promptly conducts an on-site review, provides process-improvement guidance, and verifies the qualifications and operating competency of relevant personnel to ensure stable production quality and delivery.

Gudeng Precision continues to expand supplier risk assessments and surveys to ensure supply-chain stability and reliability and to develop partners with long-term sustainability potential. In 2025, key supplier reviews were conducted based on transaction materiality and criticality. Suppliers were scored based on actual full-year transaction performance to maintain a comprehensive view of quality, service, delivery, and price. All assessment results remained above the minimum acceptable threshold.

Supplier Assessment Grade	2023	2024	2025
Grade A	23	27	35
Grade B	9	10	7
Grade C (High Risk)	1	0	0
Grade D (High Risk)	0	0	0
Total	33	37	42

Conflict-Free Minerals Survey

Based on corporate social responsibility and international justice principles, Gudeng Precision complies with the RBA Code of Conduct and investigates suppliers of key materials to ensure that metals mined under armed conflict, illegal mining, or poor working conditions are neither supported nor used. This helps prevent funding from flowing to armed groups, protects human and labor rights, and meets international standards and customer requirements.

Since March 2019, suppliers have been required to sign a Conflict-Free Minerals Commitment confirming that their products are not manufactured using conflict minerals. The Company uses the Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT) provided by the Responsible Minerals Initiative (RMI) for due diligence. Suppliers are also required to provide supporting documents under relevant environmental regulations, including RoHS and other international requirements. Gudeng Precision maintains and periodically updates a supplier substance-information database to ensure consistent supply-chain environmental management and regulatory compliance.

Conflict Minerals Survey Items in 2025	Number of Suppliers Surveyed	Number of Responses Received	Response Rate
CMRT	20	18	90%
EMRT	20	19	95%

Green Product Procurement Requirements

Gudeng Precision integrates environmental protection requirements into its supplier management process and requires suppliers to ensure the environmental compliance of key raw materials supplied to the Company. All supplied materials must be free from prohibited substances that may pose risks to the environment or human health. Suppliers are required to provide updated supporting documentation annually demonstrating compliance with applicable international environmental regulations, including RoHS (Restriction of Hazardous Substances) and REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals).

The Company maintains a supplier substance information database, which is regularly updated and monitored to support consistent environmental management and regulatory compliance across the supply chain.

Continuous Supply Management

For the semiconductor industry, stable supply is essential to customer trust, operational continuity, and long-term competitiveness. In response to increasing geopolitical uncertainty, raw material price volatility, climate-related risks, and other external disruptions, Gudeng Precision has incorporated supply chain risk management into its core operational strategy.

To strengthen risk identification and early-warning capabilities, the Company implemented the ISO 22301 Business Continuity Management System in 2024 and has continued certification during the reporting year. This provides a structured framework for building a more resilient and preventive business continuity mechanism.

Following the implementation of ISO 22301, Gudeng Precision established cross-functional business continuity plans covering supplier backup strategies, alternative logistics routes, and communication mechanisms. Key suppliers are also required to establish their own business continuity plans and provide contingency arrangements. These requirements are integrated with the Company’ s supplier sustainability audit process to reduce dependence on single-source supply and improve response capability and recovery efficiency during unexpected disruptions.

To strengthen risk identification and internal early-warning capabilities, the Company introduced ISO 22301 Business Continuity Management in 2024 and continued certification in 2025, establishing a highly resilient and preventive operating mechanism. Following implementation, Gudeng Precision formulated cross-functional business continuity plans covering supplier backup strategies, alternative logistics routes, and communication mechanisms, while also requiring key suppliers to establish their own business continuity plans.

The Company continues evaluating alternative procurement channels outside Taiwan for shared suppliers and responds to geopolitical and international developments with orderly risk-management measures. This demonstrates Gudeng Precision's ability to maintain stable product and service commitments to global customers even under extreme conditions and turn geopolitical risks into evidence of operational resilience.

Examples of Raw Material Risk Management Practices

Iran is one of the world’ s major oil-producing countries and has significant influence over the Strait of Hormuz, a critical route for oil exports from the Persian Gulf. Following the outbreak of the U.S. - Iran conflict on February 28, 2026, global energy markets experienced disruption, increasing the risk of raw material supply interruptions. In line with the principles of ISO 22301 Business Continuity Management, Gudeng Precision had been closely monitoring developments in the region before the conflict escalated. The Company promptly activated real-time monitoring, reviewed supplier exposure and inventory levels, and adjusted its procurement and sourcing strategies. Three key actions were implemented:

1. Strengthen inventory buffers: Increase safety stock levels for critical and forecasted raw materials to mitigate short-term supply disruption and delivery risks.
2. Enhance customer demand management: Conduct immediate demand assessments and extend demand visibility to more than six months to strengthen medium- to long-term supply preparedness.
3. Diversify international sourcing: Review supplier inventory levels and evaluate alternative sourcing options from multiple suppliers and regions outside Taiwan to reduce concentration risk.

Through proactive monitoring of geopolitical developments and disciplined risk management, Gudeng Precision has strengthened its operational resilience and ability to maintain stable product supply and service commitments to global customers, even under extreme disruption scenarios.

Supply Chain Sustainability Audits

Sustainable development is a long-term goal of Gudeng Precision and a direction for continuous self-improvement and proactive adjustment. The Company regards suppliers as long-term sustainability partners. Following RBA standards, suppliers are tiered by annual procurement amount. In 2025, 12 suppliers received on-site audits covering five major dimensions: labor, health and safety, environment, ethics, and supply-chain management.

Suppliers are evaluated using the Company's RBA Supplier Audit Report. All audited suppliers met the required threshold, with an average audit score of 76.8. Supplier Audit Summary Reports were issued for all nonconformities. Suppliers must respond within 10 business days after report issuance and complete corrective and preventive actions within two months. Regular audits help suppliers fulfill sustainability commitments and progressively improve supply-chain resilience.

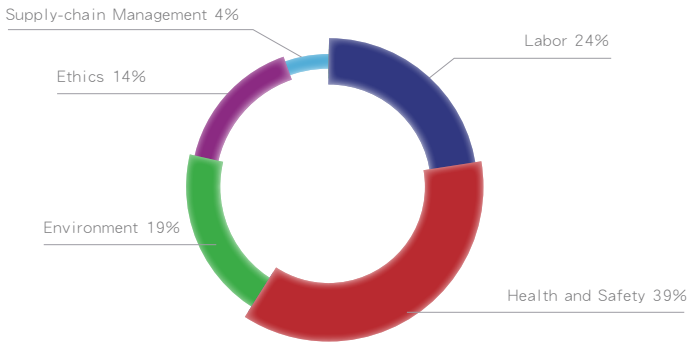
Audit Results and Disposition

- Score 90 or above: Priority supplier for procurement.
- Score 60-89: Continued procurement partner.
- Score 59 or below: Improvement required; procurement resumes only after corrective actions are verified.

In 2025, no material supplier adjustments were made and no suppliers were disqualified due to audit results.

Topic	Major Deficiencies
Labor	· noncompliance with zero-fee processes; · no religious-belief application/control procedure; · hiring rules not yet revised; · working-hours and overtime controls not systematized.
Health and Safety	· hazard labels not posted; · incomplete emergency escape devices; · electrical control boxes unlocked; · first-aid kits lacked inspection/use records; · lactation room needed.
Environment	· Factory waste not segregated
Ethics	· employee grievance process insufficiently implemented; · no human-rights policy issued; · no data-leak policy measures.
Management System	· no regular risk assessments; · Gudeng RBA Supplier Code requirements not communicated to suppliers.

Audit Deficiency Distribution



2.3.3 2024 Supplier Communication

Supplier Conference

In 2025, the supplier conference focused on sharing the results of Gudeng Precision's supply-chain low-carbon transformation program. High-performing energy-saving suppliers were publicly recognized, and Gudeng shared the results of its green supply-chain initiatives to deepen supplier understanding of carbon reduction, social responsibility, and corporate sustainability.

Through this program, Gudeng Precision not only encouraged suppliers to optimize energy use and reduce carbon emissions in their operations, but also continued advancing the overall supply chain toward low-carbon transformation. These actions help strengthen the Company's environmental image and deepen partnerships with suppliers as both sides work toward common sustainability goals.

Gudeng Precision also actively conducts related training and awareness programs, sharing and promoting the spirit of its ESG Award and linking sustainability themes such as green manufacturing, responsible supply chains, healthy and inclusive workplaces, talent development, and care for disadvantaged groups. Employees are encouraged to participate in and enjoy the ESG process, recognize their own value, and create a positive cycle in which ESG is not only a corporate responsibility but also part of everyday life.

Ultimately, the supply-chain process returns to its core objective: communicate the quality value of products from manufacturing through delivery, provide products that meet customer expectations, continuously improve business performance, uphold corporate discipline, and continually create and innovate throughout operations.







2.3.4 Local Procurement

Gudeng Precision's Supply Chain Center takes "Cultivating Local Taiwan Suppliers" as its vision. Resources are invested in guiding suppliers toward localized supply-chain strategies, strengthening supplier relationships, shortening communication time, improving supply flexibility, accelerating production efficiency, reducing unnecessary air and sea freight expenses, and lowering transportation-related carbon emissions, thereby promoting shared prosperity within Taiwan's local semiconductor industry.

To increase the local procurement ratio, the Company promotes incoming-material quality improvement using statistical process control (SPC), RoHS hazardous-substance management, and supplier quality tracking. Quality characteristics are analyzed with suppliers to develop optimization strategies, supported by periodic assessments and evaluations, with the objective of achieving 100% yield through continual improvement.

Local Procurement Ratio by Total Amount

2019	2020	2021	2022	2023	2024	2025
72%	78%	79%	79%	81%	83%	86%

Proportion of Total Suppliers

Year	2021	2022	2023	2024	2025
Domestic Suppliers	536	622	666	779	907
Overseas Suppliers	21	26	22	27	29
Total	557	648	688	806	936
Localization Ratio	96%	96%	97%	97%	97%

Promoting the ISCC Program through Local Procurement

ISCC (International Sustainability and Carbon Certification) promotes the extraction of energy and materials from biomass to reduce petrochemical pollution and support material and environmental sustainability. It provides a globally applicable sustainability certification system covering the sustainability of raw materials and products, supply-chain traceability, and greenhouse gas emissions and reductions. Continuing the spirit of its low-carbon program, Gudeng Precision introduced ISCC certification to continuously trace product use, formally obtained certification in 2025, and plans to promote its application across products.



2.3.5 Sustainable Supply Chain Transformation Program

Continuing to Promote the Local Semiconductor Supply Chain Alliance

In 2025, Gudeng Precision continued to provide one-stop solutions through the semiconductor alliance, consolidating the expertise of Taiwan's "hidden champions" into integrated solutions. Initial results have been achieved: alliance members have reduced barriers to overseas entry, while Taiwan's supply chain has strengthened its international bargaining power and brand visibility amid global semiconductor fab expansion. Through close cooperation, alliance members have achieved initial strategic goals such as resource sharing and securing international customer orders.

This phased success reflects strong global demand for advanced processes and resilient supply chains. To expand the benefits, a second alliance team was formally established in 2025. As a pioneer in integrating upstream, midstream, and downstream suppliers to provide one-stop services, the alliance combines member strengths and reduces the risks and burdens faced by SMEs entering international markets, supporting overseas marketing by Taiwanese enterprises and extending Taiwan's competitiveness.

As a pioneer helping Taiwan's semiconductor supply chain enter international markets, the alliance drives horizontal cooperation through internal communication and collaboration, consolidating dispersed R&D capabilities into structural competitive advantages. This flexible collaborative mechanism responds precisely to customer needs and deepens trust through cooperation. Going forward, the alliance aims to build a highly flexible and resilient business model so Taiwan's supply chain can continue to grow steadily amid changing international political and economic conditions and establish long-term roots in global markets.

- Joint Offices: United States and Japan
- 2025 Performance: Joint participation in three SEMICON exhibitions (WEST, JP, SEA) and two joint customer meetings.






Localized Supply Chain Development and Improvement Goals

In recent years, Gudeng Precision has cooperated with domestic companies through investment and M&A, strategic alliances, and technical collaboration. By helping partners transform into the semiconductor field and integrating new products, the Company aims to increase partners' market share and promote industrial technology upgrading. Gudeng is also committed to establishing systems and processes that meet the stringent requirements of the semiconductor industry and helping suppliers develop independent technologies. Development plans are adjusted as appropriate based on progress.

Category	Supplier	Problem	Improvement	2025 Target	2025 Execution
Capacity Building	3 injection-molding manufacturing and cleaning suppliers.	Need to diversify supply risk and respond rapidly to customers in different regions.	Form project teams to provide technical guidance and assist suppliers in cleanroom construction and product manufacturing.	Complete cleanroom and related cleaning equipment construction, increase cleaning capacity, complete product launch certification, and broaden production categories.	Continued product supply, yield above 98%, and expanded product breadth.
Manufacturing Quality Improvement	2 surface-treatment suppliers.	Poor yield prevents timely supply for advanced-process demand.	Establish project teams to provide quality guidance, analyze causes of defects, and improve processes.	Maintain stable yield above 90%, establish dedicated cleanroom production lines, and continue developing capable suppliers in central and southern Taiwan as geographically diversified backup capacity.	Beginning in Q3, continued product reviews with suppliers to stabilize processing capabilities in central and southern Taiwan; incumbent supplier yield remained stable at approximately 98%.
	5 high-precision processing suppliers.	Poor yield prevents timely supply for advanced-process demand.	Because the outsourcing target of 70% had not been reached, project teams were formed to provide quality guidance, identify defect causes, and improve processes.	Maintain a 30% in-house / 70% outsourced precision-processing ratio and update equipment requirements as needed.	All precision-processing suppliers introduced automated image-measurement technology to stabilize processes. Outsourcing increased to 70%, achieving the 30% in-house / 70% outsourced target while strengthening incoming quality through automated measurement equipment.

Category	Supplier	Problem	Improvement	2025 Target	2025 Execution
Coaching Local Supply Chain Upgrading	1 equipment supplier.	Reliance on imports; domestic suppliers lack critical technologies and semiconductor customer channels.	Form a project team to coach local suppliers, provide technical guidance, and define specifications.	Promote the use of self-developed equipment, establish localized supply-chain services, and continually optimize equipment functions.	Entered the international semiconductor market, promoted relevant suppliers, and procured equipment for newly established production locations.
Reducing Carbon Footprint	2 high-end composite-material suppliers.	Reliance on imports; domestic suppliers lack semiconductor-related knowledge and channels for special raw materials.	Provide semiconductor knowledge, assist in establishing dedicated production lines, provide raw-material sources, and enable three-party collaboration.	Cooperate with local raw-material suppliers to develop and manufacture high-end engineering plastics for semiconductor applications.	Reduced overseas-supplier share from 18% to 14%, continued localization efforts, and reduced carbon emissions from international transportation.
Innovative Technology Development	1 micro-contamination control component supplier.	Volatile organic compound content in critical products requires improvement and optimization.	Establish project teams to coach local suppliers through technical exchanges and specification definition.	Stabilize product VOC content through key component specification requirements.	Supplied critical products to semiconductor customers; through advanced-process and technology upgrades, performance and benefits were superior to overseas competitors.



3 Sustainable Innovation

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3.2 Quality Management ····81
3.3 Customer Partnership ····88

3.1 Technological Innovation

Material Topic	Technological Innovation
Policy	Strengthen R&D capabilities and patent mapping
Management Approach	1. Use the strategic map to guide R&D. The R&D Vice President provides overall leadership under a product-oriented matrix management structure, with dedicated project centers established according to product characteristics to precisely manage technical resources and project progress. 2. Integrate carbon-reduction thinking into R&D decision-making. Low-carbon innovation concepts are incorporated into the three core product-development elements of materials, design, and process to fulfill the commitment to green manufacturing. 3. Continue promoting waste recycling and regeneration projects, expand the application scope of recycled waste, and realize the benefits of green manufacturing.

2025 Achievements

1. Maintained technological leadership, with R&D expenditure accounting for 7% of revenue.
2. Responded rapidly to market demand for high-end AI chips and obtained certification for successful CoWoS-series products.
3. Built independent development capabilities for key hydraulic-system components in the aerospace business.
4. Used R&D investment to drive revenue growth and product-portfolio upgrading.
5. Obtained 86 patents.
6. Deepened product-system talent empowerment by establishing a seed-trainee system and a standardized knowledge-transfer framework.

2026 Short-term Goals

1. Invest in R&D for CoWoS-series products and expand Gudeng's market share in high-end and advanced packaging.
2. Continue expanding the resources of the TSS Holdings alliance and promote diversified solution portfolios.
3. Build integrated capabilities in welding, special processes, and forging for the aerospace business.
4. Expand the application of critical components and high-difficulty materials.
5. Optimize the knowledge-transfer system and establish differentiated training standards for core product lines to enable precise competency development.
6. Implement intellectual-property search and early-warning mechanisms, deepen practical patent applications, and transform intellectual-property assets into core competitive barriers.

2027-2030 Medium- and Long-term Goalsv

1. Deepen forward-looking core technologies and strategically deploy next-generation advanced-process carrier R&D, driving product-performance innovation in parallel with process evolution and consolidating technology leadership.
2. Gradually build a global intellectual-property strategy system to secure influence in core fields and consolidate industry leadership.
3. Expand core technologies beyond the semiconductor industry and pursue diversified development.
4. Gradually establish overseas manufacturing and local supply capabilities and enter high-barrier aerospace application markets.

Recognizing that localized supply-chain resilience is essential to semiconductor sustainability, Gudeng Precision successfully integrated the TSS Holdings alliance in 2023. As the alliance leader, the Company combines the strengths of upstream, midstream, and downstream members to provide global semiconductor customers with a comprehensive product portfolio and create a three-way win: customers receive high-quality service, alliance members grow together, and Gudeng strengthens its own competitiveness.

Volatility in the international political and economic environment has shifted semiconductor supply chains, making localized supply and environmental management essential for sustainable operations across companies and the semiconductor industry. Semiconductor technology has moved beyond the commercial sphere and gained increasing strategic importance amid competition among countries. Strengthening the resilience and stability of local supply chains has therefore become a top priority for manufacturers and industry leaders, helping secure assets and stable production capacity.
As a front-line guardian of the IC manufacturing value chain, Gudeng Precision regards protecting processes and stabilizing production lines as its mission. Despite rapid changes in semiconductor process technology and increasingly stringent yield requirements, the Company continues to break through with leading technologies and delivers strong results through constant innovation and self-improvement.
"Manufacturing Service" has long represented Gudeng Precision's innovative service spirit and enduring core value. Its R&D foundation is rooted in Taiwan, and rigorous project management is used to align closely with customer process requirements. Weekly R&D, sales, and production-sales meetings ensure that development directions move in step with customer needs and enable timely, comprehensive solutions. Customer trust accumulated through this process becomes a driving force for continued innovation.

Professional Expertise Drives Quality

In the semiconductor industry, product cleanliness has become a critical indicator determining yield, technological leadership, and stable mass production. Protecting high-value wafers and photomasks throughout complex processes is a persistent industry challenge. Although carriers may appear small and are often treated as consumables, they are critical elements of the semiconductor supply chain and indispensable protective barriers during handling, process transfer, and inter-Factory storage and transportation.
Drawing on deep expertise in plastic injection molding and CNC precision machining, Gudeng Precision has developed carrier products offering high cleanliness, high precision, and excellent mechanical stability. Guided by customer needs and supported by agile R&D, the Company develops carrier products tailored to

Systematic R&D Innovation Strategy

With years of experience in the semiconductor industry, Gudeng Precision understands that outstanding product quality cannot be achieved overnight. Only through continuous improvement can the Company distinguish itself in a highly competitive market. To this end, Gudeng has established a management framework built on "strategic leadership, process implementation, and talent development." By combining technical depth with management resilience, the Company ensures that every product delivers distinctive and irreplaceable performance.

Strategy Leadership: R&D Innovation Strategy

"Providing innovative technologies for critical materials worldwide" remains Gudeng Precision's unwavering mission. Sustained R&D capability is a key enabler in fulfilling this mission and serves as the foundation of the Company's R&D innovation strategy. With the corporate mission as its strategic foundation and stable R&D capabilities at its core, Gudeng works closely with customers through Co-Creation to shorten development lead times as much as possible. Product lines are developed in response to market needs and complemented by an appropriate degree of customization, offering customers solutions that best match their specific requirements. Internally, the Company continuously advances process improvements to ensure that innovation strategies are effectively implemented and translated into more stable and competitive product quality.

Process Implementation: Circular Quality Management (PDCA)

Beginning in the Plan stage, Gudeng works closely with customers to clearly understand their needs and define product specifications. During the Do stage, the Company focuses on material selection and precision machining. In the subsequent Check stage, environmental testing is rigorously performed; in the final Act stage, results are continuously tracked and corrected. Through this cyclical quality-management process, Gudeng ensures continuous yield improvement while keeping pace with customers' evolving process requirements and providing solutions that consistently pursue greater precision and excellence.

	Circular Utilization Waste Regeneration	Lean Production Product Upgrading	Forward-looking R&D Green Design
Core Concept	Introduce a "product life-cycle technology control" strategy and develop replaceable components to break away from the conventional whole-product replacement cycle. Promote waste-regeneration projects that reprocess production scraps and waste into auxiliary consumables with practical functions.	Introduce a "product life-cycle technology control" strategy and develop replaceable components to break away from the conventional whole-product replacement cycle. Promote waste-regeneration projects that reprocess production scraps and waste into auxiliary consumables with practical functions.	Include low-carbon materials as a product-development criterion from the earliest stage. Combine TIPS patent monitoring and analysis to align with low-carbon trends and mitigate infringement risks. In green design, Gudeng's subsidiary Jiaqi Technology is investing in immersion cooling technology to push thermal-management limits and build green competitiveness that drives sustainable transformation.
Tangible Benefits	For selected products, component replacement extends product service life by approximately 1.5 - 10 years and effectively reduces end-of-life waste. Given the semiconductor industry's stringent cleanliness requirements, Gudeng balances customer product expectations with sustainability objectives by using remanufacturing processes to establish a closed-loop circular economy. Waste materials are transformed into logistics boxes, pallets, and other items for actual use in in-Factory warehousing and logistics, putting circular-economy principles into practice.	While ensuring product cleanliness and high reliability, Gudeng fulfills its quality commitments to customers. For example, process improvements for a wafer carrier shortened the production time per unit by two minutes and increased efficiency by 33%, thereby reducing corresponding energy consumption and product carbon emissions.	Gudeng embeds sustainability into product R&D by closely linking green patents with product design. The Company has accumulated 105 published green patents in Taiwan, including 38 obtained between 2022 and 2025, demonstrating increasingly robust green innovation capabilities. Compared with conventional equipment, immersion cooling equipment in data centers—based on an estimate of 50 units—could reduce annual carbon emissions from electricity use by 11,304 metric tons, equivalent to the annual carbon sequestration of approximately 29 Daan Forest Parks.

Sustainable Product Design Philosophy

Gudeng Precision embeds sustainability into the core of R&D. Through TIPS management requirements, the Company institutionalizes and safeguards its technological assets; it advances environmental coexistence (E) through circular utilization and waste-regeneration projects, fulfills social commitments (S) through lean quality management, and strengthens green governance (G) through forward-looking technology deployment and thermal-management technologies, thereby comprehensively driving its competitiveness in sustainable transformation.

Expanding Technology Leadership and Fulfilling the Sustainability Mission

For advanced semiconductor processes, excellent and rigorous specifications are fundamental requirements. Gudeng Precision believes that sustainability is the core force driving products forward and enabling shared industry prosperity. Sustainability concepts are therefore integrated into everyday R&D. While demonstrating technical resilience, the Company gradually adjusts and transforms products and advances its corporate sustainability mission through modular design and process improvement.

Modular Design: Promoting Resource Circularity and Extending Product Life

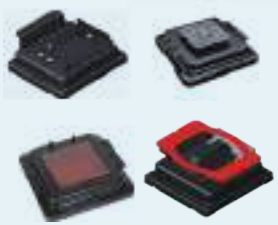
Gudeng translates sustainability into fundamental structural design. Using current wafer-carrier products as an example, modular design allows individual worn components to be replaced without replacing the entire carrier. Replaceable components are not limited to structural parts such as the Shell and Door, but also extend to consumables such as RFID Tags and O-rings. This component-replacement approach balances product quality and sustainable development without compromising cleanliness. Depending on customer process conditions, carrier life can be extended by approximately 1.5 to 10 years.

Forward-looking deployment is a key reason Gudeng Precision maintains industry leadership. The R&D team combines low-carbon thinking with flexible and sensitive technical insight, uses TIPS management requirements to turn technologies into managed assets, and strengthens sustainable green-patent deployment. This enables products to meet carbon-reduction trends and helps customers reduce the costs and management pressure associated with resetting resources during transformation. Gudeng is thereby evolving from a traditional supplier into an indispensable sustainability strategic partner.

Diversified Solutions - Co-Creating a New Future for the Industry

Facing rapidly changing semiconductor-process challenges, Gudeng demonstrates deep R&D capabilities and works side by side with customers to overcome technical bottlenecks. According to different process and application requirements, the Company currently provides three major solution categories:



Solution	Mask Carrier Solutions		Wafer Carrier Solutions		Substrate Carrier Solutions
Representative Product	RSP 150/200	EUV POD	Front-opening Wafer Carrier	Diffuser FOUP	CoWoS Series Carriers
Technical Highlights	**Protecting Photomasks, Stabilizing Processes:** Designed for optimal photomask protection and sustainable performance, with permanent anti-static functionality developed from the source. SEMI-standard SMIF POD functions: ・ Particle protection ・ Electrostatic dissipation ・ Inert-gas purging	**Unmatched Technology, Industry First:** A new era of EUV photomask process innovation. In 2019, Gudeng obtained the invention patent for the "EUV Photomask Container" to address EUV lithography requirements. Product advantages: ・ ASML-certified High-NA EUV POD ・ Dual-layer protection + high-cleanliness sealing ・ Taiwan's only supplier and one of only two worldwide with leading market share	**Protecting Wafers, Enhancing Yield:** Ensures wafer cleanliness and stability during storage and transport in critical processes. Core technologies: ・ Low-outgassing materials reduce contamination caused by gas release ・ Electrostatic dissipation prevents damage caused by charge accumulation	**Pursuing Excellence, Striving for Cleanliness:** Focused on breakthroughs in materials science to deliver more competitive products. Technical value: ・ Ultra-clean, low-outgassing materials eliminate contamination sources ・ Significantly reduce airborne molecular contaminants (AMC), preventing contamination and improving process yield	Technology Integration and Cross-Domain Innovation: Built on Gudeng's EUV photomask-pod and wafer-carrier experience, key advanced-process carrier technologies have been successfully transferred to back-end packaging. Design priorities: ・ Carrier design aligned with packaging trends ・ Continuous improvement to enhance yield and manufacturing efficiency
Application Fields	Traditional Packaging, Advanced Packaging	Advanced Process Nodes	Mature Process Nodes	Advanced Process Nodes	Traditional Packaging, Advanced Packaging
Innovative Breakthroughs	● Automation integration: Supports OHT automated transfer systems; RFID enables intelligent tracking ● Micro-environment control: Industry-first purge function precisely stabilizes the internal environment	● Exclusive patent: EIP moat design effectively suppresses particle contamination ● Real-time monitoring: Pioneered EOP View Port to monitor Pellicle and photomask status at all times	● Customized design: Purge-port positions and quantities tailored to customer needs; options with or without viewing windows	● Humidity management: Exclusive gas-diffusion tube significantly accelerates internal humidity reduction ● Green design: Replaceable consumables reduce resource waste and customer cost	● Material development: Low-moisture-absorption, low-outgassing GBM materials reduce VOC impact ● Flexible configurations: Front-opening and top-opening carriers for diverse packaging environments ● High-load support: Reinforced structure and optimized materials provide stable load-bearing performance
Product Image / Reference					

Systematic R&D Innovation Strategy

Gudeng Precision's advanced-process products have achieved very high market share through excellent specifications and stable quality. Even though these products are market benchmarks, the Company continues to optimize them. Market share represents customer trust, and ongoing improvement is viewed as a responsibility to repay that trust.

Gudeng formed a Process Optimization Project team to challenge the limits of precision machining. Through repeated experiments and adjustments, the team successfully eliminated residual machining marks by changing cutting tools and grinding methods. Surface-processing precision improved substantially and received customer recognition, while machine production efficiency improved by 30%. This reduced unnecessary energy consumption per unit and strengthened capacity resilience, demonstrating Gudeng's commitment to both innovation and sustainable operations.



From Manual Operations to Automation: Smart Manufacturing and Talent Value Enhancement

In an era of labor shortages and sustainability challenges, Gudeng Precision is progressively introducing robotic automation to replace repetitive manual operations, reducing operating manpower by 80% and improving overall efficiency. Employees previously assigned to these roles receive professional training and strategically transition toward equipment monitoring and process-innovation positions. This improves professional capabilities while fundamentally improving workplace safety and reducing occupational injury risk.

For example, an injection-molding process that previously required manual handling and stud placement was replaced by a six-axis robotic arm, saving manpower and electricity and reducing waste generation and annual carbon emissions, thereby supporting the circular economy. In its smart-manufacturing journey, Gudeng integrates IoT real-time monitoring and AI predictive-maintenance systems to improve supply-chain transparency and risk control through intuitive and efficient digital management, maintain highly stable product quality, and progressively build an internationally competitive smart-production system.



Cross-industry Transformation and a Solid Aerospace Footprint

"Always hold ourselves to the highest standards and demonstrate strong manufacturing capabilities."

Gudeng Precision recognizes the aerospace industry's absolute requirements for safety factors and quality stability. Building on the exacting standards accumulated through years in the semiconductor industry, Gudeng extended its CNC precision-machining capabilities and rigorous process-control system into aerospace component manufacturing and, through years of development, built outstanding product quality.

After obtaining AS 9100 aerospace quality management certification in 2020, the Company obtained NADCAP special-process capability certification in 2023, comprehensively strengthening quality control and process stability. It subsequently earned recognition from international Tier 1 aerospace leaders and became a representative Taiwanese aerospace supplier. These international certifications are not only recognition of Gudeng's process and quality-control capabilities but also evidence of its determination to cultivate the aerospace field over the long term.

In 2025, "deepening R&D" was the core theme of the aerospace business. Gudeng moved beyond contract manufacturing toward becoming a professional aerospace supplier with system understanding and key-component development capabilities. The Company achieved the milestone of establishing independent development capabilities for critical hydraulic-system components and completed mass-production process construction and validation for key aerospace hydraulic-power system modules.

This achievement enabled Gudeng Precision to formally enter the aerospace hydraulic-system key-component supply chain and establish differentiated technical advantages and stronger partnership stickiness. R&D investment further drove revenue growth and product-portfolio upgrading. Through process development, prototype verification, and quality-system integration, the Company progressed from individual-part manufacturing toward modular and functional components, significantly increasing product added value and driving substantial aerospace revenue growth.

For 2026, Gudeng Precision will focus on "differentiated process capabilities" and "expansion of critical components." By integrating Group resources and introducing welding, special-process, and forging technologies, the Company aims to build aerospace-grade composite-process capabilities, promote production of aerospace piping modules and highly reliable structural components, and advance from single-process machining toward integrated manufacturing. It will also develop technologies for heat-resistant alloys, thin-wall parts, and high-precision structural components, progressively entering higher-end aerospace critical-component supply systems and establishing scalable technology platforms for future products and customers.

Building Momentum and Expanding Globally in Aerospace

Looking ahead, Gudeng Precision's aerospace business will move from the "capability-building stage" into the "scale-up and strategic expansion stage." Global deployment and long-term partnerships will be at the core of a position capable of supporting more than ten years of future growth, steadily advancing toward becoming customers' preferred partner. Guided by a customer-first principle, Gudeng demonstrates highly flexible production scheduling. Market demand and customer delivery tasks are treated as top priorities. Even under urgent delivery challenges, the Company responds quickly while maintaining the same consistent product quality and never compromising under time pressure. Gudeng continues to pursue excellence in the aerospace field while listening closely to customer needs.

In response to the trends of supply-chain resilience and geopolitical-risk diversification, Gudeng is actively establishing overseas aerospace manufacturing and service locations to build cross-regional production and delivery capabilities. This deepens support for international customers and strengthens long-term order opportunities. At the same time, the Company is benchmarking international trends and entering high-regulatory-barrier fields such as unmanned aerial vehicles and space applications, deepening module manufacturing capabilities in structural, power, and hydraulic systems.

Through joint development and quality-system integration, Gudeng aims to move from "build-to-print manufacturing" toward concurrent design and manufacturing, form closer technical and supply-chain partnerships with customers, and achieve stable growth and sustainable operations.

Aerospace Product Series

Bootstrap Reservoirs - Self-pressurizing Reservoirs



Engine Driven Pump



Engine Super-Alloy Fastener



Engine Tube and Duct



Engine Structural Bracket



R&D Expenditure

Product and technology innovation mutually reinforce Gudeng Precision's growth. The Company regularly holds project-review meetings to understand and evaluate the latest customer needs. Annual R&D expenses have continued to rise, with the R&D function serving as a major growth engine that reinforces Gudeng's leadership in semiconductor wafer and photomask carrier solutions while progressively expanding into advanced fields according to market demand.

Year	R&D Expenses	Revenue	R&D Expense Ratio
2023	274,799	3,495,633	8 %
2024	344,489	4,445,156	8 %
2025	341,319	4,748,433	7 %

Talent Development: Investment in R&D Innovation

Outstanding products originate from strong talent, which is a core engine driving continuous development and innovation in Gudeng's sustainability blueprint. More than half of the R&D team members hold master's degrees, demonstrating a strong theoretical foundation and professional technical capabilities. This allows academic knowledge to be transformed into precise and innovative design concepts, creating development efficiency for customers and strengthening market competitiveness.

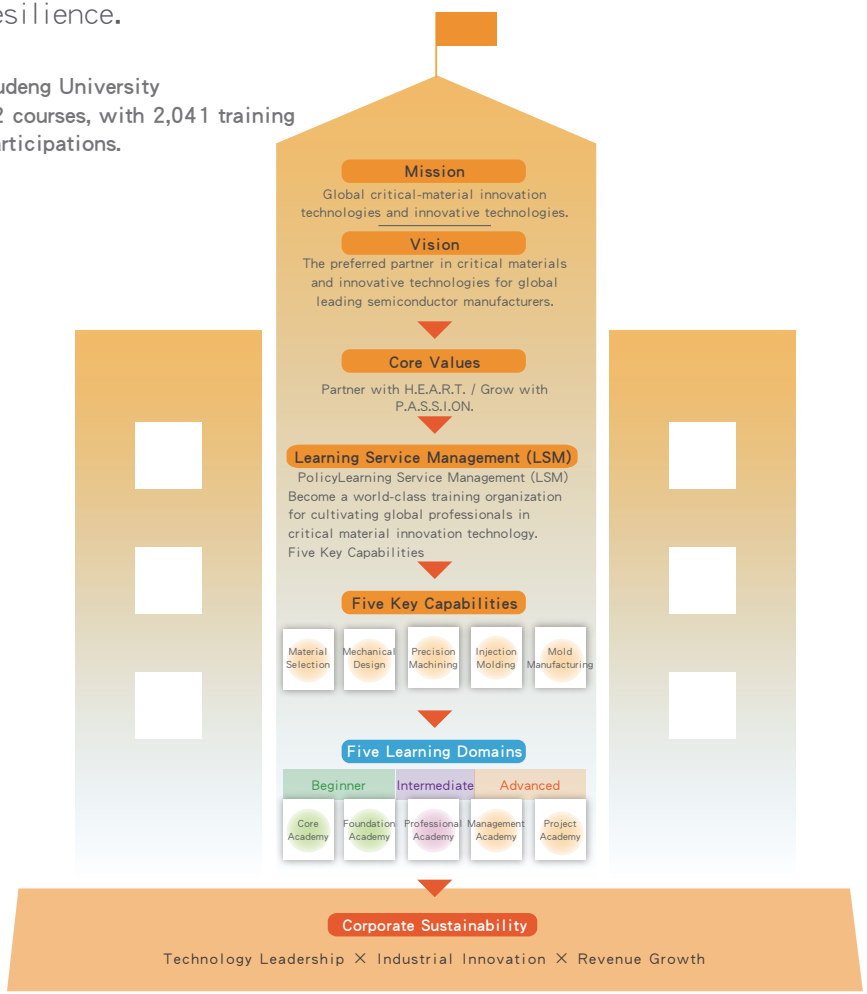
Year	PhD	Master's	University	College / Vocational School	Total
2023	4	28	29	4	65
2024	4	43	34	6	86
2025	4	27	36	3	69

Building a Seed-Trainee System to Establish the Foundation of Product Quality

Talent is the core engine that drives sustainable development and innovation. To further improve product-quality stability, Gudeng comprehensively upgraded its personnel training system in 2025 and planned 52 professional courses through Gudeng University. Seed trainees were selected across five fields—R&D, engineering, quality assurance, manufacturing, and sales—and course arrangements were designed according to their competency needs.

This series of professional training courses is centered on knowledge transfer by internal mentors. Senior executives and experienced employees serve as instructors, turning R&D knowledge and machine-operation experience that was previously passed down informally into a systematic framework. The program makes the "implicit key points" of core technologies and product concepts explicit, ensuring that Gudeng's product philosophy can be passed from generation to generation. External expert courses supplement internal instruction. Specialists from industry and academia are invited to teach advanced technologies, intellectual-property and patent laws, and other professional fields, allowing participants to keep pace with industry developments and trends and effectively strengthen operational resilience.

Gudeng University
52 courses, with 2,041 training participations.



Participant Reflections

Manufacturing / Smart Process Services — Manager Shih-Kai, Chen

"This course helped me fully understand the development history of our two core product categories: wafer and photomask carriers. The curriculum covered SEMI standards and successive product generations, specifications, and applications. It strengthened my technical identity as a Gudeng employee and enabled me to distinguish product characteristics more precisely. I will apply this professional foundation to departmental work and improve execution effectiveness."

Sales / 10th Partner Center — Specialist Ya-Wen, Cheng

"The course gave me a complete understanding of the core functions and technical features of the E-rack electronic shelf, especially the integration of Gudeng carriers with E-rack systems. Combined with analysis of the market advantages of WNC electronic shelves, I can provide more precise recommendations to customers and turn product synergies into tangible business momentum."

Intellectual Property Protection and Planning

Comprehensive patent deployment is a competitive foundation for maintaining Gudeng Precision's technological leadership. By the end of 2025, the Company had obtained 773 patents, with another 215 applications pending; 82 patents were granted in 2025, and the patent portfolio spans the globe.
To manage intellectual-property assets systematically, Gudeng Precision formally introduced the Taiwan Intellectual Property Management System (TIPS) in 2009. The Company actively expands its intellectual-property portfolio, strengthens patent-management systems and defensive patent mapping, and continues building a complete protection framework for innovative technologies, establishing a high-technology industry position that cannot be achieved by scale alone.

Cumulative Patents in the Past Five Years

Year	Cumulative Number of Patents
2021	501
2022	562
2023	624
2024	699
2025	785

Note: The cumulative patent count for 2024 increased by 8 because official notifications were received later, resulting in cross-year recognition.

Five-Point Plan for Intellectual-Property Protection and Sustainable Governance:

I. Deepen Product Technologies and Link Them to IP Protection

Facing a highly competitive and rapidly changing semiconductor market, Gudeng Precision upholds its core value of excellence and innovation. Since 2013, the Company has gradually built foundational intellectual-property management systems and cultivated basic IP awareness across departments. Employees are encouraged to propose advantageous technical concepts and patent applications, strengthening corporate IP capabilities and governance, while IP management plans are incorporated into the sustainability report. In recent years, the patent strategy has focused on comprehensive deployment of critical technologies:

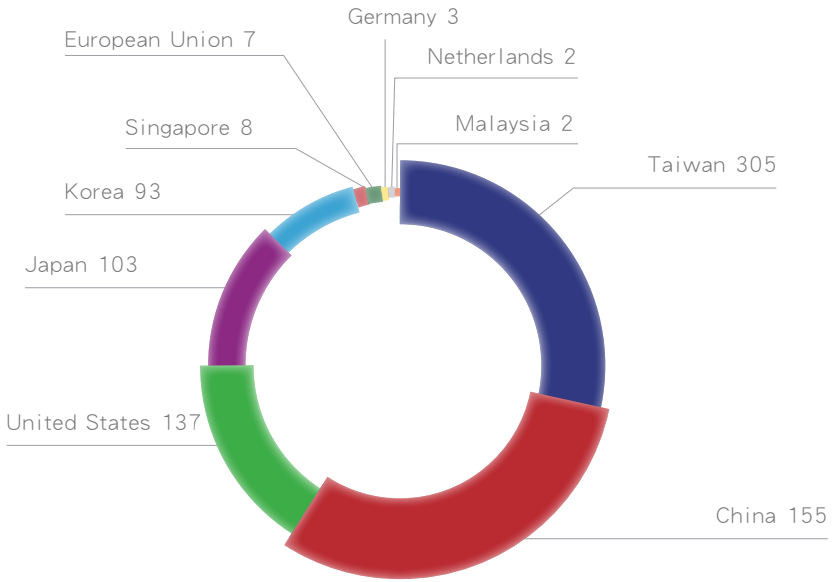
1. Implement Foundational IP Management Systems
Focus on streamlining the IP portfolio, expanding patent-application coverage, and inventorying patent capabilities. Through internal review, strengthened reward systems, deeper talent training, and rolling improvements, the Company protects R&D results and technology leadership.
Training includes basic IP education and system-awareness training for new employees and advanced patent-search training for R&D and responsible personnel by external lecturers in June 2025.

2. Strategic Planning of Core-Technology Patents
Continuously monitor competitor patents and update annual patent-mapping strategy reports. Promote offensive patent deployment and evaluate patent invalidation actions and other methods to reinforce the Company's patent blueprint and maintain industry leadership.

II. Expand Overseas Patent Deployment

To support global sustainability goals for localized production and lower carbon emissions and respond more quickly to customer needs, Gudeng Precision plans overseas production bases and promotes localized manufacturing strategies. While expanding overseas markets, the Company is also systematically building an international patent portfolio.

Total Granted Patents as of December 31, 2025



III. Contribution of Intellectual Property to Gudeng Precision's Sustainable Development

As a leading industry in global smart and digital technologies, the semiconductor sector drives technological innovation and development. As a key member of the global semiconductor supply chain, Gudeng Precision recognizes that corporate value is reflected not only in technology and operating performance, but also in responsibilities for environmental sustainability, social responsibility, and the well-being of future generations. The Company strengthens integration between technology and IP strategies and connects intellectual-property management to the sustainability dimensions of environmental protection, social responsibility, and corporate governance.

- Environmental Protection

Photomask carriers, wafer carriers, and substrate carriers can be cleaned and reused. Maintaining high cleanliness during reuse is therefore an important pollution-prevention challenge. Through continuous R&D and testing, Gudeng has developed multiple green patents related to contamination control. Carrier mechanisms and functional designs isolate particulate contamination, fogging, material outgassing, and molecular contamination. New mechanisms and innovative gas-purge devices further protect photomasks, wafers, and substrates while maintaining internal cleanliness.

Equipment-related green patents enable the cleaning of carriers to improve cleanliness and cleaning efficiency and prevent secondary contamination. More effective cleaning improves carrier reuse rates, reducing energy losses in semiconductor processes. At customer manufacturing sites, improved contamination prevention protects photomasks, wafers, and substrates from process-environment contamination and supports energy saving and carbon reduction.

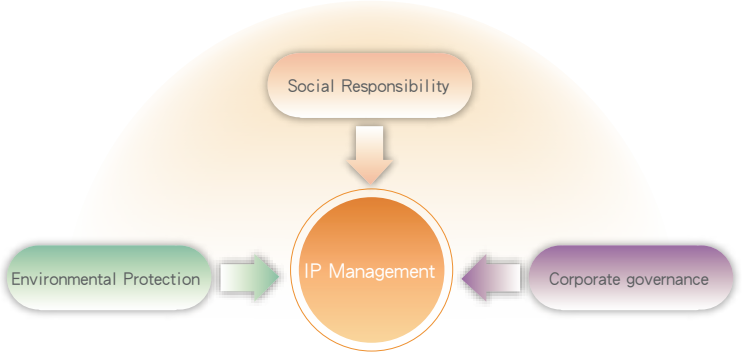
As of December 31, 2025, Gudeng had a cumulative total of 785 announced patents. Among these, the cumulative number of green patents announced in Taiwan was 105. During 2022-2025, Gudeng obtained 38 green patents in Taiwan, demonstrating increasing emphasis on green innovation and implementation of environmental-sustainability awareness in technology R&D.

- Social Responsibility

Gudeng Precision has established comprehensive management systems to protect confidential information provided by customers, safeguard customer privacy, and implement confidential-information controls. To reduce infringement risk, internal evaluation mechanisms and IP reviews are embedded in product development, thereby deepening responsibility and trust among shareholders, investors, and society.

- Corporate Governance

Internal training is used to communicate trade-secret protection mechanisms, and confidential-information management systems and verification are implemented with an emphasis on preventing internal confidentiality risks and information leakage. IP portfolio development protects key technologies, supports technology leadership, and is reinforced through continued talent development and regular reviews of external patent deployment.
Multi-dimensional resource integration strengthens corporate governance and supports sustainable operations.



IV. TIPS Management Mechanism

1. TIPS Certification Implementation and Approval

Gudeng Precision passed TIPS A-Level certification in 2019, recognizing its intellectual-property system construction and overall management processes. In recent years, the Company has continued deepening digital management mechanisms and improving trade-secret protection through closer cross-departmental collaboration. It is progressively advancing toward higher-level TIPS certification to build a more complete and resilient intellectual-property management system aligned with the corporate vision of sustainable operations.





2. TIPS IP Objectives and Reward Mechanism

Gudeng Precision regularly holds TIPS management-review meetings and sets intellectual-property objectives. This year's objectives include:

- Pass TIPS verification.
- Conduct advanced intellectual-property education and training.
- Deploy patents for specific core technologies.
- Conduct external patent analysis.

To encourage employees to propose high-value intellectual-property ideas and achieve TIPS objectives, the Company issued the Patent Reward Rules. Through a clear incentive mechanism, employees are encouraged to continually improve the quality of IP output, apply innovative product concepts in practice, and link innovation to systematic intellectual-property deployment. IP achievements that materially affect operating strategy or market expansion, or are assessed by the IP system as high-quality or high-value assets—such as invention patents involving major contributions—receive additional rewards under the applicable rules.

V. Trade Secret Management

Gudeng Precision places strong emphasis on trade-secret management. In addition to strengthening confidential-information control and administration, the Company has established trade-secret management policies and objectives to increase employee awareness of the value of corporate technology assets.

1. Personnel Management

Trade-secret considerations are incorporated throughout employment management, from employment contracts at onboarding to declarations upon separation. Employees who may access trade secrets are subject to strict access controls and confidentiality agreements, and dedicated controls are established for projects and especially sensitive information. Relevant trade-secret case studies are regularly included in training, and the Legal Office continues awareness communications through annual Company meetings and other gatherings.

2. Equipment and Environmental Management

Controlled areas containing confidential information have corresponding monitoring and detailed record-management systems. Information systems provide information-security and password controls that prevent employees from easily transmitting confidential information externally and reduce the risk of trade-secret leakage caused by human error.

3.2 Quality Management

Material Topic	Quality Management
Policy	1. Build an AI Industry Ecosystem. 2. Promote lean production and smart manufacturing.
Management Approach	In accordance with the Customer Complaint Control Procedure, Quality Assurance and Sales discuss and track customer-complaint cases in customer-relations meetings to continuously improve customer quality issues. For raw-material quality control, the Incoming Inspection Control Procedure is used to verify the accuracy of incoming eCOA and material SPC data.

2025 Achievements

1. Improvement proposals reached 1,258 cases, with total benefits > NT$5 million.
2. RBA supplier-audit deficiency improvement rate reached 100%.
3. Passed ISCC International Sustainability and Carbon Certification.
4. Passed ISO 17025 laboratory quality management system certification.

2026 Goals

1. Customer satisfaction after complaint handling: 85 points.
2. OOS/OOC rate ≤ 0.1%.
3. D/PFMEA database records ≥ 975.
4. Total scrap-value ratio ≤ 0.1%.

2027-2030 Goals

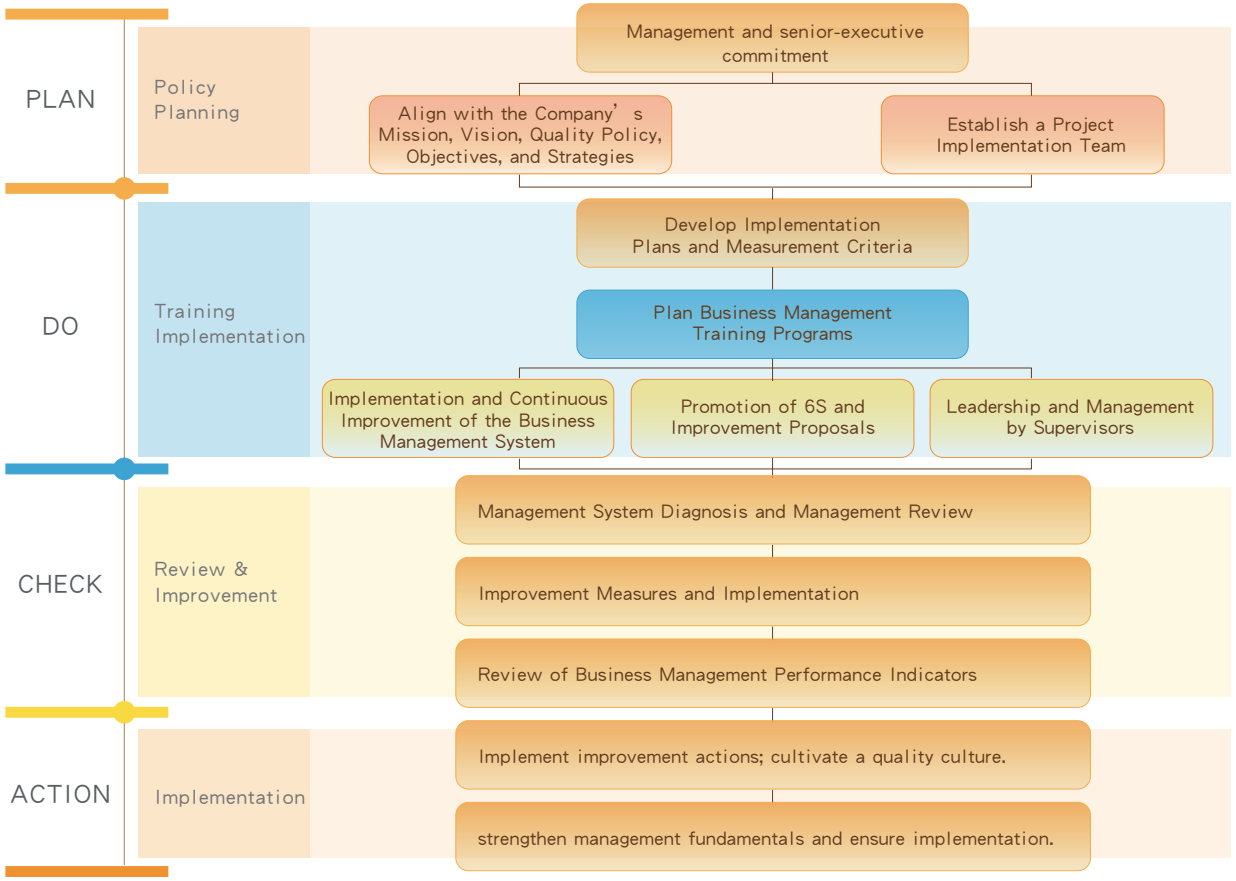
1. Introduce automated production lines in factories, including robotic automation and AMHS (Automated Material Handling Systems), to stabilize production quality and improve productivity.

Note: Grade A improvement proposals are items with benefits > NT$200,000; Grade B improvement proposals are items with benefits > NT$50,000.

3.2.1 Quality Management Policy

Gudeng Precision's management team places a high priority on quality management and is committed to establishing a systematic and comprehensive quality-management framework in response to stakeholder expectations for product and service quality. The Company has established a quality-management blueprint and integrated quality concepts into daily operations and decision-making, embedding a quality culture throughout the organization.

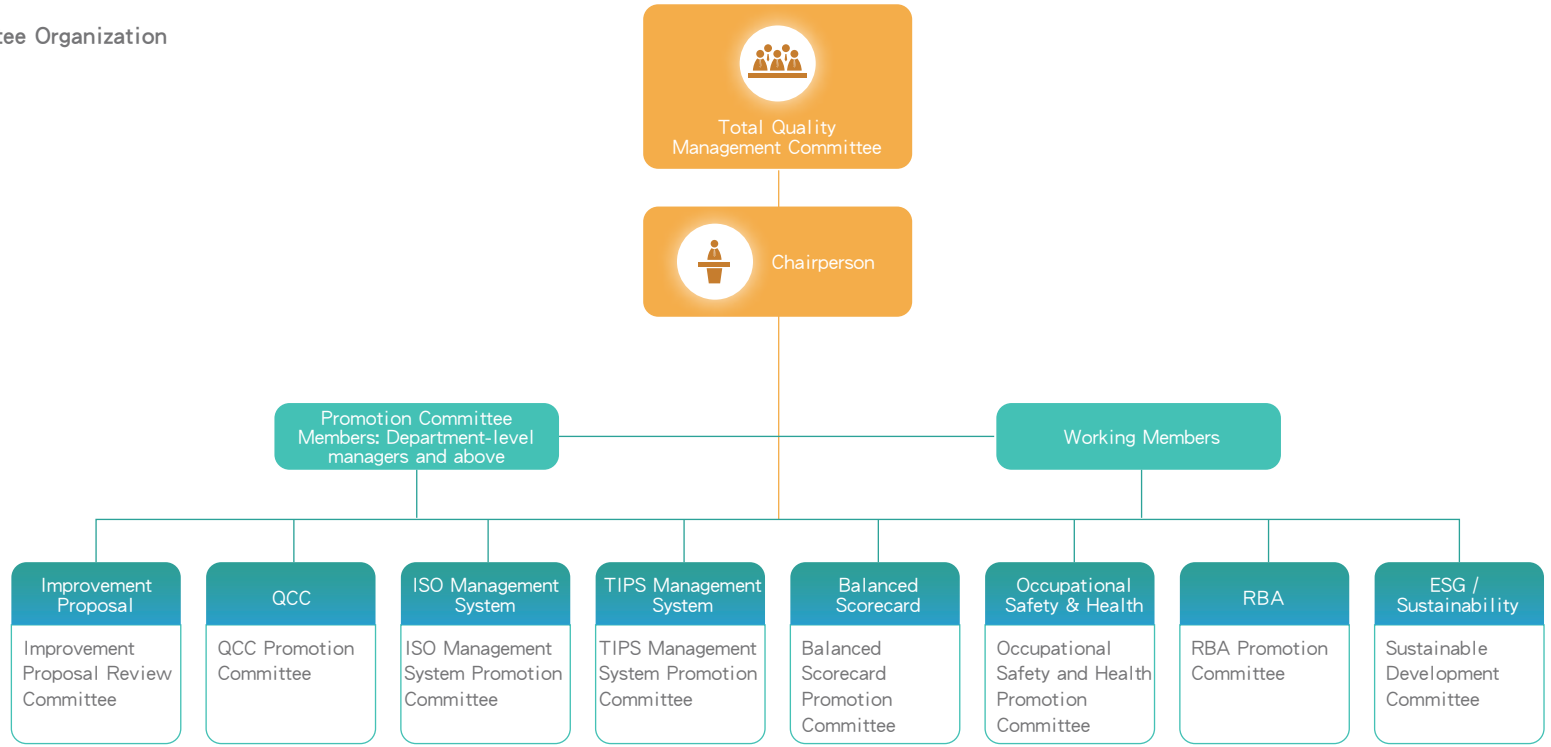
Through implementation of daily management essentials and the PDCA (Plan-Do-Check-Act) cycle, the Company strengthens employee participation and continual improvement and pursues optimal results in quality, capacity, and cost effectiveness. Gudeng firmly believes that "quality comes first; efficiency follows." Excellent quality is the foundation of production-sales systems and cost management and a core element of sustainable competitiveness.



Total Quality Management Committee

Gudeng Precision's management team demonstrates firm commitment to quality management and has established the Total Quality Management Committee (TQM Committee) as the governance body responsible for overall promotion and planning, ensuring close integration between quality strategy and corporate operations.
The Committee leads the implementation of quality and management systems, including improvement proposals, QCC quality-control circles, ISO management systems, the TIPS management system, Balanced Scorecard (BSC), the Occupational Safety and Health Promotion Committee, the RBA Promotion Committee, and ESG. Through these mechanisms, the Company advances the management objective of "total quality and total participation," fulfills quality and sustainability responsibilities at all levels of the organization, strengthens the culture of continual improvement, and advances toward high performance and sustainable operations.

Committee Organization



Committee Goal

Establish quality-related activities and direct organizational commitment toward customer satisfaction as the highest priority. As the organization grows, continuously improve through PDCA, strive to become an industry leader, share the Company's strengths with the broader industry, promote shared prosperity, and contribute to Taiwan's semiconductor supply chain.

History of Total Quality Management Promotion

1. 1998-2010

- 2001 Passed ISO 9001 certification.
- 2003 Passed certification by Mitsui Chemicals, Japan.
- 2007 Introduced SAP ERP and established a cleanroom laboratory center.
- 2008 Received the 11th Rising Star Award; became the only Taiwanese company participating in formulation of SEMI standards for 18-inch wafer carriers.
- 2009 Passed ISO 14001:2004 environmental management certification.

2. 2011-2025

- 2011 Established the TQM Committee; received the 21st National Quality Award.
- 2013 Received the 22nd Taiwan Excellence Award.
- 2018 New-generation EUV Pod received ASML certification.
- 2019 Passed TIPS A-Level certification and obtained TTQS Silver certification.
- 2020 Passed AS 9100D aerospace certification.
- 2021 Received the 6th Outstanding Mittelstand Enterprise Award and TTQS Silver certification.
- 2021 Obtained the RBA full-score Platinum certificate and passed ISO 27001 certification.
- 2022 Received TTQS Gold, the National Talent Development Award, became Taiwan's first company to pass ISO 30401 certification, passed sustainability report verification under AA1000, ISO 50001 certification, and ISO 14064-1 verification.
- 2024 Passed ISO 20400 certification, ISO 22301 certification, and ISO 17025 certification.
- 2025 Passed ISCC certification.

3.2.2 Total Management Quality Philosophy and Culture

Embedding Quality Awareness Across Teams

Management actively promotes quality awareness and culture through multiple channels. Quality topics are advanced and reviewed through quality-review meetings, QCC achievement presentations, competency training, daily production-line meetings, weekly departmental meetings, and management meetings, encouraging cross-level communication and continual improvement. The Company also uses monthly meetings, cafeteria digital signage, bulletin boards, the internal portal's "Messages from the Chairman and President," and "Bill's Appointment" courses to continually communicate corporate values and quality awareness.

Comprehensive Quality Awareness and Training

Gudeng Precision places high importance on every product and service delivered to customers and is committed to stable and consistent quality. Quality Assurance managers regularly serve as instructors to communicate quality awareness to all employees and reinforce quality as a corporate core value. Quality Assurance and relevant functions also conduct professional exchanges to clarify product-quality standards and judgment criteria and ensure consistent implementation. These mechanisms embed quality concepts on the front line so quality management begins at the source rather than only at inspection.

Employee-wide Quality Optimization through Improvement Proposals

Since 2008, Gudeng Precision has promoted an Improvement Proposal program and established the Improvement Proposal Control Procedure. Employees are encouraged to submit suggestions regarding work environment, systems and processes, cost, quality, ESG, and other topics to prevent potential quality anomalies or outdated operating rules. Approved proposals are assigned to responsible units for cross-functional implementation. Upon completion, incentives are paid according to proposal grade and benefits, with a maximum reward of NT$200,000. In 2025, 1,258 proposals were completed, generating total benefits exceeding NT$5 million.

Improvement Proposal Process



Year	2021	2022	2023	2024	2025
Completed Improvements	355	594	1,045	1,076	1,258
Total Improvement Benefits (NT$)	$10,023,968	$12,400,000	$14,941,331	$8,903,709	$8,615,883

3.2.3 Quality Enhancement Project — QCC / DMAIC Competition

Since 2021, Gudeng Precision has operated QCC (Quality Control Circle) and DMAIC (Define, Measure, Analyze, Improve, Control) programs, introducing analytical tools that combine statistical methods and quality-management techniques to strengthen problem analysis and process optimization. Through practical applications such as inspection methods and Design of Experiments (DOE), the Company identifies optimal process parameters and achieves optimized output. Project results are institutionalized in standard operating procedures to preserve improvement benefits and promote standardized management, continuously improving quality stability and operating efficiency. In 2025, 44 participants joined QCC activities and generated project benefits of NT$2,020,000.

2025 Outstanding Improvement Proposal Case

Category	Proposal Topic
Quality Improvement	Yield improvement for injection-molded lower-cover semi-finished products
Cost Reduction	Flexible working-hour arrangement for on-site personnel
Cost Reduction	Nozzle Act nozzle process improvement

2025 Improvement Proposal Classification

Category	Cases	Share
Process Improvement	493	39%
Quality Improvement	188	15%
Cost Reduction	47	4%
Efficiency Improvement	294	23%
Other	236	19%
Total	1,258	100 %

Annual Best Proposals

Improvement Topic	Category	Management Meeting Resolution	Benefit	Rank
Lower-cover yield improvement	Quality Improvement	Grade A	$614,315	1st
On-site flexible working hours	Cost Reduction	Grade B	$178,128	2nd

Historical Improvement Proposals and Benefits

Year	2021	2022	2023	2024	2025
Completed	242	594	1,045	1,076	1,258
Total Benefit (NT$)	$9,296,735	$12,400,000	$14,941,331	$8,903,709	$8,615,883

DMAIC / QCC Participation and Project Benefits

Year Program	2021 DMAIC	2021 QCC	2022 QCC	2023 DMAIC	2024 QCC	2025 QCC
Participants	33	62	40	41	38	44
Project Benefit (NT$)	4,600,000	2,370,000	17,070,000	9,200,000	4,700,000	2,020,000

2025 QCC Competition

First Place

Theme: Improvement of clipping, wobble, and GAP out-of-spec issues for RSP150 series models.

Total improvement cost benefit:

NT$330,456.

QCC Participant Reflections

RSP150 is an important product that helped Gudeng establish its position in TSMC's photomask-carrier supply chain. After multiple handovers and frequent changes, product quality became difficult to control. Through QCC problem analysis and on-site investigation, the team identified key tolerance issues and improved consistency by reassessing tolerance settings. Once all tolerance adjustments are implemented, the abnormal-quality rate is expected to decline substantially. The power of QCC lies not only in solving problems but also in driving cultural change and stronger quality awareness.

During this QCC activity, I found that the amount of information gained from communication within a strong team, as well as discussions of true root causes, delivers advantages in time efficiency, root-cause accuracy, and breadth of problem understanding compared with solving problems alone. I appreciate the team's constructive communication, which allowed us to learn more countermeasures and methods for improving on-site issues.

This was my first time participating in the Company's QCC program. From my professional perspective, the quality issues faced after mass production were not especially difficult; the greatest challenge was bringing a product that had been in mass production for years back onto the right track step by step. This required cross-team cooperation. The composition of this team was the most important factor in turning the QCC strategy into reality, allowing theory to be put into practice and actual operations to meet specifications.

This activity gave me a more complete understanding of the design principles and actual assembly conditions of the RSP150 photomask box. For abnormal clipping, wobble, and excessive GAP issues, real improvement requires analysis from the root cause rather than superficial treatment. The objective is to improve yield, reduce rework, and lower Company costs.

By peeling back the layers to identify the true root causes, I gained a deeper understanding of the relationships among product components. Defining key dimensions and tolerances correctly at an early stage is extremely important, and cumulative tolerances must also be considered to prevent a small screw from affecting the function of the entire product.

Through this quality-improvement activity, I better understood RSP150 design and assembly and used improvement measures to clarify the root causes of clipping, wobble, and excessive GAP, ultimately improving yield, reducing rework, lowering costs, and increasing net profit.

I was honored to participate in the QCC improvement activity. Seeing everyone move from topic discussion and voting, to brainstorming countermeasures, fully implementing actions, and sustaining improvement results was truly moving. Even conflicts caused by different departmental roles can be overcome through a shared QCC improvement objective. If participation can be expanded throughout the Company, it should provide tremendous benefits to overall quality improvement.

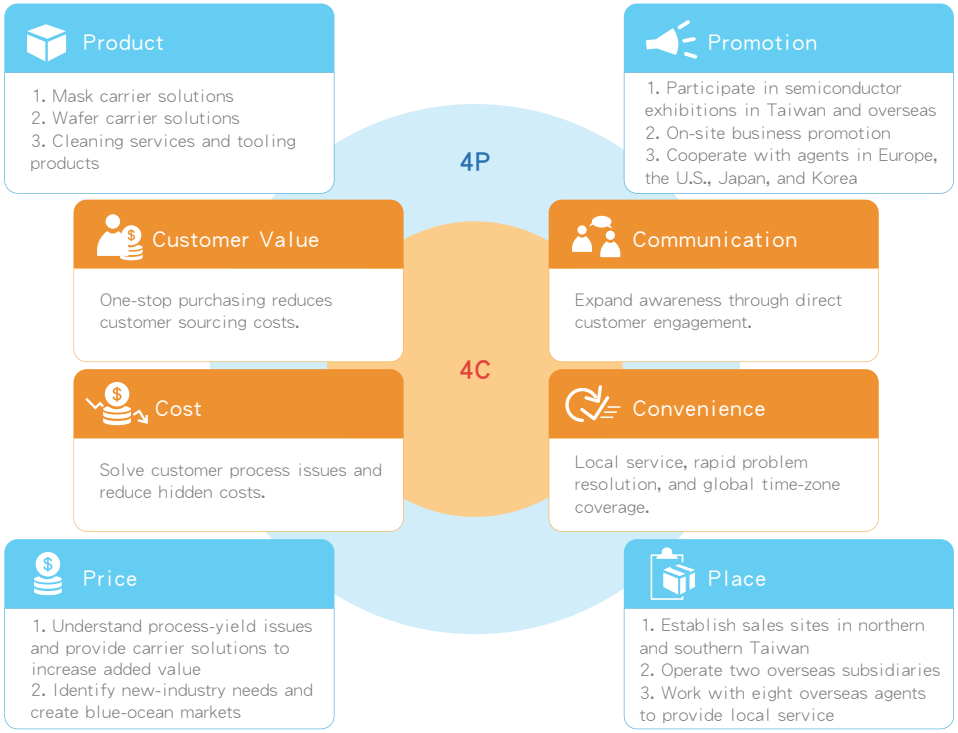
The true meaning of QCC is to improve RSP-related abnormalities from the source and find answers within the problem. There may be collisions, conflict, and disagreement, but genuine willingness to change is the key and allows teamwork to have its greatest impact.

This QCC reviewed historical RSP150 assembly tolerances in three major areas: wobble, clipping, and GAP. Reasonable tolerances and inspection standards were re-established to control quality at the source. There is still much work ahead, and I hope the team continues cooperating so the product can return to its proper production standard.

This QCC taught me that a problem can have many possible causes. For the RSP150 wobble issue, items such as the swan-head component, bracket, and latch all had to be examined to determine whether they directly or indirectly caused the issue, followed by targeted improvement and correction to achieve the desired result.

3.3 Customer Partnership

Gudeng does not simply sell products; it builds partnerships with customers and is committed to providing professional services that solve customer problems. When customers face urgent needs, Gudeng upholds its commitment to immediate response, rapidly mobilizes resources, helps customers resolve difficulties, and becomes their most reliable supporter.



Only by listening to every customer can Gudeng truly understand core needs. The Company takes a responsible approach to customer feedback, proactively owns issues, and responds actively. Internal professional teams centrally handle customer complaints, perform root-cause analysis of on-time delivery and complaint cases, and implement improvement actions to continuously enhance service quality and fulfill the commitment to customer satisfaction. Gudeng also proactively applies its 4P4C policy to maintain customer partnerships, identifies process-yield issues, and provides carrier solutions that improve customer yield and open new blue-ocean markets.

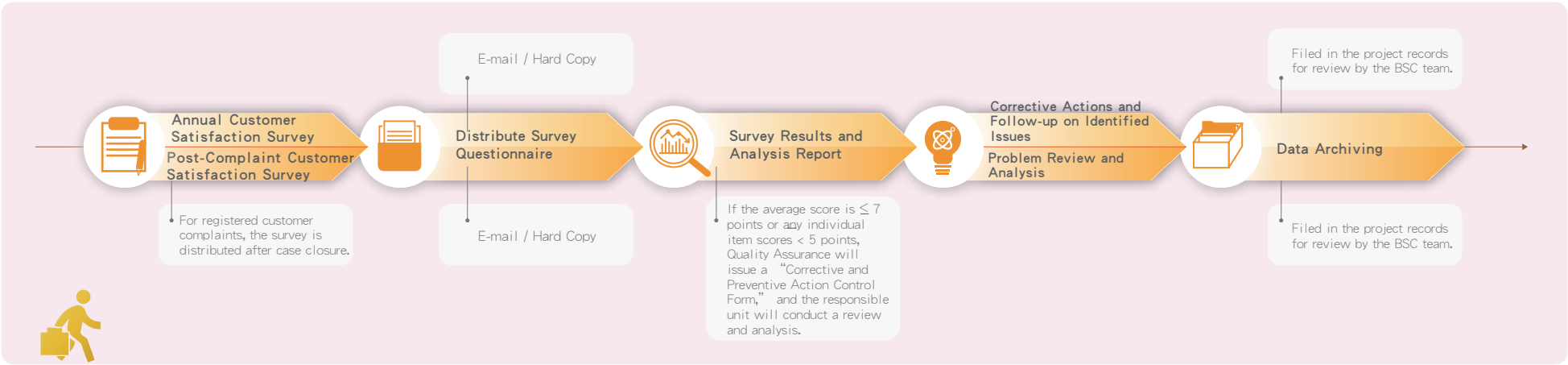
Customer Satisfaction

At the end of each year, Gudeng sends stakeholder questionnaires to customers and quantifies feedback using a rating scale. Results are compiled and shared with Sales, R&D, Quality Assurance, and other relevant departments as a basis for follow-up improvement and service optimization. For customers whose scores fall below the threshold, the responsible salesperson completes a Customer Satisfaction Improvement Action Form and implements concrete measures. Results are also compared with historical data as part of continuous improvement.

The survey not only helps refine service processes but also provides insight into customers' future needs. Gudeng also maintains periodic communication through email, telephone, video meetings, and on-site interviews, consolidates recommendations for management review, and responds promptly to strengthen customer relationships and trust.

- In 2025, 20 customer satisfaction surveys were distributed, of which 19 were returned, resulting in a response rate of 95%.
- The customer satisfaction target for 2025 was 85 points, while the overall satisfaction score reached 95 points.

Customer Satisfaction Survey Process



On-Time Order Delivery Rate / Complaint Handling

Gudeng values customer (stakeholder) opinions and feedback and includes defective-product returns and return cases as key customer-satisfaction indicators. When an abnormality occurs, Sales promptly confirms the primary cause with the customer and works with Quality Assurance to initiate improvement. Quality Assurance tracks the case throughout the process, prepares an 8D corrective report, systematically collects data, performs root-cause analysis, and verifies countermeasures to ensure effective and sustainable improvement. Quantitative evidence is used in customer-relationship maintenance review meetings to demonstrate problem resolution and improvement results, establish standardized operating guidelines, prevent recurrence, and comprehensively improve after-sales service quality and customer satisfaction.

Responsibilities

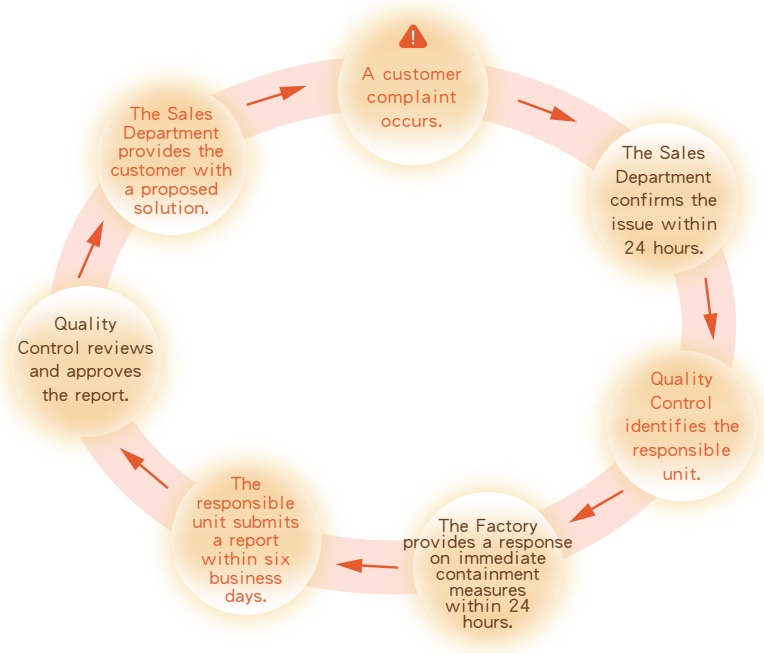
Sales	Quality Assurance	Shipping Factory
1.Customer/company coordination and communication; 2.retrieve defective products and handle returns.	1.Track responsible-unit actions; conduct root-cause analysis; prepare and retain 8D corrective reports. 2.Convene customer-relationship review meetings and monitor complaint progress.	Before responsibility is determined, provide a report for QA confirmation and support emergency response.

Customer Complaint Handling Process

1. Sales Unit: Contact the customer and confirm the actual problem within 24 hours, then complete the Customer Complaint Consultation Form and forward it to Quality Assurance.
2. Quality Assurance Unit: Upon receiving the form, track handling by the responsible unit, confirm the final responsibility report, and retain the information to prevent recurrence.
3. Shipping Factory: Respond to Quality Assurance with emergency measures within 24 hours. Before responsibility is determined, the shipping Factory provides a report for Quality Assurance confirmation.
4. Responsible Unit: Propose emergency measures within 24 hours and provide emergency-measure information within 48 hours.
5. Cross-functional Integration: Provide information for Quality Assurance confirmation within six working days, and on the seventh working day provide the final Quality Assurance-confirmed report to Sales.
After closure, Sales communicates the root-cause analysis to the customer and identifies the concerns most important to the customer, thereby improving stakeholder interaction.

Sales receives a customer complaint.	Prepare a Customer Complaint Consultation Form.	Compile customer complaint information, analyze countermeasures, and develop corrective and preventive actions (CAPA).
Handled in accordance with the ISO Customer Complaint Control Procedure.	After management approval, the form is forwarded to the Quality Assurance unit as the basis for follow-up and improvement tracking.	Track customer complaint cases and conduct a preliminary cause assessment; where an abnormality is identified, determine whether it falls under customer service or engineering improvement.

1. Regularly track customer experience following product improvements.
2. Understand customers' future product design needs and use the insights to optimize products for future shipments.
3. Continuously optimize product design while reviewing production abnormalities.





4 Sustainable Environment

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4.2 Water Resources and Waste Management ・・104

4.1 Climate and Energy Management

Climate change and the energy transition have become critical sustainability challenges worldwide. Gudeng Precision recognizes its responsibility as a member of the global semiconductor supply chain and continues to strengthen climate-risk management, optimize energy use, reduce greenhouse gas emissions, improve energy efficiency, expand renewable-energy use, and promote technological innovation in response to the transition toward a low-carbon economy.

4.1.1 Climate Change Governance and Management Strategy

According to the World Economic Forum, climate-related risks continue to rank among the most significant long-term global risks. Following the Paris Agreement adopted at COP21 and the continuing advancement of global climate commitments, COP28 further called for accelerated action to reduce global greenhouse gas emissions by 43% by 2030 and 60% by 2035, with the aim of keeping the 1.5° C target within reach.

Gudeng Precision follows the Task Force on Climate-related Financial Disclosures (TCFD) framework and manages climate-related issues through four core pillars: Governance, Strategy, Risk Management, and Metrics and Targets. The Company uses a 1.5° C transition pathway as an important reference for identifying climate risks and opportunities and for strengthening organizational resilience.

4.1.2 Climate Governance

The Board of Directors is the highest oversight body for climate-related matters and is responsible for reviewing and approving climate policies, strategies, and targets. The Sustainable Development Committee serves as the authorized management and decision-making body and reports climate-related progress to the Board on a quarterly basis. At the execution level, the Sustainability Office and the Business Continuity Management (BCM) Committee jointly promote climate actions. The Sustainability Office formulates adaptation and mitigation strategies based on material climate risks, while the BCM Committee implements risk-response measures, drills, and business-continuity arrangements. Major matters are reviewed by the Committee Chair and subsequently reported to the Board of Directors.

Climate Governance	Responsibilities
Board of Directors	・Serves as the highest oversight body for climate-related risks and opportunities. ・Reviews climate risk/opportunity identification and assessment results. ・Oversees and approves transition plans, climate targets, and implementation performance.
Sustainable Development Committee	・Review climate change strategies and decarbonization targets ・Review climate-related disclosures ・Review climate-related resolutions and submit them to the Board of Directors
Sustainability Office	・Convene cross-functional teams to conduct TCFD workshops, with the Chief Sustainability Officer serving as the senior management representative ・Continuously monitor climate-related regulatory requirements issued by the Financial Supervisory Commission ・Coordinate the integration of the Company's sustainability strategy and climate change response direction ・Coordinate climate-related resources across departments and strengthen cross-functional collaboration mechanisms ・Develop net-zero action plans in accordance with climate-related regulations, international trends, and the Company's decarbonization targets ・Lead strategic planning for climate risk management ・Oversee the progress and achievement of climate-related projects implemented by BCM and relevant departments
Business Continuity Management Committee	・Regularly collect climate-related issues of concern to internal and external stakeholders ・Incorporate climate-related issues into the Company's overall risk assessment mechanism for discussion and evaluation ・Implement and track climate strategy initiatives ・Conduct climate risk response drills to strengthen organizational resilience

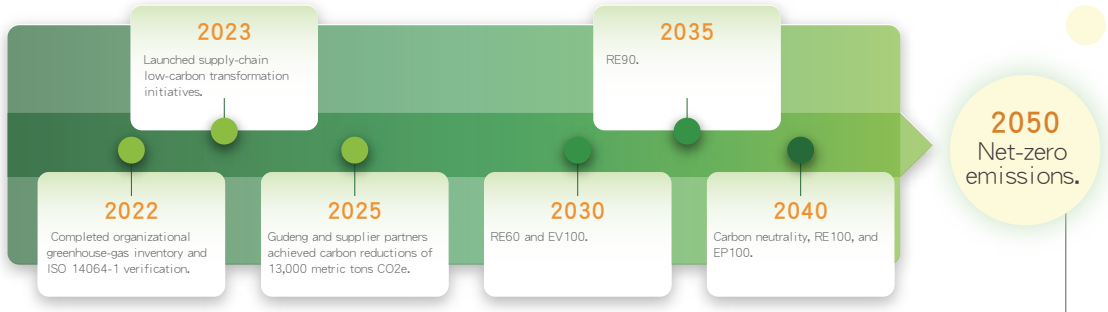
Building Green Resilience Through Low-Carbon Integration:
A New Circular Model from Smart Manufacturing to Value Chain Co-Prosperity

Gudeng Precision firmly believes that corporate resilience and environmental sustainability are inseparable. In response to the growing challenges posed by global climate change, the Company supports the Paris Agreement's goal of limiting global temperature rise to within 1.5° C and refers to the Science Based Targets initiative (SBTi) in proactively planning its net-zero development pathway.

To transform its decarbonization commitments into tangible actions, Gudeng has assessed its internal capabilities and established three key action pillars—Low-Carbon Operations, Green Technologies, and Value Chain Co-Prosperity—as the driving forces for sustainable development. By deeply integrating smart manufacturing with its net-zero pathway and strengthening collaboration with value chain partners, the Company continues to pursue breakthroughs in manufacturing technologies while leveraging its influence as an industry leader.

Through these efforts, Gudeng aims to contribute green transformation momentum to the resilience of the semiconductor supply chain and work together with its partners to create a low-carbon future.

Gudeng Precision's 2050 Net-Zero Development Pathway



Net-zero concept: Anthropogenic greenhouse-gas emissions minus anthropogenic removals = 0 within a specified period.

Three Net-Zero Action Directions

Low-Carbon Operations

Energy-Efficiency Projects: Replace equipment and optimize processes in parallel to improve production-environment efficiency while safeguarding process cleanliness.
Renewable-Energy Deployment: To fulfill the RE100 commitment, install solar PV across new and existing Factorys; in 2022, acquire a fishery-solar symbiosis solar power Factory to secure green-power supply and demonstrate a firm commitment to energy transition.

Green Technology

Low-Carbon Carrier R&D: Use replaceable materials for selected consumables to reduce unnecessary plastic waste and carbon footprint while maintaining cleanliness; continue developing green patents for contamination prevention through structural and functional design.
Circular Regeneration Project: Convert production defects into secondary raw materials, activate slow-moving inventory, raise material extraction and reuse, and remanufacture waste into plastic pallets and logistics boxes.

Value Chain Co-prosperity

Green Procurement: Build a green procurement system; leverage results of the 2022 supplier decarbonization program, provide energy-improvement solutions, and help suppliers conduct carbon inventories and transition to low carbon. Circular Logistics System: Continue shared decarbonization projects, including reusable iron boxes replacing single-use packaging, to reduce packaging waste and turn sustainability into logistics decarbonization action across the value chain.

Recent Board-level Climate-related Matters

1. GHG Inventory and Verification Schedule
In accordance with ISO 14064-1 and international GHG inventory standards, the Company completed the 2025 GHG inventory for Scope 1, Scope 2, and selected Scope 3 categories within its organizational boundary. Going forward, Gudeng will continue updating the inventory scope and data completeness annually and, in line with the Sustainable Development Roadmap for TWSE/TPEx Listed Companies, progressively promote GHG inventories and assurance for subsidiaries included in the consolidated financial statements.

2. Climate Risk and Opportunity Identification Results
Based on the TCFD risk-identification methodology and scenario analysis, Gudeng identified the Company’ s major climate risks and opportunities. These are described in the following pages and incorporated into climate governance, risk management, strategic planning, and resource allocation.

Climate Risks

Physical Risks: Acute and chronic risks such as severe typhoons, heavy rainfall, Factory flooding, drought and water shortages, and extreme-weather impacts on international logistics and supply-chain delivery stability.

Transition Risks: Policy/regulatory, market, technology, and reputation risks, including carbon pricing and carbon-fee escalation, ISSB sustainability-disclosure alignment, product-carbon transparency, international carbon rules and supplier carbon-cost pass-through, geoeconomic and tariff changes, competition for energy and green electricity, and AI-related data-security and brand-trust issues.

Climate Opportunities

Energy Transition Opportunities: Increase renewable-energy use to reduce operating carbon emissions and exposure to energy-cost volatility, and extend green-power capabilities into supply-chain services supporting customers and suppliers in low-carbon transition.

Market Opportunities: Growth of AI and data centers drives advanced semiconductor-process demand and promotes circular materials, low-carbon logistics, and trusted supply-chain solutions, creating new growth momentum for products and services.

Climate Risk Identification and Strategic Response

Integration of Climate Risk into Enterprise Risk Management

Since 2023, Gudeng Precision has formally incorporated climate-change issues into its existing business continuity management mechanism as part of enterprise risk management. Climate issues are integrated into the risk-identification process and analyzed by the Business Continuity Management (BCM) Committee based on likelihood and impact, with response strategies developed to strengthen operational resilience.
In 2024, the Sustainability Office convened a cross-functional TCFD task force to conduct a more comprehensive materiality analysis and risk grading of transition risks, physical risks, and potential opportunities under the TCFD framework. Going forward, Gudeng plans to further integrate this assessment process into BCM to establish an integrated climate-governance process spanning strategy, operations, and risk-management units.
In addition, following the International Organization for Standardization (ISO) endorsement of the London Declaration on Climate Action in 2024 and revisions to common management-system clauses, organizations maintaining ISO systems are required to consider potential climate-change risks and stakeholder needs. Gudeng has therefore adjusted internal risk-management procedures to incorporate climate change into ISO 14001, ISO 22301, ISO 45001, ISO 50001, ISO 9001, and ISO 27001 risk considerations. Through horizontal integration of ISO management systems and the TCFD framework, the Company continues to strengthen climate-risk identification, assessment, and response capabilities and steadily enhance operational and supply-chain resilience.

Climate Risk and Opportunity Identification

To strengthen climate-risk governance and financial resilience, Gudeng Precision established a cross-functional TCFD working group. Based on industry characteristics and its operating model, the group systematically identifies and analyzes climate-related issues and potential financial-impact pathways, covering operational, product, and physical-risk dimensions such as supply-chain disruption, manufacturing-site risks, customer low-carbon requirements, material substitution, and asset damage or shutdown caused by extreme weather. A two-axis assessment of severity and likelihood is used to prioritize material climate issues and formulate mitigation and adaptation strategies for business continuity and resource allocation.

Issue Scoping	Relevance Identification	Materiality Assessment	Review and Oversight
Review climate laws, disclosure requirements, and stakeholder concerns across operating sites, major markets, and supply chains, including carbon fees, ISSB alignment, product carbon footprint, green-power demand, energy pressure, and extreme weather; compile 24 climate issues as the basis for assessment.	The Sustainability Office convenes the TCFD working group and conducts internal climate-scenario and risk workshops involving operations, engineering, finance, procurement, IT, and legal. Based on operations, geography, boundaries, timing of external impacts, and scientific scenarios, 12 highly relevant climate issues are identified.	Assess the 12 key issues using a two-axis matrix, analyzing potential impacts on operational stability, capital expenditure, financial performance, regulatory compliance, and supply-chain resilience. Results support response prioritization, strategy adjustment, and resource allocation.	The Sustainable Development Committee consolidates results and reports them to the Board. Upon Board approval, the results are incorporated into corporate strategy and risk management, and mitigation/adaptation plans are implemented. The Board and Committee continue to monitor performance, policy trends, and external risk changes.

4.1.3 Climate-related Risk and Opportunity Identification Results and Response Strategies

Gudeng sets management time horizons for climate-related risks and opportunities based on operating characteristics and strategic goals: short term is 1 – 3 years, medium term is 3 – 10 years, and long term is 10 – 30 years. These categories provide the time basis for scenario analysis and climate-impact assessment and support subsequent strategy planning, resource allocation, and risk-management deployment.

1. Short Term (1 – 3 Years): Regulatory Pressure and Operational Impacts Emerge

In the short term, major climate risks include emerging climate-regulation requirements, higher stakeholder expectations, and extreme-weather impacts. As Taiwan’ s Climate Change Response Act, carbon-fee system, and GHG-management requirements are implemented, Gudeng faces immediate pressure in regulatory compliance, carbon management, and operating costs. At the same time, customers and investors increasingly require carbon disclosure, low-carbon products, and green electricity, increasing supply-chain response pressure. Extreme heat, heavy rainfall, and typhoons may also interrupt energy and raw-material supply, disrupt Factory operations, and delay deliveries. On the opportunity side, Gudeng continues resource-circularity measures such as recycling and remanufacturing discarded plastics, strengthening circular-economy capabilities while creating both cost benefits and sustainability value.

2. Medium Term (3 - 10 Years):Global Carbon Rules Expand the Risk Boundary

Climate risks extend into international markets, supply chains, and technology. Carbon border adjustment mechanisms, international carbon pricing, and supply-chain decarbonization requirements may raise export costs and affect supplier competitiveness and cost structures. Meeting customer low-carbon demands and higher regulatory standards requires continued investment in low-carbon processes, material substitution, and product R&D, potentially increasing capital and R&D expenditure.

3. Long Term (10 - 30 Years): Energy Transition and Technology Restructuring Create Strategic Opportunities

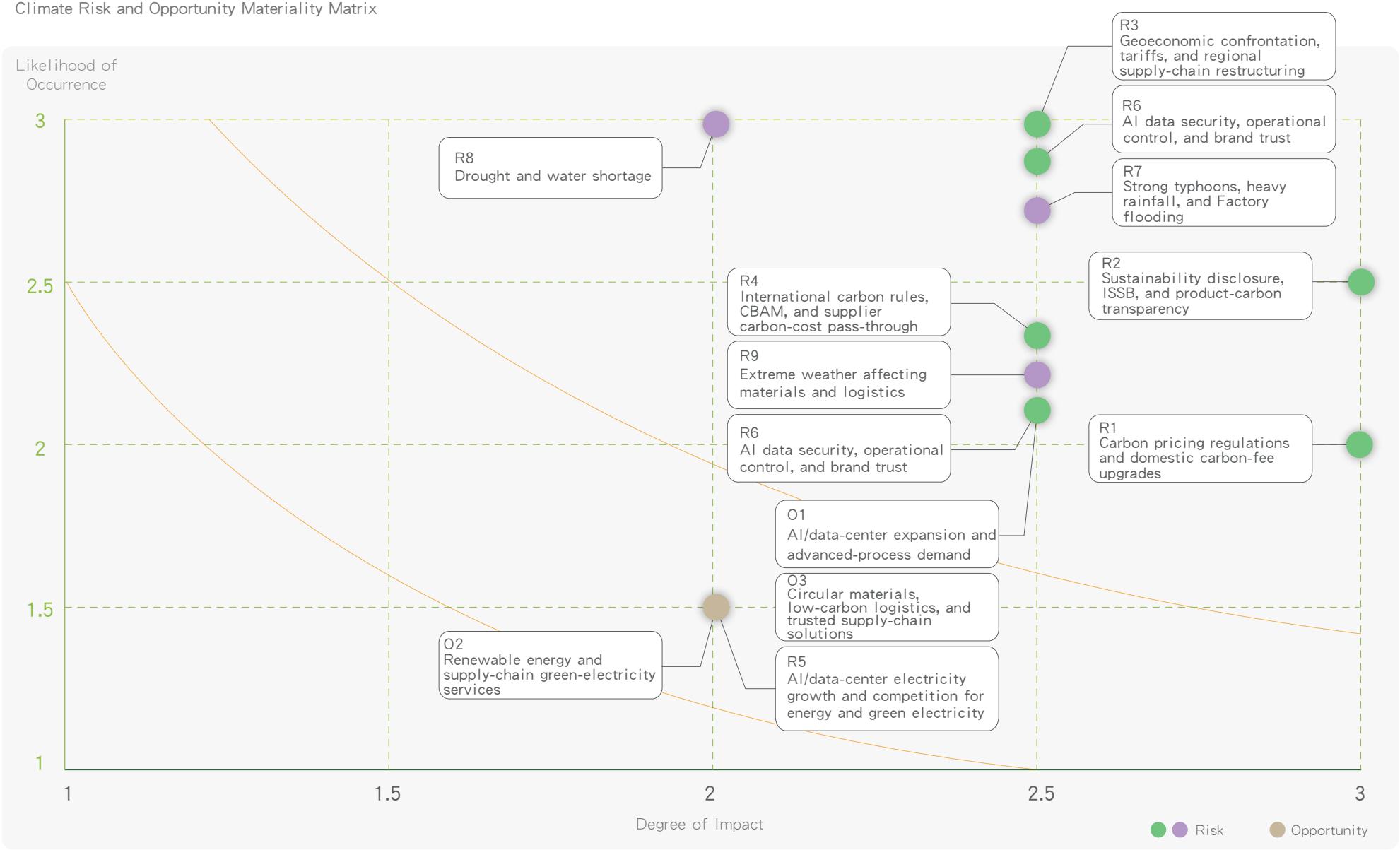
While regulatory, cost, and technology challenges may continue, global renewable-energy development and carbon-neutrality goals create energy-transition and low-carbon competitive opportunities. Through self-built solar power Factorys, green-power procurement, and renewable-energy planning, Gudeng expects to reduce reliance on high-carbon electricity, improve energy autonomy and carbon-cost control, and strengthen green brand value and long-term resilience.

Type	Climate-related Risk Item	Risk Faced by Gudeng	Financial Impact	Impact Level	Impact Boundary	Time Horizon	Management & Action Strategies
Transition Risk – Policy & Regulation	R1: Carbon-pricing regulatory control and domestic carbon-fee system escalation	Taiwan's carbon-fee system entered formal implementation in 2025. Although Gudeng is not currently among the first major regulated entities, deeper policy implementation, threshold changes, rate reviews, or stricter review of voluntary reduction plans could increase medium- to long-term carbon costs and compliance pressure. Delayed carbon-management capability could raise carbon-fee, inventory, verification, and reduction costs and weaken competitiveness in low-carbon supply chains.	1.Higher expenditures for carbon fees, verification and consulting; 2.higher operating costs for inventory, staffing and reduction-project management; 3.higher capital expenditure for energy-saving equipment, low-carbon processes and renewable-energy investment.	Medium	Own operations; upstream supply chain	Medium / Long	・Develop annual reduction plans based on Gudeng's decarbonization pathway and review emissions intensity on a rolling basis; ・assess internal carbon pricing for energy transition, equipment replacement and investment prioritization; ・continue renewable-energy deployment, voluntary reduction planning, and product-carbon-footprint management.
Transition Risk – Policy / Regulation / Reputation	R2: Sustainability disclosure, ISSB alignment and product-carbon transparency	With phased adoption of IFRS Sustainability Disclosure Standards by listed companies from fiscal 2026, disclosure is shifting toward sustainability-related financial information and verifiable data. Customers, investors and rating agencies increasingly require carbon footprints, targets, execution progress and supply-chain low-carbon management. Incomplete, inconsistent or unverifiable information may lead to regulatory remediation, downgraded external assessments, reduced customer trust, investor concerns and capital-market impacts.	1.Higher workload for data collection, verification, system establishment and reporting; 2.possible fines and consulting/system costs; 3.reputational damage through rating downgrades, share-price volatility or weaker financing conditions.	High	Own operations; downstream customers; investors	Short	・Conduct annual ISO implementation and verification (e.g., ISO 14064-1) to identify required disclosure information and incorporate climate regulations and risks into ISO management systems; ・proactively advance ESG to enhance brand value.
Transition Risk – Market / Policy & Regulation	R3: Geoeconomic confrontation, rising tariffs and regionalized supply-chain restructuring	The 2025 global risk environment features geopolitical tension, increased trade restrictions and accelerated supply-chain regionalization; the U.S. also adjusted reciprocal-tariff policy. Risks extend beyond export costs to customer relocation, stricter origin management, regional supply and backup-delivery requirements. Insufficient cross-region delivery resilience and local supply capability could reduce customer stickiness and increase operational uncertainty.	1.Higher logistics, customs clearance, tariff and origin-management costs; 2.capital expenditure for regional backup sites and local supply/service capability; 3.potential revenue loss from delayed orders, order transfers or lost new projects.	High	Upstream supply chain; own operations; downstream customers; overseas markets	Short	・Build on existing supply-chain backup, local supply-chain alliances and BCM; establish regional risk maps, dual sourcing, safety stock and overseas-delivery capability assessment; include geopolitics, tariff changes and customer origin requirements in scenario analysis and business-continuity drills.
Transition Risk – Policy / Regulation / Supply Chain / Market	R4: International carbon regulations, carbon border adjustment and supplier carbon-cost pass-through	As the semiconductor industry accelerates its green transition and brand customers commit to decarbonization targets, demand for low-carbon products and processes is rising. Gudeng must invest in low-carbon product and process technology to meet customer and regulatory expectations; failure could lead to order cancellation or interruption of cooperation. Technology testing to mass production also requires substantial labor and R&D spending and may face technical failure or commercialization risk.	1.Higher raw-material and supply-chain-management costs and supplier guidance; 2.higher carbon-data collection, supplier-audit and training expenses; 3.possible revenue loss if low-carbon supply-chain capabilities are insufficient.	Medium	Own operations; downstream customers	Short	・Continue optimizing product life and green logistics in response to demand for recycled materials and energy-saving products (e.g., packaging improvements, stacking methods and reduced single-use plastics); ・improve processes and replace equipment to increase energy efficiency, including lighting and aging motors and compressor group control; ・track and manage R&D expenditure to improve resource efficiency.
Transition Risk – Policy & Regulation	R5: AI and data centers drive electricity demand, intensifying competition for energy and green power	Rapid AI expansion is expected to substantially increase global data-center electricity demand by 2030, with generation supplied to data centers rising from about 460 TWh in 2024 to more than 1,000 TWh in 2030. Companies will compete not only over electricity prices but also stable power, green electricity, storage and grid capacity. Without stable and verifiable green-power access, Gudeng could face combined pressure from energy cost, carbon management and customer low-carbon procurement requirements.	1.Higher electricity-purchasing costs, green-power premiums and backup-energy management; 2.capital expenditure for storage, energy-management systems and self-use generation; 3.possible revenue loss if energy constraints affect capacity and delivery.	High	Own operations; downstream customers	Medium	・Continue small- and medium-scale solar projects, smart meters and energy-management systems to improve monitoring and efficiency; ・strengthen storage, demand management and green-power allocation so energy strategy evolves from simple purchasing to medium- and long-term portfolio management.
Transition Risk – Technology / Cybersecurity / Reputation	R6: Data security, operational control and brand-trust risks after AI adoption	As AI is introduced into design, process analysis, supply-chain forecasting, knowledge management and equipment maintenance, risks may include data leakage, model contamination, erroneous outputs affecting decisions, and cybersecurity risks arising from AI integration with OT/manufacturing environments. Social polarization, misinformation and technology risks may further intensify scrutiny of ESG, cybersecurity and governance; incidents could quickly damage customer trust, investor perceptions and talent attraction.	1.Higher operating costs for cybersecurity, internal controls, training and audits; 2.incident-response, legal and system-repair expenses; 3.reputational damage, customer loss and investor concerns.	High	Own operations; downstream customers; investors	Short	・Build on ISO 27001 and risk-management mechanisms to establish AI-use principles, data classification, third-party tool review, access control and anomaly monitoring; ・incorporate AI/cybersecurity/brand incidents into joint BCM, Legal, IT and Sustainability Office response procedures.

Type		Climate-related Risk / Opportunity Item	Risk / Opportunity Faced by Gudeng	Financial Impact	Impact Level	Impact Boundary	Time Horizon	Management & Action Strategies
Physical Risk	Acute	R7: Severe typhoons, heavy rainfall and Factory flooding	Extreme-rainfall events have increased in frequency and intensity. Gudeng's risk inventory indicates that the Tree Valley Factory has experienced temporary water accumulation during sudden downpours. Similar events during normal operations could affect cleanrooms, critical equipment, water systems, personnel access and logistics routes, causing shutdowns, quality risk and delivery delays.	1.Higher maintenance, flood-control and drainage costs; 2.asset damage and value loss; 3.business interruption, power outage or inability of employees to report to work; 4.customer-relationship and reputational impacts.	High	Own operations; downstream customers	Short	・Strengthen Factory drainage, flood-warning systems, backup power, critical-equipment protection and emergency drills; ・use ISO 22301 and BCM recovery mechanisms to control damage and restore operations quickly.
	Chronic	R8: Drought and water-resource shortage	Southern Taiwan faces long-term dry-season and water-allocation risk. Continued shortages or stricter restrictions could directly affect cleanroom cleaning and other water-intensive processes, reduce capacity, delay shipment and reduce customer satisfaction, while increasing spending on alternative water sources, storage or reclaimed-water procurement.	1.Business interruption from insufficient water and reduced production; 2.added water-purchasing, storage and backup-source costs; 3.potential revenue loss from shipment delay or order transfer; 4.reduced customer trust.	High	Own operations; downstream customers	Medium / Long	・Increase process-water recovery, optimize automatic switching of reclaimed water, and strengthen backup water-transport plans; ・evaluate reclaimed water and inter-Factory allocation to improve dry-season resilience and supply stability.
	Acute	R9: Extreme climate affects raw-material supply and international logistics	Heavy rain, flooding, typhoons, drought, and port or shipping disruptions can delay imported materials and components or interrupt warehousing and transport. Late material arrival can affect scheduling, production capacity, quality consistency and delivery commitments, causing urgent logistics cost, penalty risk and pressure for order transfers.	1.Supply-chain interruption and scheduling delay; 2.higher logistics, procurement, urgent-order and safety-stock costs; 3.overdue-performance and emergency-procurement expenses; 4.delayed orders and customer loss.	High	Upstream supply chain; own operations; downstream customers; logistics	Short	・Expand multi-source procurement, safety stock, regional backup warehousing and north-south Factory support; ・incorporate climate events into supplier risk assessment and early-warning management to reduce single-point disruption.

Type		Climate-related Risk / Opportunity Item	Risk / Opportunity Faced by Gudeng	Financial Impact	Impact Level	Impact Boundary	Time Horizon	Management & Action Strategies
Opportunity	Market	O1: AI and data-center expansion drives advanced semiconductor-process demand	As AI drives data-center power use and high-end semiconductor demand, advanced processes, advanced packaging and high-cleanliness manufacturing environments are expected to expand. Combining high cleanliness, high reliability and low-carbon design can expand Gudeng's presence in high-value products and key customer supply chains.	1.Higher revenue from new customers, applications and products; 2.higher gross margin as technically demanding products increase; 3.improved market valuation of growth and technology positioning.	High	Own operations; downstream customers	Short / Medium	・Continue R&D in high-end carriers, advanced processes and advanced packaging; ・introduce low-carbon design, product-carbon-footprint management and supply resilience; ・strengthen differentiated value of high precision, high reliability and low carbon.
	Energy	O2: Increase renewable-energy use and extend green-power service capability to the supply chain	The Board approved investment in a 50 MW renewable-energy project. Gudeng became a founding TRE100 member in December 2025 and declared a RE100 target by 2040. Extending green-power deployment from an internal reduction tool to a supply-chain collaboration tool can reduce carbon and energy risk and create new business models through green-power provision, certificate allocation and low-carbon cooperation.	1.Revenue from green-power-related business models and collaboration; 2.savings in energy and carbon costs; 3.enhanced corporate image, investor attention and market recognition.	Low	Upstream supply chain; own operations; downstream customers	Medium / Long	・Continue renewable-energy project construction and commercial-operation planning and reserve part of the green electricity for supply-chain collaboration; ・establish disclosure and customer-communication mechanisms for green-power use and carbon-reduction benefits so renewable energy becomes a competitive advantage.
	Products / Services	O3: Circular materials, low-carbon logistics and trusted supply-chain solutions	As customers increasingly value circular materials, carbon footprint, green logistics and supply-chain transparency, Gudeng can institutionalize secondary-material reuse, packaging optimization, product-carbon-footprint inventories and supplier carbon management, upgrading from a component supplier to a low-carbon, circular and resilient supply-chain partner.	1.Cost savings in waste treatment, logistics and raw-material use; 2.revenue from recycled goods, low-carbon products and new cooperation models; 3.stronger brand trust and customer stickiness.	Medium	Upstream supply chain; own operations; downstream customers	Short / Medium	・Continue secondary-material remanufacturing, low-carbon packaging, product-carbon-footprint and supply-chain transition projects; ・integrate supplier carbon-management platform with customer disclosure needs to develop traceable, verifiable and quantifiable low-carbon supply-chain service capability.

Climate Risk and Opportunity Materiality Matrix



Climate-related Financial Planning by Time Horizon

Climate-related Financial Planning	Short Term (<3 Years)	Medium Term (3 - 10 Years)	Long Term (>10 Years)
Climate-related Issues	R1 Carbon-pricing regulation / domestic carbon-fee escalation R2 Sustainability disclosure, ISSB alignment & product-carbon transparency R6 AI data-security, operational-control & brand-trust risk R7 Severe typhoons, heavy rainfall & Factory flooding O1 AI & data-center expansion driving advanced-process demand	R3 Geoeconomic confrontation, tariffs & regional supply-chain restructuring R4 International carbon regulations, carbon border adjustment & supplier carbon-cost pass-through R5 AI / data-center electricity demand driving energy and green-power competition R9 Extreme-climate impacts on raw-material supply & international logistics O3 Circular materials, low-carbon logistics & trusted supply-chain solutions	R8 Drought and water-resource shortage O2 Increased renewable-energy use and supply-chain green-power service capability
Financial Costs / Investment for Response Plans	・GHG inventory / verification, decarbonization equipment, energy-management systems and future carbon fees ・Consulting, system setup, verification and internal staffing ・Cybersecurity systems, AI-governance tools, training, audits and external testing ・Flood-control engineering, backup equipment, insurance, drills and Factory improvements ・R&D, equipment investment, capacity expansion and high-end talent development	・Safety-stock costs, supplier development, logistics adjustments and procurement increases ・Supplier guidance, carbon-data platforms, low-carbon materials and supply-chain decarbonization investment ・Energy-saving equipment, green-power procurement, renewable-energy construction and energy-management costs ・Inventory holding, logistics backup, supplier management and transport insurance ・Materials R&D, supply-chain management, low-carbon logistics implementation and product verification	・Water-recovery equipment, storage facilities, water-saving improvements and water-resource management ・Green-power procurement, solar construction, energy-management platforms and supply-chain service-development costs

4.1.4 Climate Metrics and Targets

Gudeng Precision uses indicators covering greenhouse-gas management, energy management, water-resource management, product design and material use, and sustainable supply-chain management to manage climate-related risks and opportunities. Specific targets and actual 2025 performance are disclosed in the corresponding sections of this report, providing a quantitative basis for climate resilience and sustainable transformation and enabling stakeholders to review progress against commitments.

Indicator	Item	Target Setting	2025 Performance	Report Section
GHG Management	• GHG emissions • Product carbon-footprint inventory	• Reduce carbon emissions per unit of revenue by 2% annually • Introduce ISO 14067 for key products	• Carbon emissions per unit of revenue decreased 2.7% from 2024 • Completed internal product carbon-footprint inventory for key products	4.1 Climate and Energy Management
Energy Use Management	• Increase renewable-energy generation and use • Promote energy-saving action plans	• RE60 by 2030; RE90 by 2035; RE100 by 2040 • Reduce electricity use per unit of revenue by 2% annually	• Use smart meters across Factorys to monitor energy use • Invest in renewable-energy projects • Implemented one energy-saving project • Electricity use per unit of revenue decreased 2.3% from 2024	4.1 Climate and Energy Management
Water-resource Management	• Increase water recycling • Install water-saving devices • Process optimization	• Reduce water use per unit of revenue by 3% annually	• Water use per unit of revenue decreased 5.5% from 2024 • Process-water recovery rate reached 78%	4.2 Water Resources and Waste Management
Product Design & Material Use	• Waste recycling and remanufacturing • R&D projects • Waste reduction	• Waste recycling / reuse target: 80% • Reduce waste per unit of revenue by 2% annually	• Waste per unit of revenue decreased 37.5% from 2024 • Recycled plastics developed into pallets, plastic chairs and logistics boxes • Aluminum scrap from machining recovered for reuse	4.2 Water Resources and Waste Management
Sustainable Supply Chain	• Build a local semiconductor supply-chain alliance • Develop supplier carbon-inventory capability	• Complete Gudeng’ s dedicated carbon-management platform • Assist 12 suppliers in obtaining ISO 14064-1 third-party verification • Introduce ISO 20400 Sustainable Procurement Guidelines	• Assisted 12 key suppliers in reducing more than 10,000 tCO2e and obtaining ISO 14064-1 certificates • Launched a shared supply-chain decarbonization project using reusable iron boxes instead of single-use packaging • Introduced ISO 20400 Sustainable Procurement Guidelines	2.3 Sustainable Supply Chain

4.1.5 Greenhouse-Gas Inventory

Since introducing ISO 14064-1 GHG inventories and third-party verification in 2022, Gudeng Precision has continued to conduct GHG inventories annually. In 2026, the Company completed its internal 2025 inventory. Total GHG emissions were 13,782.5 metric tons CO2e, including 682.11 metric tons CO2e of Category 1 emissions and 8,678.51 metric tons CO2e of Category 2 emissions. No biogenic CO2 emissions from biomass combustion or biodegradation occurred in 2025.

For Category 1 emissions, Gudeng has established short-, medium- and long-term reduction measures. Short-term actions include stronger equipment maintenance to reduce combustion losses and fuel-consumption management for Company vehicles. Medium- and long-term actions include replacing high-emission equipment and introducing electric or low-carbon transportation tools.

GHG Emissions

GHG Emissions (tCO2e)	2021	2022	2023	2024	2025
Category 1 — Direct GHG emissions and removals	535.75	584.70	623.30	687.78	682.11
Category 2 — Indirect GHG emissions from imported energy	6,873..31	7,561.37	8,132.25	8314.81	8678.51
Category 3 — Indirect GHG emissions from transportation	4.47	11.63	46.39	80.92	81.13
Category 4 — Indirect GHG emissions from products used by the organization	1,349.81	1,529.28	1,763.11	7,252.89	4,340.75
Category 5 — Indirect GHG emissions associated with use of the organization's products	-	-	-	-	-
Category 6 — Indirect GHG emissions from other sources	-	-	-	-	-
Total	8,763.34	9,686.98	10,565.05	16,336.40	13,782.50
Emissions Intensity (tCO2e per NT$ million revenue)	3.71	2.58	2.50	2.03	1.97

Notes:
1.Operational-control approach.
2.Category 3 includes air and high-speed rail business travel. Category 4 includes emissions from purchased electricity, water, gasoline/diesel and solid/liquid waste treatment. Categories 5 - 6 are not included (" - ").
3.Category 2 electricity factors: 2022 = 0.495 kgCO2e/kWh; 2023 = 0.494; 2024 = 0.474.
4.GWP values reference IPCC AR6 (2021).
5.GHG Emission Factors: EPA Greenhouse Gas Emission Factor Management Table, Version 6.0.4.
6.Inventory boundaries for 2022 - 2025: Central Leadership Building, Tree Valley Factory, Tainan Science Park Factory, and Fuxing Factory.
7.GHG intensity = (Category 1 + Category 2) / NT$ million revenue.

4.1.6 Energy Management

Gudeng Precision has established an Energy Management Policy to proactively address global climate change:

1. Improve energy efficiency and reduce energy costs.
2. Introduce energy-saving and environmentally friendly design and prioritize energy-efficient equipment.
3. Implement the energy-management system and continually improve energy performance.
4. Comply with energy-related laws and regulations and build sustainable green operations.
5. Promote employee participation and communication to achieve energy-saving and carbon-reduction targets.

Energy Use

Electricity is Gudeng's primary energy source. Energy consumption is divided into production-process electricity and utility-facility electricity. Production equipment accounts for the largest share; utility loads include air conditioning/chillers, cooling towers, compressed air, lighting and auxiliary equipment. Through the energy-management system and data analysis, Gudeng monitors distribution and trends in real time and prioritizes efficiency measures for high-energy equipment while gradually introducing high-efficiency equipment and smart management.

Item	2021 ▶ 2022 ▶ 2023 ▶ 2024 ▶ 2025				
Electricity Use (MWh)	13,504	15,275	16,462	17,542	18,309
Electricity per Revenue (MWh / NT$ mn)	6.77	4.83	4.71	3.95	3.86

Item	2021 ▶ 2022 ▶ 2023 ▶ 2024 ▶ 2025				
Gasoline (GJ)	1,186	1,324	1,185	1,257	1,386
Diesel (GJ)	3,370	3,629	4,183	5,012	5,012
Purchased Electricity (GJ)	48,613	54,992	59,263	63,150	65,913
Total	**53,169**	**59,945**	**64,631**	**69,419**	**72,321**
Energy Intensity (GJ / NT$ mn)	26.66	18.97	18.49	15.62	15.23

4.1.7 Energy Management Results

1.Through implementation of the ISO 50001 Energy Management System, Gudeng systematically evaluates and monitors Factory energy use and has established a smart energy-management platform integrating existing digital-meter data. This strengthens real-time visibility and analysis of electricity use. The data-driven mechanism provides a quantitative basis and decision reference for evaluating energy-saving performance and supports planning and optimization of energy-saving measures, continually improving energy efficiency and advancing decarbonization goals.

2. In 2025, Gudeng implemented one energy-saving action plan (shown below), achieving approximately 60,000 kWh of annual electricity savings. By installing an additional cooling tower, cooling-water temperature was effectively reduced, lowering chiller energy consumption and operating load and improving overall system efficiency. Gudeng will continue Factory energy-health checks and strengthen equipment and energy-use management as part of continuous improvement.

Office Energy-saving Measures

To improve energy efficiency, reduce the environmental impact of operations, and respond to carbon-fee mechanisms, energy-cost volatility, and low-carbon transition trends, Gudeng continues to promote office energy management through systems, smart monitoring, and employee behavior change. The Company implements office energy-saving action plans, encourages employees to propose improvement ideas, and strengthens energy-saving awareness.

To improve monitoring accuracy, smart-meter modules provide real-time visibility into electricity use by area and equipment, supporting analysis of consumption hotspots, evaluation of energy-saving potential, and adjustment of management strategies. Regular internal communication, training, and visual reminders — including energy-saving slogans, electricity-use alerts, and prompts to switch off equipment — enhance employee awareness and participation and gradually build a culture of "save energy at every opportunity and act proactively," creating a more efficient and resilient low-carbon office environment.

Energy-saving and Carbon-reduction Action Plan

Action Plan	Measure Description	Annual Electricity Savings (kWh)
Tree Valley Factory — Improve cooling-water temperature to raise chiller efficiency	Install an additional cooling tower to lower cooling-water temperature and reduce chiller cooling energy consumption.	60,658

4.2 Water Resources and Waste Management

Against the backdrop of increasing global resource scarcity and growing awareness of environmental sustainability, water resource and waste management have become critical issues that cannot be overlooked in business operations. Guided by the principles of efficient resource utilization and the circular economy, Gudeng actively promotes measures to improve water-use efficiency and reduce waste, with the aim of minimizing its environmental impact. Through the implementation of management mechanisms and continuous optimization of operational processes, Gudeng strengthens the monitoring, recovery, and reuse of water resources while enhancing waste segregation, reduction, and resource recovery. These efforts demonstrate the Company's commitment to continuously improving environmental management and advancing sustainable development.

4.2.1 Water Management

Gudeng Precision's water use is primarily for manufacturing processes and employee domestic use. All water withdrawal is supplied by Taiwan Water Corporation as third-party tap water; the Company does not withdraw surface water, seawater, or groundwater.

For process operations, Gudeng promotes water recirculation and recovery to reduce freshwater use. Wastewater is managed in accordance with applicable laws and industrial-park requirements. Process wastewater is pretreated before being discharged to the relevant industrial wastewater treatment system, while domestic sewage from headquarters is discharged to the municipal sewer system. The Company continues to improve water-risk management and water-use efficiency.

Notes

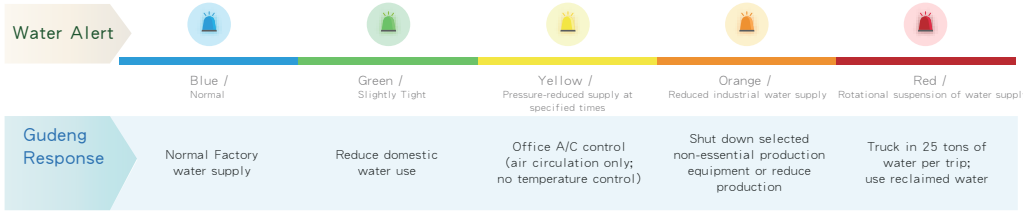
・Tree Valley Factory wastewater is discharged in accordance with the sewer-discharge requirements of the industrial park;
・Fuxing Factory follows Tucheng Industrial Park requirements.

Year	2021	2022	2023	2024	2025
Water Withdrawal	74.78	89.17	59.98	54.07	54.60
Water Discharge	24.47	33.20	18.69	20.22	23.51
Water Consumption	50.34	55.97	39.29	33.85	31.09
Water Withdrawal Intensity (ML / NT$ million revenue)	0.037	0.028	0.017	0.012	0.011

Notes

1.Water Withdrawal, Discharge, and Consumption — Unit: million liters
2.The 2022 - 2025 disclosure scope covers Central Leader Building, Fuxing Factory, Tree Valley Factory, and the Southern Taiwan Science Park Branch.
3.Central Leader Building and the Southern Taiwan Science Park Branch do not have dedicated wastewater flow meters; discharge volumes are estimated at 80% of water withdrawal.
4.Water consumption = water withdrawal - water discharge.

Gudeng Precision applies the Aqueduct Water Risk Atlas developed by the World Resources Institute (WRI) to systematically identify and assess water-resource risks at operating sites. According to the assessment, all Company sites are located in areas of Low water stress (<10%), indicating relatively limited current risk to water availability. Nevertheless, Gudeng remains highly attentive to potential risks from climate change and regional water-supply uncertainty and continues to strengthen scenario-response capability. The Company monitors water conditions using the Water Resources Agency' s alert system. When restrictions, reduced supply, or rotational supply measures occur, Gudeng follows authority guidance and adjusts production scheduling and water allocation to maintain business continuity. Water-resource risk will continue to be incorporated into physical climate-risk management and monitored through the Business Continuity Management (BCM) system to strengthen resilience under extreme climate and water stress.



Note
Process-water recovery rate is calculated based on the Water Balance Diagram (Revision R9).

Water Recycling

The Tree Valley Factory incorporated a water-recovery and reuse system during initial facility planning and has continued optimizing reclaimed-water operations to promote water circulation and reduce discharge. In 2025, the process-water recovery rate reached 78%, demonstrating progress in water management and conservation.To achieve the target of an 85% process-water recovery rate, Gudeng continues to enhance water-recovery and reuse systems, including process-drain reuse, upgrades to reclaimed-water systems, and smart monitoring mechanisms. These measures strengthen circular water use and reduce reliance on external water sources.

4.2.2 Waste Management

Gudeng Precision's waste primarily consists of domestic waste and general industrial waste, totaling 249.3 metric tons in 2025. Guided by systematic management and regulatory compliance, the Company implements waste classification, reporting, transportation and treatment, and entrusts all transportation and treatment to legally qualified service providers. Gudeng also emphasizes resource efficiency and circular use. Injection runners, newly developed NG plastics, and mold-trial waste are separated and recovered through internal recycling processes; plastic waste that cannot be processed internally is transferred to professional recyclers and downstream circular-use operators to extend material life and improve resource efficiency. Gudeng will continue optimizing processes and recycling rates to reduce waste and advance green production.

Waste Transportation Statistics

Gudeng has a long-term vision of "zero waste" and is committed to reducing waste generation and maximizing resource circulation through source reduction, process optimization, and higher waste-plastic recycling and reuse. Waste generated per unit of revenue in 2025 was 0.053 metric tons per NT$ million, approximately 37.5% lower than in 2024.

Waste Category	2021	2022	2023	2024	2025
Domestic Waste (t)	35.31	49.51	27.08	24.94	23.48
General Industrial Waste (t)	188.92	309.81	283.54	348.21	226.08
Hazardous Industrial Waste (t)	-	-	-	-	-
Total	1224.23	359.32	310.62	373.15	249.56
Waste per Revenue	0.112	0.114	0.089	0.084	0.053

Waste Classification Statistics (metric tons)

Waste Type	Domestic Waste	Waste Plastic	Waste Wood	Waste Paper	Waste Aluminum	Waste Metal	Waste Oil	Total
2021	35.31	152.80	15.98	15.75	2.68	1.71	-	224.23
2022	49.51	239.04	13.33	37.77	9.64	10.03	-	359.32
2023	27.08	188.62	33.96	30.24	25.55	5.17	-	310.62
2024	24.94	241.92	25.62	34.82	20.67	19.6	5.58	373.15
2025	23.48	142.04	19.43	37.05	15.56	4.46	7.54	249.56

Notes:
1.2021 scope — Tree Valley Factory; 2022 - 2025 scope — Tree Valley and Fuxing Factorys.
2.2025 environmental penalty: Gudeng was fined under Article 40, Paragraph 3 of the Air Pollution Control Act because a diesel vehicle entered the city air-quality control area without a valid high-grade self-management label.
3.Exhaust testing and corrective action were completed and the fine was paid in the same month.

4.2.3 Plastic Resource Circularity and Recycling Management

Plastics are a core material in Gudeng's products and manufacturing activities. The Company therefore promotes comprehensive recovery and circular use of secondary materials. NG plastic is crushed and processed into secondary materials where feasible, while qualified external recycling companies are used for materials that cannot be reused internally. Gudeng also improves idle-inventory utilization and promotes reusable packaging to reduce waste.

The Company also implements initiatives to revitalize slow-moving plastic inventory and continuously increase the proportion of raw materials and secondary materials reused in its operations. In supply chain management, the Company has established packaging material recovery mechanisms, optimized product packaging design, and adopted reusable logistics containers and packaging solutions to reduce the use of disposable materials.

To promote sustainable transportation and reduce packaging waste, the Company has actively collaborated with suppliers since 2018 to promote the circular use of plastic pallets. To date, seven suppliers have participated in the initiative by using pallets made from recycled plastics and repeatedly reusing them during transportation, thereby advancing circular packaging management. In response to the rapidly growing demand for recycled materials, the Chairman has personally led related R&D projects in recent years to promote the resource recovery of internally generated waste and develop reusable, environmentally friendly plastic products.

As of 2025, the Company has launched three recycled-product development projects, including plastic pallets made from in-house secondary materials, dedicated logistics boxes for transporting semi-finished products, and integrated ergonomic chairs made from recycled plastics. Through these initiatives, the Company continues to expand the application of recycled materials and enhance the value of resource circulation.

1. Recycled Plastic Pallets

Material: PC + ABS secondary material.
Weight: approximately 14 kg per pallet; size approximately 110 × 110 cm.
Cumulative Result: 3,187 pallets produced, using approximately 45 metric tons of recycled plastic and reducing approximately 148 metric tons CO2e.



2. Ergonomic One-Piece Chairs

Material: PC secondary material.
Weight: approximately 4.7 kg per chair.
Cumulative Result: 638 chairs produced, using approximately 3 metric tons of recycled plastic and reducing approximately 13 metric tons CO2e.



3. Logistics Containers

Large box: approximately 8.82 kg, COP material.
Small box: approximately 3.56 kg, COP + PC material.
2025 Result: approximately 9.5 metric tons of recycled plastic used, reducing approximately 38 metric tons CO2e.





5 Inclusive Workplace

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5.1 Diversity and Inclusion, Happy Workplace

Diversity and Inclusion

Gudeng Precision firmly believes that Diversity, Equity, and Inclusion (DEI) is not only an important practice of corporate social responsibility, but also a key driver of sustainable organizational growth and innovation. In a rapidly changing global and high-technology environment, only by creating a workplace culture that respects differences and encourages diverse perspectives can an organization bring talent together and strengthen its competitiveness.

Diversity

Diversity emphasizes differences in employee backgrounds and personal characteristics, including nationality, ethnicity, religious belief, educational background, age, gender, gender identity, physical and mental condition, and appearance. Gudeng respects the uniqueness of every employee and is committed to creating an open and inclusive working environment in which people from different backgrounds and professional fields can fully apply their strengths.

Equity

Equity means ensuring through organizational systems and management that all employees receive equal respect and fair treatment and have fair opportunities in recruitment, development, promotion, and career advancement. Through sound human-resource systems and transparent management mechanisms, Gudeng works to prevent all forms of discrimination and ensure that employees receive reasonable recognition and opportunities for growth based on their capabilities and performance.

Inclusion

Inclusion focuses on putting corporate culture into practice by encouraging the exchange of different viewpoints and collaboration so that every employee can work in a safe and respectful environment with a sense of belonging. Gudeng actively seeks to build a friendly workplace without a “glass ceiling.” By providing employees with stages suited to their development, the Company integrates diverse voices, stimulates innovative thinking, and strengthens overall organizational resilience and sustainable value.


多元與共融宣言

董事長
2024 年 3 月 20 日

Employee Structure

As of December 31, 2025, Gudeng Precision employed 646 people. Employees aged 40 or below accounted for 63% of the workforce, with an average age of 37. Male employees numbered 350 (54%) and female employees 296 (46%). During a period of rapid operational growth, the Company had 14 senior managers (department level and above), 38 middle managers (division level), and 49 junior managers (section/team level), totaling 101 managers, or 15.6% of all employees; non-management employees totaled 545. Gudeng also respects and safeguards employment rights for persons with disabilities and foreign employees; together these groups totaled 161 employees, or 25% of the workforce. Recruitment and appointment are based on job requirements and professional capabilities without gender discrimination in hiring, promotion, or compensation.

Employee Distribution by Job Grade, Gender and Age

Job Grade	Gender	≤ 30	%	31 - 50	%	≥ 51	%	Total	%
Senior Mgmt	M	0	-	7	1.1 %	4	0.6 %	11	1.7 %
	F	0	-	2	0.3 %	1	0.2 %	3	0.5 %
Middle Mgmt	M	0	-	22	3.4 %	5	0.8 %	27	4.2 %
	F	0	-	9	1.4 %	2	0.3 %	11	1.7 %
Junior Mgmt	M	5	0.8 %	25	3.9 %	2	0.3 %	32	5.0 %
	F	0	-	17	2.6 %	0	-	17	2.6 %
Non-management	M	87	13.5 %	176	27.2 %	17	2.6 %	280	43.3 %
	F	73	11.3 %	182	28.2 %	10	1.5 %	265	41.0 %
Total		160	24.8 %	440	68.1 %	41	6.3 %	646	100.0 %

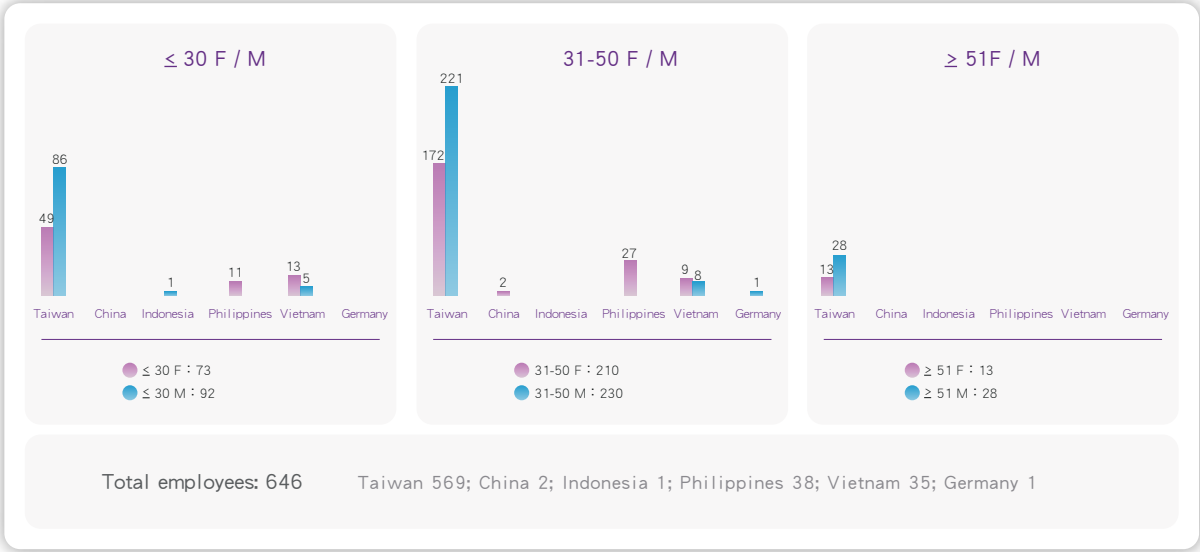
Notes:
Data as of Dec. 31, 2025. Managers are employees with administrative responsibility for other employees or organizational units
Senior management = department level and above; middle management = division level; junior management = section/team level.

Employment Type and Work Location

Category	Female	Male	Total	Tucheng HQ	Fuxing Factory	Tree Valley Factory
Permanent Employees	233	325	558	31	178	349
Contract Employees	63	25	88	3	7	78
Temporary Workers	49	6	55	9	0	46
Full-time Employees	296	350	646	34	185	427
Part-time Employees	-	-	-	-	-	-

Definitions:
1.Permanent employees have open-ended full-time or part-time contracts.
2.Contract employees have fixed-term contracts ending on a specified date or upon completion of a defined task/event.
3.Full-time employees work hours defined by applicable law and practice.
4.Temporary workers are hired by contractors, service providers, or staffing agencies and work at Company sites or provide services to Gudeng, including cleaning, security, catering, and engineering personnel.
5.Gudeng does not employ non-guaranteed-hours employees.
6.In 2025, engineering contractors entered Company sites 8,876 person-times; calculated at 8 hours per visit, this is approximately 35 full-time-equivalent persons.

Employees by Nationality, Age and Gender



Total employees: 646 Taiwan 569; China 2; Indonesia 1; Philippines 38; Vietnam 35; Germany 1

Temporary Worker Categories

Category	Gender			Work Site			Average Working Hours	
	Male	Female	Total	HQ	Fuxing	Tree Valley	Standard Working Hours per Person per Day	Avg. Annual Hours
Cleaning	0	3	3	2	0	1	8	2,000
Consultants	2	0	2	1	0	1	-	416
Security	6	0	6	2	0	4	12	2,940
Catering	6	3	9	4	0	5	6	1,500
Contractors	35	0	35	0	0	35	8	2,000

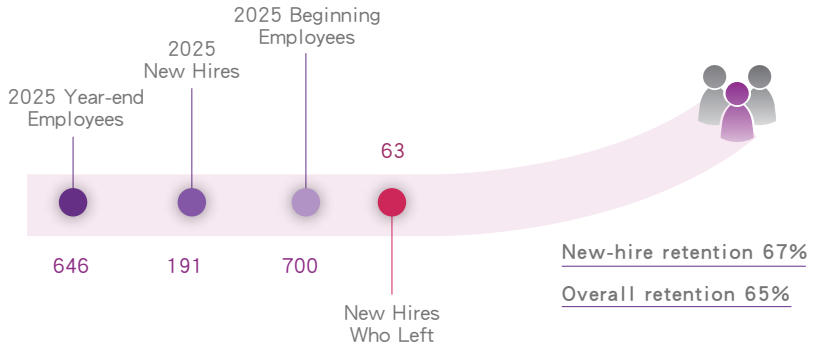
Notes:
1.All temporary workers are direct personnel and non-management.
2.Cleaning staff maintain plant areas; consultants provide professional technical guidance; security personnel control site access, visitor registration and incident reporting; catering staff provide meals and maintain dining areas; contractors perform engineering work.
3.Contractor site entries in 2025 totaled 8,876 person-times.

Educational Background

Age	Gender	High School or Below	Junior College	Bachelor	Master	Doctorate	Total
≤ 30	· 女	17	-	37	19	-	73
	· 男	24	-	45	23	-	92
31-50	· 女	70	15	98	26	1	210
	· 男	39	14	111	59	7	230
≥ 51	· 女	7	1	2	3	-	13
	· 男	11	2	6	8	1	28
		168	32	299	138	9	646

New Employee Retention Rate

In 2025, Gudeng hired 191 new employees. Of these, 63 left during the year and 128 remained employed at year-end, resulting in a new employee retention rate of 67.0%. Gudeng continues to strengthen onboarding care, on-the-job training, and career development planning to improve new-hire stability and organizational identification.



New-hire retention = (191 new hires − 63 new hires who left) ÷ 191 = 67.0%.
Overall retention = (646 year-end employees − 191 new hires) ÷ 700 beginning employees × 100% = 65%

Employee Turnover by Gender and Age

		2024			2025	
Age	Gender	Number	Percentage	Gender	Number	Percentage
Under 30	Female	35	5.0 %	Female	57	8.8 %
	Male	33	4.7 %	Male	34	5.3 %
	Subtotal	68	9.8 %	Subtotal	91	14.1 %
31 - 50	Female	84	12.1 %	Female	88	13.6 %
	Male	59	8.5 %	Male	46	7.1 %
	Subtotal	143	20.5 %	Subtotal	134	20.7 %
51 and above	Female	15	20.5 %	Female	12	1.9 %
	Male	1	0.1 %	Male	7	1.1 %
	Subtotal	16	2.3 %	Subtotal	19	2.9 %
Total		168	32.6 %		244	37.8 %

Compared with 2024, the employee turnover rate increased by approximately 5% in 2025, mainly due to workforce-structure adjustments undertaken in response to business growth and organizational optimization. Through appropriate talent replacement and replenishment, Gudeng continued to introduce people with critical expertise and growth potential, strengthen recruitment precision, accelerate filling of key positions, and improve workforce effectiveness through training and internal development. The Company will continue to optimize retention and development measures to build a more resilient and growth-oriented talent structure.

Category	Description	No.	Share
Career Development & Learning	Career planning; further education	87	35.66 %
Employment Type & Organizational Adjustment	Contract expiration; organizational adjustment; intra-group transfer	77	31.25 %
Personal & Family Factors	Family; personal; transportation	34	13.93 %
Organization & Job Factors	Job content; systems; compensation; management	32	13.11 %
Health & Retirement	Health factors; retirement	14	5.74 %
Total		244	100 %

5.2 Talent Attraction and Retention

Material Topic	Talent Attraction and Retention
Policy	Gudeng seeks to provide compensation and benefits that are more competitive than industry standards, while developing differentiated reward mechanisms by job family to attract, motivate, and retain talent.
Management Approach	The Company has established transparent personnel and promotion rules, including clear qualification requirements and evaluation criteria. Promotion and personnel decisions are reviewed through personnel evaluation mechanisms. Gudeng also strengthens employee rewards, career development, and long-term retention programs to build a sustainable talent pipeline.

2025 Results

1.Childbirth subsidy of NT$20,000 per newborn.
2.Project bonuses exceeded NT$18.6 million, representing an increase of more than 300% compared with 2024.
3.Company-wide salary adjustment of 5%.

2026 Short-Term Goals

1.Continue the NT$20,000 childbirth subsidy.
2.Budget NT$50 million for project bonuses and diversified reward programs.
3.Salary increase of at least 5%.
4.Launch an employee family-formation support program, including wedding gifts and childcare subsidies.

2027 - 2030 Mid-to-Long-Term Goals

Continue developing compensation, benefits, and employee-care programs that are more competitive than industry standards and support employees throughout different life stages.

Core Values — H.E.A.R.T.

To fulfill its mission, Gudeng communicates core values to all employees through the corporate website, monthly meetings, employee training programs (including Bill Sessions and ABC & BSC management development courses), and other channels, strengthening alignment with the Company's core philosophy. During recruitment, WPS assessments and Company case-study reflections are also used to identify partners whose values align with Gudeng and who share the spirit of "Partner with H.E.A.R.T., Grow with P.A.S.S.I.ON."

Shared Core Values

Partner with H.E.A.R.T., grow with passion

Honesty and Integrity

Apply professional principles and morality, and assign high values to credibility and commitment.

Excellence

Learn and innovate. Keep pursuing growth for Gudeng and your personal development.

Accountability

Adopt the entrepreneurial spirit and think positively when facing challenges. Be responsible for results.

Relationship

Understand a customer's needs and provide the best solution efficiently under Gudeng's disciplines.

Teamwork

Cooperate with others to create synergy within the organization.

Talent Selection Criteria

Gudeng believes that the success of its "Excellence and Innovation" strategy depends on continuously attracting innovative people so that the Company can grow sustainably. Value created through innovation is shared with key contributors — one of Gudeng's most important beliefs. The Company also considers it critical to build and pass on a culture of "Partner with H.E.A.R.T., Grow with P.A.S.S.I.ON." to people whose values align with Gudeng. Continuous innovation creates value for customers and long-term returns for stakeholders. Therefore, "shared values" and "diversity and inclusion" are Gudeng's highest talent-selection principles. To identify trusted partners, Gudeng operates an employee-referral system governed by the Talent Referral Bonus Program. Referral bonuses totaling NT$146,000 were paid in 2025.

Recruitment Sources for New Hires

Recruitment Source	Gender	Under 30		31~50		51 and Above		Total	Percentage
		Number	Percentage	Number	Percentage	Number	Percentage		
Job Bank	Male	16	2.5 %	34	5.3 %	3	0.5 %	53	8.2 %
	Female	12	1.9 %	13	2.0 %	0	0.0 %	25	3.9 %
Employee Referral	Male	4	0.6 %	7	1.1 %	3	0.5 %	14	2.2 %
	Female	2	0.3 %	5	0.8 %	0	0.0 %	7	1.1 %
Industry-Academia Cooperation	Male	3	0.5 %	0	0.0 %	0	0.0 %	3	0.5 %
	Female	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Campus Recruitment	Male	4	0.6 %	0	0.0 %	0	0.0 %	4	0.6 %
	Female	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Migrant Workers	Male	2	0.3 %	2	0.3 %	0	0.0 %	4	0.6 %
	Female	11	1.7 %	7	1.1 %	0	0.0 %	18	2.8 %
Conversion from Agency Staff to Regular Employment	Male	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
	Female	0	0.0 %	0	0.0 %	0	0.0 %	0	0.0 %
Total		54	8.4 %	68	10.5 %	6	0.9 %	128	19.8 %

Equal Development Opportunities

At Gudeng, gender is never a limitation on development. In 2025, the promotion share was 48.48% for women and 51.52% for men.

Gender	Number of Employees	Employee Gender Ratio	Number of Employees Promoted in 2025	2025 Employee Promotion Rate
Male	350	54.17 %	85	51.52 %
Female	296	45.82 %	80	48.48 %

Parental Leave — Eligibility and Usage

Employees eligible for unpaid parental leave are granted leave in accordance with law. In 2025, 32 employees were eligible and the application rate was 25%.

Item	Male	Female	Total
Eligible for parental leave (A)	20	12	32
Actually used parental leave (B)	2	6	8
Application rate (B/A)	10 %	50 %	25 %

Return-to-work and One-year Retention

Thirty days before the end of parental leave, Gudeng proactively contacts employees to confirm their intent to return and arranges reinstatement. Employees may return to their original position or, based on their wishes, transfer to another department. In 2025, both male and female return-to-work rates were 100%. The one-year retention rate after return was 66.67%.

Return Item	Male	Female	Total
Scheduled to return in the year (C)	1	2	3
Actually returned in the year (D)	1	2	3
Return-to-work rate (D/C)	100 %	100 %	100 %

One-year Retention Item	Male	Female	Total
Previous-year actual returnees (E)	1	2	3
Still employed 12 months after return (F)	1	2	3
One-year retention rate	100 %	100 %	100 %

Item	Gender	2023	2024	2025
Employees Entitled to Parental Leave	Male	10	21	20
	Female	6	16	12
	Total	16	37	32
Employees Who Took Parental Leave	Male	2	1	2
	Female	3	3	6
	Total	5	4	8
Employees Due to Return to Work	Male	2	2	1
	Female	4	3	2
	Total	6	5	3
Employees Who Returned to Work	Male	1	1	1
	Female	5	2	2
	Total	6	3	3
Return-to-Work Rate	Male	50 %	50 %	100 %
	Female	71 %	67%	100 %
	Total	67 %	60%	100 %
Employees Remaining Employed 12 Months After Returning to Work	Male	-	1	1
	Female	6	5	1
	Total	6	6	2
Retention Rate	Male	-	100 %	100 %
	Female	100 %	100 %	50 %
	Total	100 %	100 %	66.67 %

Notes:
1.Return-to-work rate = actual returnees ÷ expected returnees × 100%.
2.Retention rate = employees remaining one year after return ÷ previous-year returnees × 100%.

Employee Family-care Leave Usage in 2025

Sex	2025	Total
Male	Family-care Leave (person-times)	15
	Maternity/Paternity Leave (person-times)	6
	Menstrual Leave (person-times)	-
Female	Family-care Leave (person-times)	15
	Maternity/Paternity Leave (person-times)	5
	Menstrual Leave (person-times)	186

Employment of Persons with Disabilities

Gudeng is committed to an inclusive and diverse workplace. The Company provides employment opportunities for colleagues with disabilities beyond statutory requirements and applies the principle of matching people to suitable roles so that each person can develop and apply their strengths.

Year	Employment Ratio	Employees	Employees with Disabilities
2023	1.38 %	650	9
2024	1.42 %	703	10
2025	1.55%	646	10

Support and Promotion System for Foreign Employees

To enhance autonomy for foreign colleagues, protect them from exploitation, and accelerate adaptation, Gudeng supports a zero-fee policy for migrant workers. In cooperation with agencies, migrant workers are housed in dedicated Gudeng dormitories according to biological sex and nationality to protect safety. SOPs, restroom notices and other materials are provided in multiple languages. New employees are assigned dedicated mentors, and colleagues who speak the same language provide hands-on guidance or translation support to minimize language barriers and anxiety.

Gudeng also provides transparent promotion channels on production lines. Regardless of nationality, employees who meet the requirements of the Personnel Promotion Management Measures are reviewed by the Personnel Review Committee. By the end of 2025, approximately 19.71% of foreign employees had been promoted.

Age	Gender	Philippines	Vietnam	Number of Employees Promoted
Under 30	Male	-	5	-
	Female	11	13	1
31-50	Male	-	7	3
	Female	26	9	10
51 and above	Male	-	-	-
	Female	-	-	-
Total Employees		37	34	14

At year-end 2025, Gudeng employed 71 foreign employees (Filipino and Vietnamese), all of whom required work visas and employment permits. Gudeng maintains visa and work-permit controls, a zero-fee policy, multilingual SOPs, and dedicated mentoring. Related compliance, visa-management and cross-language communication risks were assessed as controllable and did not materially affect operations.

Industry - Academia Cooperation and Internship Program

Gudeng has established Intern Management Measures focusing on the Company's core disciplines — material selection, mechanical design, precision machining, injection molding and mold manufacturing — and actively recruits outstanding students from relevant departments. Through industry - academia cooperation, the Company cultivates young professionals, injects new talent into the organization, and supports innovation and growth.

School / Department	No.
Chung Yuan Christian University — Mechanical Engineering (Industry PhD Program)	3
Kun Shan University — Mechanical Engineering	1
Kun Shan University — Electrical Engineering	4
National Formosa University — Mechanical Design Engineering	5
Ming Chi University of Technology — Materials Engineering	4
Southern Taiwan University of Science and Technology — Mechanical Engineering	2
National Taiwan University of Science and Technology — Mechanical Engineering	1
National Taipei University of Technology — Mechanical Engineering	1
Tunghai University — International Business	1
Overseas Chinese University — International Business	1
Lunghwa University of Science and Technology — Mechanical Engineering	1
Total	24

Historical Internship and Industry - Academia Program Hires

Year of Joining	Employee Referrals	Industry PhD Program	Industry - Academia Cooperative Students	New Southbound Program	Total
2023	1	-	5	-	6
2024	2	-	11	-	13
2025	-	-	10	-	10
Cumulative Total	37	3	119	17	176

In 2025, 14 industry - academia cooperative students completed their program: 7 returned to school for further study, and 7 became full-time employees, resulting in a 50% retention rate.

Competitive Compensation and Rewards

In line with organizational growth and industry changes, Gudeng implemented a structural salary adjustment in 2025 after benchmarking market levels. Average annual compensation for non-management employees increased; average annual compensation in R&D and sales was approximately NT$1.33 million and NT$1.18 million, respectively, reflecting the Company's profit-sharing philosophy and emphasis on talent rewards. In 2025, average annual employee compensation was approximately 19 months of salary, with an average year-end bonus of 3 months. Gudeng plans another 5% salary adjustment in June 2026.

Project Bonuses

Year	2023	2024	2025	2025 growth rate
Bonus Paid	3,500,000	4,093,000	18,677,085	356 %

Employees Receiving Performance Appraisals in 2025

Category	Male	Female	Total
Senior Management	16	9	25
Middle Management	14	4	18
Junior Management	17	8	25
Non-management (Direct)	149	150	299
Non-management (Indirect)	125	113	238
Total	**321**	**284**	**605**

Note:
1. Employees subject to performance appraisal are full-time employees who have completed at least three months of service, including seven Taiwanese employees on overseas assignments. Contract employees, interns, and part-time student workers are excluded from the appraisal.
2. Employees who have submitted resignation notices, taken unpaid leave for six months or more during the year, or are currently on unpaid leave are excluded from the appraisal.

Average and Median Annual Pay of Full-time Non-management Employees

Item	2023	2024	2025	Growth
Total Payroll (NT$ thousand)	499,037	585,499	667,668	14 %
Employees	560	564	620	10 %
Average Pay (NT$ thousand)	891	1,040	1,077	4 %
Median Pay (NT$ thousand)	774	877	831	-5 %

Note:
1. Unit of Headcount: Persons
2. Unit of Salary: NT$ thousand

Female-to-Male Salary Ratio by Job Grade

Job Grade	2023		2024		2025	
	Male	Female	Male	Female	Male	Female
General Staff	100 %	81 %	100 %	83%	100 %	88 %
Junior Mgmt	100 %	95 %	100 %	104 %	100 %	107 %
Middle Mgmt	100 %	103 %	100 %	162 %	100 %	116 %
Senior Mgmt	100 %	123 %	100 %	95 %	100 %	88 %

Note:
1. Average male salary is used as the denominator.
2. The statistical scope excludes bonuses and directors' remuneration.
3. Remuneration for executives at the Vice President level and above is disclosed in the Annual Report to Shareholders.

2025 Entry-level Pay vs. Local Minimum Wage (NT$)

Item	Male	Female
Entry-level Base Salary	32,000	32,000
Statutory Minimum Wage	28,590	28,590
Multiple of Minimum Wage	1.12	1.12
Male/Female Pay Ratio	1	

Annual Total Compensation Ratio

Indicator	2023	2024	2025	Calculation Notes
Percentage Increase in Annual Total Remuneration of the Highest-Paid Individual	-	Decreased by 9%	Decreased by 15%	
Median Percentage Increase in Annual Total Remuneration of Other Employees (Excluding the Highest-Paid Individual)	-	Increased by 12%	Increased by 2%	
Annual Total Remuneration Ratio	-	3.1 times	25 times	Annual Total Remuneration Ratio = Annual Total Remuneration of the Highest-Paid Individual / Median Annual Total Remuneration of All Other Employees
Ratio of the Percentage Increase in Annual Total Remuneration	-	- 0.7 times	- 6.4 times	Percentage Increase in Annual Total Remuneration = Percentage Increase in the Annual Total Remuneration of the Highest-Paid Individual / Median Percentage Increase in the Annual Total Remuneration of All Other Employees (Excluding the Highest-Paid Individual)

Notes:
In 2024 and 2025, total compensation of the highest-paid individual decreased by 9% and 15%, respectively, while the median annual total compensation of other employees increased by 12% and 2%. The annual total compensation ratio fell from 31 times to 25 times, indicating a narrowing pay gap. Gudeng is gradually sharing reward resources across the workforce while balancing operating performance and compensation governance.

Local Employment

Gudeng has long operated in Taiwan and is committed to recruiting and developing local talent. The Company believes local managers have irreplaceable value in understanding local culture, language and social dynamics. In 2025, 100% of senior management positions (including department directors, vice presidents and above) were held by local Taiwanese talent. Gudeng also promotes internal management development through talent-pipeline programs and management training to build a stable and sustainable leadership team.

Per-capita Salary and Welfare Expense

Year	Per-capita Salary/ Welfare Expense (NT$ thousand)	Calculation
2023	832	NT$741,109 thousand / 890 people
2024	1,113	NT$785,919 thousand / 706 people
2025	1,336	NT$872,670 thousand / 653 people

Comprehensive Benefits System

Gudeng believes employees are the key force driving continuous innovation, growth, and sustainable development. Beyond a stable compensation system, the Company has built a comprehensive welfare blueprint extending from the workplace to physical and mental health and broader well-being. After listening to employee needs, Gudeng continuously invests resources and builds benefit mechanisms beyond legal requirements around three core areas: talent rewards, employee benefits, and other caring measures, thereby putting profit-sharing commitments into practice.

Talent Rewards

Gudeng has established diversified reward mechanisms covering product R&D and technological breakthroughs, stable product quality, improvement proposals, talent referrals and an employee stock-trust plan. The stock-trust program turns employees into business partners so that professional contribution is linked with long-term growth sharing. Total bonuses paid in 2025 reached approximately NT$36.39 million.

Project Bonus
Cumulative 2025 payout: NT$18,677,085.

Production Bonus
NT$360,000 paid monthly; equivalent to an automatic 10% salary increase for median-performing employees. Cumulative payout: NT$4,283,500.

Employee Stock Trust
Company matches employee contributions 100%. 2025 participation: 478 person-times; cumulative subsidy NT$11,157,000.11,157,000.

Talent Referral Bonus
Up to NT$16,000 for management referrals and NT$10,000 for employee referrals; cumulative payout NT$146,000.

Improvement Proposal Bonus
Cumulative annual payout: NT$596,480.

Most Appreciated / Most Praised
69 award person-times in the year; cumulative bonuses NT$274,000.

Long-service Exclusive Gold Jewelry
Employees with 5/10/15/20/25 years of service receive exclusive gold jewelry. In 2025, 53 long-service employees received jewelry worth NT$1,256,705.

Employee Benefits

Guided by the principle "Gudeng cares, employees can feel secure," the Company translates care into concrete benefits. Gudeng provides low-cost employee dormitories, free buffet lunches and dinners, employee trips and family days, and other support to reduce the living burden of colleagues working away from home, relieve stress, and strengthen team cohesion. Employee benefit spending in 2025 totaled approximately NT$36.59 million.

Local Employee Dormitory
Rent approximately 50% below market rates; subsidy NT$8,423,760.

Meal Subsidy
Free buffet lunch and dinner; annual total NT$14,833,320.

Snack Subsidy
Monthly-meeting afternoon tea plus instant noodles, coffee and beverages; cumulative NT$1,584,378.

Dinner Gathering Subsidy
NT$450 per person per event, twice per year; cumulative NT$581,400.

Travel Subsidy
Domestic and overseas employee trips alternate annually. In 2025, overseas travel subsidy was up to NT$27,000 per person; cumulative subsidy NT$10,066,472.

Family Day Subsidy
Annual family day for employees and families; cumulative NT$1,098,602.

Other Benefits
Darts area, gym and showers to create a healthy and professional workplace.

Caring Measures

Beyond Labor Standards Act requirements, Gudeng extends care from individual employees to their families. Within reasonable limits, flexible working hours are provided based on business characteristics so employees can better balance work and family. Paid sick leave allows employees to seek medical treatment when unwell during work hours. The Company also provides childbirth subsidies and children's scholarships to support employees through important life stages.

Childbirth Subsidy

NT$20,000 per birth. In 2025, 9 newborns were supported; total payout NT$180,000.

Gudeng Baby

One set of one-month-old gold jewelry per eligible newborn. One set was awarded in 2025.

Childcare Center / Kindergarten Partnerships

Exclusive discount agreements with childcare centers and kindergartens near Company sites.

Paid Sick Leave

Employees who feel unwell during work may apply up to six times per year, two hours each time, to seek treatment.
2025 usage: 43 person-times.

Children's Scholarships

Elementary school: NT$1,000 per semester; junior high: NT$1,500 per semester. Merit scholarship: NT$2,500 for elementary/junior high and NT$5,000 for senior high/vocational students meeting grade requirements.

Flexible Working Hours

Office employees may adjust start/end times within the flexible-hours system to better balance work and life.

Critical Illness Assistance

Employees with major illnesses may receive 3 - 6 months of half-salary assistance.
2025 applicants: 3

Emergency Assistance

Employees facing family emergencies or medical expenses may borrow up to two months of salary.
2025 applicants: 2

Note:
"Gudeng Baby" refers to newborns whose parents are both Gudeng employees.

Sound Pension System

To safeguard employees' long-term careers, Gudeng provides retirement arrangements under both the Labor Standards Act and the Labor Pension Act. In addition to contributing 6% of monthly wages to individual pension accounts for employees covered by the new labor pension system, Gudeng has established a Labor Pension Reserve Supervisory Committee in accordance with law. Labor pension reserves are contributed monthly and deposited into a dedicated Bank of Taiwan account under the committee's name.

2025 Employee Activities



Movie Day
Employee leisure and cultural engagement

Overseas Employee Trip
Cross-team interaction, relaxation and recognition

Family Day
Family participation and team connection

5.3 Talent Development

Material Topic	Talent Development
Policy	Gudeng promotes organizational learning through "Learn, Practice, and Exchange," and operates a knowledge-management system aligned with ISO 30401.
Management Approach	The Company uses a cross-functional talent-development governance mechanism under its Talent Development Committee regulations. Training is designed by job family and competency requirements, with professional certification and development programs used to strengthen employee capabilities and succession readiness.

2025 Results

1.Received TTQS Silver recognition.
2.External employee training budget: NT$1,189,732.
3.Employee training participation: 19,589 person-times.
4.Bill's Appointment: cumulative participation of 296 person-times as stated in the material-topic summary; annual total learning hours 6,987.
5.ABC & BSC middle- and senior-management training: 2,099 person-times; approximately 2,200 learning hours.
6.153 internal instructors.
7.Total annual employee training hours: 31,096 hours.
8.Gudeng University offered 52 competency-development courses.

2026 Short-Term Goals

1.Pursue TTQS Gold recognition.
2.Maintain retention of critical value-chain talent above 90%.
3.Expand digital internal instructors and LMS learning.
4.Develop competency maps and internal certification mechanisms.

2027 - 2030 Mid-to-Long-Term Goals

1.Strengthen internal-instructor award mechanisms.
2.Build succession and key-talent pipelines.
3.Expand LMS content to more than 1,500 courses.

Gudeng develops talent through three complementary approaches

ADD - Add Capabilities	Provide targeted learning opportunities based on job requirements and capability gaps. For example, measurement-instrument operation training recorded 233 participant attendances, with a 100% simulated-operation pass rate, helping employees apply theory to actual work and meet operating specifications.
DELETE - Remove Pain Points	Use targeted training to reduce errors, inefficiencies, and unnecessary costs. Training content is linked to operational problems so that learning directly supports process improvement.
SOCIAL - Build a Learning Culture	Use learning activities to strengthen organizational culture and employer branding. In 2025, the 25th and 26th Bill's Appointment programs accumulated 6,987 learning hours and issued 87 completion certificates.

Talent Development System

Gudeng maintains an ISO 30401-aligned Knowledge Management System (KMS). The knowledge-management policy is built around the Company's core values and is designed to preserve organizational knowledge, accelerate knowledge transfer, and convert experience into reusable corporate capability.

Knowledge Management Polic

The Knowledge Management Policy is derived from the Company’s core value, “Partner with H.E.A.R.T., Grow with P.A.S.S.I.O.N.” In alignment with the principles of ISO 30401, the Company creates opportunities for the professional development of employees through learning, practice, and knowledge sharing.

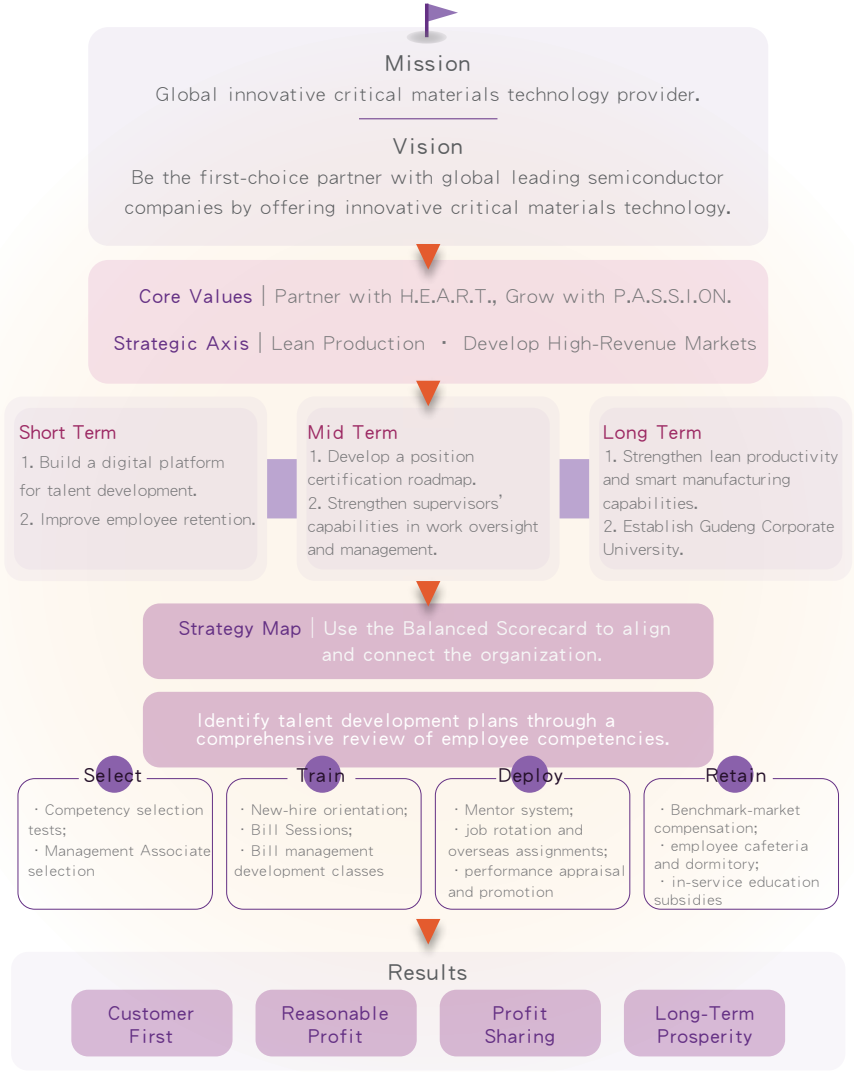
Training Blueprint

Gudeng Precision's education and training framework is established in alignment with ISO 21001 - Management Systems for Educational Organizations, ensuring that learning programs effectively meet the needs of employees and other stakeholders.

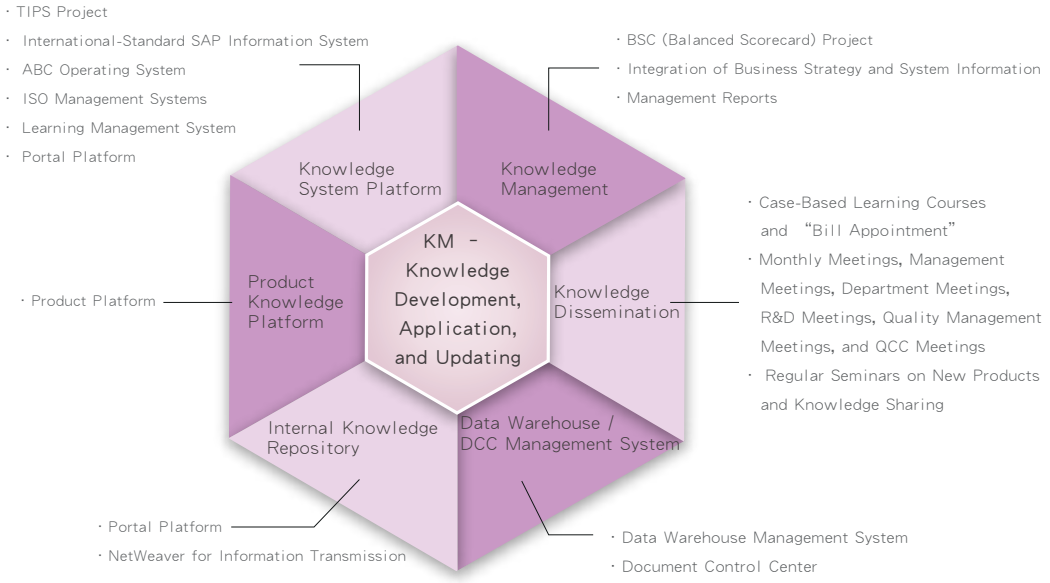
Talent development is guided by regular training needs assessments and competency gap analyses. Key initiatives include executive management training, Gudeng University, the LMS digital learning system, MA development programs, industry - academia collaboration, QCC, and promotion competency certification. These programs systematically strengthen professional capabilities and cultivate key talent.

Each department develops annual training plans and budgets based on business and competency needs. Training includes internal courses, job-specific programs, on-the-job training, and external learning opportunities such as seminars and professional courses, helping employees stay current with industry trends while continuously enhancing organizational capabilities and core competitiveness.

Mission and Vision



To preserve job experience and professional knowledge accumulated over time, Gudeng introduced the Knowledge Management System (KMS) framework. Through systematic management, new employees and cross-functional teams can learn and transfer critical knowledge effectively, create value, and reduce the risk of knowledge discontinuity caused by personnel changes. Gudeng also established a ten-year short-, mid- and long-term talent development plan and encourages each unit to build its own knowledge-management solution based on business characteristics and development needs. In 2022, Gudeng became the first technology company in Asia to obtain ISO 30401 Knowledge Management certification.



Achieve the TTQS Gold Medal and National Talent Development Award	Deepen Gudeng University's Semiconductor Professional Program	Cultivate Global Professional Talent in Innovative Technologies for Critical Materials
Short Term (2022 - 2023) • Deliver core competency courses in accordance with Company policies • Establish a digital learning platform • Establish certification and refresher-training mechanisms for legally required personnel • Establish periodic assessment mechanisms for incumbent employees • Optimize instructor incentive programs and cultivate internal trainers • Provide more than 100 online courses	**Mid Term (2024-2025)** • Regularly train digital learning instructors • Establish a competency training roadmap and implement internal certification • Conduct competency inventories and establish Individual Development Plans (IDPs) • Establish the Gudeng Outstanding Project Training System • Introduce external training resources to enhance the completeness of the learning system • Achieve an average of 50 learning hours per employee per year • Develop future talent and management associates	**Long Term (2026-2030)** • Establish instructor awards and encourage knowledge and experience transfer • Launch a succession planning program • Enhance employees' international language capabilities • Develop a mobile learning app to enable learning anytime and anywhere • Achieve an average of 80 learning hours per employee per year • Achieve a 20% internal employee transfer rate for filling vacancies • Provide more than 1,000 online courses

In-Service Education Subsidy

To encourage continuous learning and innovation, Gudeng Precision has established the Continuing Education Subsidy Management Guidelines, providing employees with diverse opportunities for further education. Depending on job level, each employee may apply for tuition subsidies ranging from NT$10,500 to NT$42,000 per semester, and is also entitled to one day of official leave per week to support the balance between work and study while strengthening professional capabilities and career development.

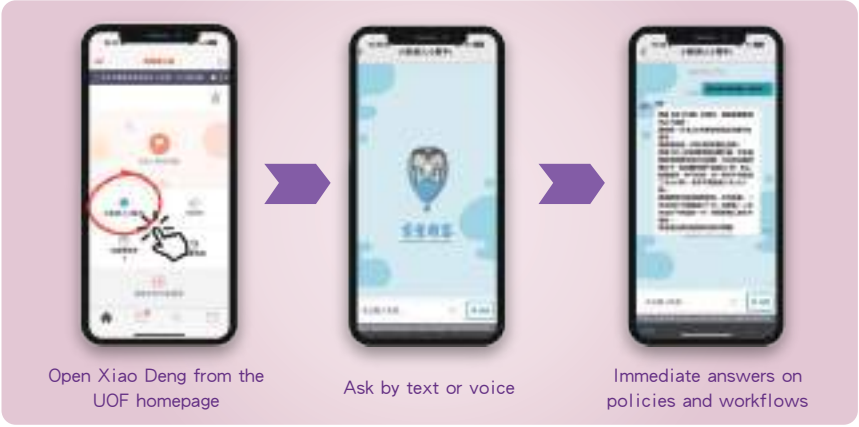
In 2025, 147 employees held master's or doctoral degrees, accounting for approximately 22.7% of the total workforce, equivalent to about one in every five employees. This reflects the Company's highly knowledge-intensive talent structure. Since the program was launched, a cumulative total of 35 continuing education applications have been approved, with total subsidies reaching NT$410,000, demonstrating the Company's strong commitment to investing in employee development and training.

New Employee Mentor System

Gudeng emphasizes onboarding education and practical mentoring. Experienced colleagues transfer know-how and provide hands-on guidance so new employees can learn on the job, demonstrate their strengths, and integrate into the team. In 2025, 124 mentors were assigned to coach 186 new employees; the appraisal pass rate was 85.7% and employee retention was 66.67%.

AI-Powered New-Hire Growth Accelerator

In May 2025, Gudeng launched the AI-assisted onboarding system "New Hire Helper - Xiao Deng." Its back-end database contains 79 internal policy and process documents and is used to answer common questions during the early stage of employment. The system supports convenient, real-time assistance so new employees can quickly understand Company culture, rules, and work processes. In 2025, new employees used the system 477 times, demonstrating its effectiveness as an onboarding and daily-work support tool.



Digital Learning and Training

Gudeng's LMS supports approximately 26 onboarding courses covering ESG, environmental health and safety, Company culture and conduct, common systems, confidential-information protection, RBA, TIPS, and fundamental production-line skills. Customized departmental courses are also arranged according to each new employee's role. Gudeng University provides 52 competency-development courses covering equipment principles, material applications, quality management, process optimization and product knowledge, including Six Sigma, process mapping, Load Port product introductions and CMM programming.

Category / Year	Participant Attendances / Training Hours	2024	2025
New Employee Training	Participant Attendances	2,944	1,920
	Total Training Hours	3,795	2,429
Professional Training	Participant Attendances	7,086	4,101
	Training Hours	6,658	7,115.5
Managerial Competency Training	Participant Attendances	202	250
	Training Hours	1,780	2,252.5
General Training Courses	Participant Attendances	13,278	13,317
	Training Hours	21,688	19,299.3

Note:
1. Since 2022, the Company has introduced an online learning system, enabling employees to participate in various training courses, strengthen their knowledge and skills, and support continuous personal and professional development.
2. Total training hours = participant attendances × course hours.
3. Since 2023, some new employee training courses have been reclassified as general training courses.

Average Employee Training Hours

Job Level	M No.	M Hours	M Avg.	F No.	F Hours	F Avg.	Total	Avg.
Senior Mgmt	11	1,106.5	100.6	3	293.4	97.8	1,399.9	100.0
Middle Mgmt	27	3,064.7	113.5	11	774.3	70.391	3,839.0	101.0
Junior Mgmt	32	629.1	19.7	17	314.1	18.476	943.2	192
General Indirect	135	4,706.8	34.9	119	7,800.7	65.552	12,507.5	49.2
General Direct	145	9,682.9	66.8	146	2,723.8	18.656	12,406.7	46.2
Total	350	19,190	54.8	296	11,906.3	40.224	31,096.3	48.1

Training Data for Key Group ESG-Related Courses, Including TIPS, Trade Secrets, and Information Security

Course	No. of Courses	Attendance	Completed Hours
TIPS Intellectual Property Training	4	163	142
Trade Secret Courses	1	360	360
Information Security Management / Cybersecurity Awareness	5	771	865
Prevention of Unlawful Workplace Infringement	2	720	723
Management Meaning, Corporate Philosophy, Human Rights & Business Ethics	4	441	9,187

Training Investment and Participation

Gudeng introduced the LMS online learning system in 2022 to provide flexible self-learning opportunities. The internal lecturer program was actively expanded beginning in 2024: 139 internal lecturers were cultivated with an average course satisfaction score of 4.7/5. In 2025, the lecturer pool increased to 153 and overall satisfaction remained high at 4.68/5, demonstrating continued investment in internal knowledge transfer and talent development.

Training Metric	2023	2024	2025
External Training Budget (NT$)	2,608,035	1,829,340	1,189,732
Total Training Attendance	21,794	28,774	19,589
External Training Courses	160	115	65

Gudeng University - Competency Development





Courses span R&D, manufacturing, sales and engineering, integrating theory with operational practice to enhance cross-functional competency.

Advancing Together with Students — Shared Prosperity Across Generations

New Taipei Industrial Vocational High School Mold Department Scholarship

Gudeng has supported technical and vocational education since signing an MOU with the Mold Department of New Taipei Municipal Industrial Vocational High School in 2023. For three consecutive years, the Company has provided scholarships and competition uniforms. Each semester, nine merit scholarships are awarded to students ranked 1 - 3 in each grade and three need-based scholarships are provided. Annual competition scholarships of NT$5,000 - 20,000 per person are also offered to recognize outstanding skills-competition performance. By 2025, cumulative award recipients reached 68 person-times, with total support of NT$562,000. Award recipients are encouraged to join Gudeng for part-time work or internships after graduation, with an onboarding bonus of up to NT$30,000 to strengthen the school-to-work pipeline.

New Taipei Industrial Vocational High School Scholarship Program (2023 - 2025)

Academic Year	Awardees	Merit	Need-based	Competition	Annual Total
111	12	63,000	27,000	-	90,000
112	28	126,000	54,000	50,000	230,000
113	28	126,000	54,000	62,000	242,000
Total	**68**	**315,000**	**135,000**	**112,000**	**562,000**



2025 New Taipei Industrial Vocational High School Scholarship Award Ceremony

Gudeng Technical and Vocational Athlete Grant

To cultivate technical and vocational elites, Gudeng established the Gudeng Technical and Vocational Athlete Grant in 2025. Most applicants had already achieved top-three placements in the National Skills Competition or Golden Hand Awards in industrial vocational competitions during high school. In the first year, six students enrolled at national universities were sponsored at NT$6,000 per month each, for a total annual investment of NT$432,000. Gudeng also provides paid winter- and summer-break internships and employment assurance after graduation so participants can focus on academic and skills development. The Company plans to gradually expand the number of sponsored students each year.

In the program's first year, the Company sponsored six vocational skills competitors enrolled at national universities, providing each student with a monthly scholarship of NT$6,000, for a total annual investment of NT$432,000. The program also offers paid internships during winter and summer breaks, together with employment opportunities upon graduation, enabling participants to focus on their studies and skills development while continuing to realize their potential. The Company plans to gradually increase the number of sponsored students each year so that more vocational skills competitors can benefit from the program.



5.4 Human Rights

Gudeng Precision is committed to creating a dignified, safe, equal, and friendly workplace for every employee. The Company follows the Responsible Business Alliance (RBA) Code of Conduct and references internationally recognized human-rights standards, including the Universal Declaration of Human Rights, the United Nations Global Compact, and International Labour Organization conventions. Gudeng has established human-rights and labor policies and uses labor-management communication to understand issues and establish improvement objectives.

Providing a Safe and Healthy Work Environment

Policy：

Provide a safe, healthy, and friendly workplace, implement occupational safety and health management, and prevent occupational accidents and diseases.

Implementation：

・Use “zero accidents” as a management objective and set zero occupational accidents as an annual key performance indicator.
・Strictly implement the one-day-off-after-seven-days rule: employees may work no more than six consecutive days. The system monitors scheduling and automatically issues attendance anomaly notifications to protect employees' rights to appropriate rest and leave.
・Provide routine annual health examinations and conduct tiered follow-up management for specific employee groups based on health-examination results.
・Promote health activities, including annual challenge events such as swimming across Sun Moon Lake, motorcycle and bicycle island tours, mountain-climbing challenges, and a 21K marathon, as well as family activities.

Eliminating Unlawful Discrimination and Ensuring Equal Employment Opportunity

Policy：

Protect the equal rights of employees and applicants; prohibit unlawful discrimination and harassment; maintain a fair, respectful, diverse, and inclusive workplace.

Implementation：

・Comply with labor laws and international standards and implement internal-control procedures.
・Prohibit harsh or inhumane treatment, including violence, sexual violence, sexual harassment, sexual assault, corporal punishment, psychological or physical coercion, bullying, public humiliation, and verbal abuse.
・Prohibit discrimination or harassment based on race, color, age, sex, sexual orientation, gender identity or expression, ethnicity or nationality, disability, pregnancy, religion, political affiliation, group background, veteran status, protected genetic information, marital status, or other protected characteristics.
・Provide reasonable accommodation for religious activities and persons with disabilities.
・Do not require discriminatory medical or physical examinations.
・Promote diversity, equity, and inclusion (DEI) policies and a culture of workplace respect.

Prohibition of Child Labor

Policy：

Protect children's human rights and prohibit employment of persons below the legal working age.

Implementation：

・Follow the Labor Standards Act and applicable local regulations during recruitment.
・Recruitment rules explicitly prohibit employing children under age 16.
・Verify age using lawful identity documents.
・If child labor is mistakenly employed, immediately initiate remediation and provide necessary assistance and protection.

Prohibition of Forced Labor

Policy：

Respect employees' free will and prohibit all forms of forced labor, bonded labor, prison labor, or involuntary overtime. Particular attention is given to migrant-worker rights through the Employer Pays Principle, ensuring that employment relationships are voluntary, fair, and lawful.

Implementation：

- Employment relationships are based on mutual consent and documented through lawful labor contracts.
- The Company does not retain identity documents, passports, or personal property and does not restrict employees' lawful right to resign.
- Overtime is based on employee willingness and legal requirements, with overtime pay or compensatory leave provided according to law.
- For migrant workers, recruitment, brokerage, deployment, and related administrative expenses are borne by the employer; improper charges or cost transfers to migrant workers are prohibited.
- Recruitment processes and agency-management mechanisms are periodically audited to prevent forced labor or improper fees.
- Grievance and reporting channels allow employees and migrant workers to raise concerns without fear of retaliation.

Ensuring Employee Compensation and Benefits

Policy：

Comply with and strive to exceed statutory wage requirements and continuously improve employee welfare.

Implementation：

Collect market compensation data, optimize the appraisal system, and determine annual salary adjustments each June at levels intended to remain competitive with the market.

Strengthening Employee Relations and Building an Inclusive Workplace

1. Internal Service Satisfaction and Job Satisfaction

Gudeng Precision conducts Internal Service Satisfaction and Employee Job Satisfaction surveys twice a year, at mid-year and year-end, covering all employees.

The Internal Service Satisfaction Survey evaluates the service core values and professional capabilities of corporate support functions, including the Human Resources Center, Supply Chain Partnership Division, Customer Quality Assurance Division, Facility Department, Finance Center, Accounting Center, Post-Investment Management Center, Strategic Investment Center, Information Center, Occupational Safety Office, and General Affairs Section.

The Employee Job Satisfaction Survey assesses employees' perceptions of career development, intention to stay, compensation, and the work environment. The 2025 survey results have been compiled and serve as an important basis for ongoing human resources optimization and departmental improvement.

Year / Item	2023		2024		2025	
	Response Rate	Average Score	Response Rate	Average Score	Response Rate	Average Score
Internal Service Satisfaction	92 %	81.37	99 %	83.18	96 %	81.2
Job Satisfaction	93 %	81.62	98 %	82.84	99 %	83.08

Employee Feedback Trends

Dimension	2023	2024	2025
Corporate Culture	84.40	87.35	87.46
Work Itself	81.65	84.15	81.66
Compensation	79.91	79.80	79.37
Talent Development	81.16	81.78	80.85
Work Environment	80.99	81.12	86.07
Overall Average	81.62	82.84	83.08

2Following a feasibility assessment of employee feedback collected in 2025, Gudeng established the following implementation plan for 2026.

Feedback Dimension	Improvement Direction	2026 Implementation Plan
Work Environment	Improve catering quality and dining experience	1. Issue a dining-satisfaction survey quarterly; response-rate target >90%. 2. Consolidate feedback each quarter, adjust menus and cooking methods, and track improvement in employee satisfaction.

2. Labor-Management Meetings

To ensure employee opinions can be communicated effectively, Gudeng follows the Rules for Implementing Labor-Management Meetings. Labor representatives are elected by employees, and a labor-management meeting is held at least once every three months.

Labor-Management Meetings (Held Quarterly)

Term	Gender	Labor Representatives	Management Representatives	Total
1st Term	Female	1	0	1
	Male	3	2	5
	Total	4	2	6
2st Term	Female	3	1	4
	Male	3	5	8
	Total	6	6	12
3st Term	Female	4	2	6
	Male	5	4	9
	Total	9	6	15
4st Term	Female	5	2	7
	Male	1	3	4
	Total	6	5	11
5st Term	Female	3	2	5
	Male	3	4	7
	Total	6	6	12

3. Employee Feedback Channels and Handling of Related Cases

Gudeng establishes prevention and response mechanisms in the Employee Handbook and the Plan for Preventing Unlawful Infringement in the Performance of Duties. Employee suggestion and grievance mailboxes are published in physical notice areas and on the Company's website to provide multiple communication channels. The Company received 51 employee opinions and grievance cases, of which 20 were named complaints and three involved unlawful workplace infringement. All cases were handled confidentially according to established procedures. Investigation teams conducted reviews and held follow-up meetings with complainants to communicate findings and explanations.

Employee suggestions included work-suitability arrangements for cooperative-education students, additional shuttle services between plants and dormitories, language-learning resources, and installation of bank ATMs at plant sites. Relevant functions evaluated and discussed improvement measures.

Improvement Measures

- Maintain employee opinion mailboxes for all sites.
- Strengthen direct communication by supervisors so employees understand benefits, policies, and activities. Publish important information through the mobile version of the BPM platform, including grievance channels, performance competency indicators, 6S workplace standards, attendance-calculation changes, and information-security requirements.
- Use monthly meetings to reinforce sexual-harassment prevention through practical examples and behavior patterns and to explain new measures face to face.
- In 2025, the Company recorded one violation of labor-related regulations and has actively implemented corrective measures and follow-up actions to safeguard employees' compensation, benefits, and rights.

Labor Regulation Violation in 2025

Violation: On October 30, 2025 (ROC Year 114), the Company violated Article 24, Paragraph 1 of the Labor Standards Act because overtime wages were not paid in accordance with the required rules.

Description：
Employees were required to work overtime beyond the statutory working-hour limits, resulting in non-compliance with applicable labor regulations.

Corrective Actions：
Internal Management: Establish disciplinary measures for personnel responsible for regulatory violations.
Ongoing Awareness: Post reminder notices and reinforce compliance requirements during monthly meetings.
Warning Mechanism: Provide working-hour reminders through APP push notifications and issue monthly reports to supervisors for monitoring and control.

Grievance Hotline: +886-2-2268-9141 ext. 1010
Employee Grievance Email: hrm@gudeng.com

Note:
In 2025, the Company had one case under the Air Pollution Control Act and one case under the Labor Standards Act. The cumulative fine for each individual case was below NT$1 million and neither had a material impact on finance or operations; both were below the material-information reporting threshold specified by the Taipei Exchange rules cited in the report.

5.5 Unique Gudeng Culture

1. Gudeng Home Ownership Plan

★ Gudeng No. 5 Residence in Tainan: All 14 units have been completed and occupied. Five Gudeng employee households have successfully purchased homes under the program. The units were ultimately offered to employees at approximately 73% of market value, with cumulative housing subsidies reaching NT$25 million, helping reduce the financial burden on first-time homebuyers.

★ Gudeng No. 6 Residence in New Taipei City: A total of 30 employees have registered their interest, and the project is expected to create 54 Gudeng family households.

Gudeng Residence No. 5 — Tainan

A home-ownership project in Shanhua, Tainan, located near the Tree Valley Plant. Construction began in 2021. The building has seven floors above ground and one basement level, with two units per floor and 14 units in total. Each unit is nearly 50 ping and the building includes 11 ramp-access parking spaces.
Interior construction was completed in 2024. Five Gudeng employee households completed purchases and moved in. The final employee purchase price was approximately 73% of market value, with cumulative Company subsidies reaching approximately NT$25 million, reducing the burden on first-time home buyers.



Employee Visit and Home Viewing at the Completed Gudeng No. 5 Residence

Gudeng Employees Moving In Received a Warranty Card from the Chairman

Gudeng Residence No. 6 — New Taipei

A home-ownership project in the Sanxia area, close to the future Circular Line Changshoushan MRT Station and approximately a 10-minute drive from Tucheng Headquarters. Land was purchased progressively from 2022, and the construction contract was awarded in May 2024. The planned building has 10 floors above ground and two basement levels, with 54 units and 76 automobile parking spaces. Thirty employee households have already registered and are waiting for the opportunity to participate. The project is expected to provide homes for 54 Gudeng families.



2. Gudeng Core Competency Training Program

"Serve with H.E.A.R.T., Grow with P.A.S.S.I.O.N." has been a core part of Gudeng's culture since its founding. The Company believes that shared values enable culture to be passed on and bring together partners who are passionate about technology and ambitious about life. This shared commitment to growth and innovation is viewed as an important force supporting long-term sustainability.

As a supplier of critical semiconductor components, Gudeng believes that only through continuous innovation and the courage to take on challenges can it create customer value and deliver stable, long-term returns to stakeholders. In addition to a comprehensive talent selection, training, development and retention mechanism, the two founders personally participate in talent development by sharing industry technology, entrepreneurial experience, and lessons from overcoming adversity. Since 2014, these experiences have been developed into management cases based on the five core values of Honesty and Integrity, Excellence, Accountability, Relationship and Teamwork. Three Gudeng management casebooks containing 55 cases have been published and serve as core competency training materials.



Guided by the Company's core values of "Partner with H.E.A.R.T., Grow with P.A.S.S.I.ON.", the Chairman, President, and senior executives develop and deliver internal training programs for all Gudeng employees. Training materials include self-developed case studies, external management cases, films, and other learning resources. Details are provided below:

Training Course	Training Content
Bill Sessions	The name "Bill" comes from the Chairman's English name. In 2005, when Gudeng had only a few dozen employees, the Chairman launched the "Bill Sessions" program and personally served as the instructor. Employees were encouraged to participate voluntarily, allowing the Chairman to engage directly with frontline employees while sharing the Company's operating strategies and mission, corporate culture, and values. The program was later expanded to include senior executives as instructors and developed into a curriculum of more than 70 hours. Course materials include Harvard case studies, Gudeng business cases, The Art of War, film appreciation, and book-sharing sessions. Instructors also share operating practices from different professional fields through face-to-face discussions, with the aim of reducing friction in cross-functional collaboration and building a shared culture and value system across Gudeng. The program has now entered its 26th cohort. As of 2025, cumulative participation reached 2,099 attendances, with a total of 6,987 learning hours.
ABC & BSC Management Training Program	Gudeng Precision's talent development philosophy is "Develop Our Own Talent." Every Monday morning, the Chairman personally delivers a two-hour session to key talent and managers at section level and above, using Gudeng business cases as teaching materials. Four of these cases were subsequently revised and published in academic journals such as Management Review and Sun Yat-sen Management Review. The program conveys tacit knowledge and emphasizes financial and cost awareness as well as the importance of maintaining customer partnerships. Through discussion and feedback, it helps establish a common language for internal communication.

Partner with H.E.A.R.T. - Curriculum Framework



Grow with P.A.S.S.I.ON. - Curriculum Framework



3. Challenge Activities

Gudeng strives to embody "WORK HARD, PLAY HARDER." The Company regularly organizes leisure activities such as year-end banquets, Family Day, Mid-Autumn Festival barbecues, and departmental gatherings, as well as challenge activities such as climbing Taiwan's 100 Peaks, swimming across Sun Moon Lake, cycling around Taiwan, motorcycle tours around Taiwan, and 21K half-marathon road races. These activities strengthen collegial relationships and encourage every Gudeng employee to try new things and turn challenges into action.

Facing rapid changes in the semiconductor industry and increasingly diverse customer needs, Gudeng recognizes that continuous innovation and self-breakthrough are essential to maintaining competitiveness. To encourage active engagement and a spirit of challenge, "participation in Company activities" is included as one of the promotion assessment conditions. Gudeng hopes employees will remain focused on their professional responsibilities while retaining an energetic and proactive mindset, participating in team exchanges and organizational activities, stepping outside their comfort zones, unlocking potential, and creating outstanding results together.

Challenge Activity Participation
2020: 116 person-times; activities were affected by COVID-19.
2021: Activities were suspended due to the pandemic.
2022: Only the 100 Peaks mountain-climbing activity was held, with 50 person-times participating.
2023: As the pandemic stabilized, challenge-activity participation reached 279 person-times.
2024: 180 person-times participated.
2025: A 21K half-marathon road race was newly added, with the expectation of attracting employees who regularly run. Through the endurance challenge, the Company aims to strengthen physical fitness and willpower and demonstrate Gudeng employees' spirit of perseverance and refusal to give up.



Swim Across Sun Moon Lake



21K Half-Marathon

家登精密 Gudeng Precision

Cycling Around Taiwan



WORK HARD
PLAY HARDER



Motorcycle Tour Around Taiwan



Yushan Summit Challenge

4. Management Associate (MA) Program

Training Program	Training Content
Management Associate (MA) Program	· Recruit master's graduates without prior work experience; Chairman personally interviews candidates. · Closely shadow the Chairman, General Manager and senior executives; participate in core decision-making meetings and major cross-functional projects such as BSC indicator audits and SAP S/4HANA upgrade meetings. · Submit weekly work reflections directly to the Chairman and General Manager, who respond with experience and perspectives. · Since 2009, the program has guided graduates in developing diverse career potential; on average, one in five retained members is promoted to management, and one in four middle managers comes from the program.

Gudeng has cumulatively appointed 77 Management Associates across five career tracks. They gain diverse experience and contribute their strengths to the Group's comprehensive development, supported by senior professionals or managers who serve as adaptation and consultation mentors. Of the 39 members still employed, seven have advanced to managerial roles ranging from section manager to associate vice president, demonstrating the effectiveness of the program.

Career Functions of Former Management Associates (MAs)

Career Track	Historical MA Appointments	Retained MAs Promoted to Manager
R&D	10	2
Management	43	2
Process / Technology	13	1
Sales	7	2
Manufacturing	4	-
Subtotal	77	7



5. Annual Outstanding Employee Selection

Gudeng places strong emphasis on its performance appraisal system and reviews implementation results quarterly. Employees whose work results are rated Outstanding or Exceeding Expectations are initially selected as candidates for the annual Outstanding Employee award.
During the selection process, candidates present their annual performance to the Chairman, President, and first-level executives and are also voted on by all employees. Combining professional evaluation and colleague recognition, Gudeng selects the final award recipients and presents the awards at the year-end banquet. The first-place Outstanding Employee for 2025 was an R&D engineer who accomplished numerous notable achievements during the year.
Since 2021, the number of award recipients has been increased to five each year. Depending on ranking, recipients receive cash prizes ranging from NT$50,000 to NT$100,000, five days of official leave, an NT$100,000 travel subsidy, and free Company parking. Through this mechanism, Gudeng has selected more than 50 outstanding employees. Each candidate also has the opportunity to participate in prize drawings with awards valued at nearly NT$100,000 and to receive overseas travel subsidies.





6. Most Thankful / Most Praised Program

Gudeng's nomination program has been operating since 2009 and has continued for 17 years. Its purpose is to encourage employees to take accountability, grow with passion, and support one another.

- Most Thankful: Expressing gratitude to someone who helped complete one's work even though the assistance was outside that person's formal job responsibilities.
- Most Praised: Recognizing someone observed helping another person complete work beyond that helper's formal job responsibilities.

All employees may submit nominations. Winners are selected at management meetings and announced at monthly meetings. Each month, three Most Thankful and three Most Praised recipients may receive up to NT$6,000 each, together with certificates and honor badges. There is no limit on how many times an employee may win. At year-end, the annual top Most Thankful and Most Praised recipients each receive an additional NT$20,000 award, reinforcing a positive cycle of appreciation and cross-functional collaboration.

2025 Result: 69 person-times received Most Thankful / Most Praised awards, totaling NT$274,000 in cash awards.





5.6 Occupational Safety and Health

Material Topic	Talent Development
Policy	Putting Employee Safety and Health First and Continuously Improving the Workplace Environment.
Management Approach	The Company has established Safety and Health Work Rules, and the Environmental, Safety and Health Office is responsible for workplace-safety management and education and training. Through risk identification, regular inspections, incident reporting, and improvement mechanisms, Gudeng strengthens preventive management, continually optimizes the operating environment, and protects employee health and safety.

2025 Results

1.One major occupational accident; zero fines.
2.Completion rate of occupational safety and health training for new employees: 100%. hours: 31,096 hours.
3.Occupational safety and health training per capita: 3.6 hours.

2026 Short-Term Goals

1.Zero major occupational accidents and zero fines.
2.At least 1 hour of occupational safety and health training per employee.

2027 - 2030 Mid-to-Long-Term Goals

1.Zero major occupational accidents and zero fines.
2.At least 1 hour of occupational safety and health training per employee.

Occupational Safety and Health Management

Gudeng Precision upholds the mission of "zero accidents through safety" and is committed to establishing a comprehensive safety culture and management strategy. In accordance with the Regulations Governing Occupational Safety and Health Management, the Company has established a complete occupational safety and health management system and Safety and Health Work Rules. Through clear division of responsibilities and implementation at each organizational level, all levels of the organization actively carry out safety, health, and health-promotion measures. The Occupational Safety and Health Committee meets regularly to continually review and optimize related work. Gudeng also actively collaborates with suppliers and contractors to jointly prevent and reduce occupational-accident risks and create a safe and healthy working environment across the overall industrial value chain.

Occupational Safety and Health Management System

Gudeng Precision completed ISO 45001 Occupational Safety and Health Management System transition certification in 2020. Qualified personnel conduct internal audits each year, and impartial third-party organizations perform annual external audits to maintain certification validity. The certification scope includes Central Leader Building in Tucheng, Tainan Tree Valley Plant, and Fuxing Plant, covering 100% of workers, including employees and non-employees. Occupational safety and health management personnel at each plant are established in accordance with the Occupational Safety and Health Act and related regulations. Workplace leaders and supervisors at all levels direct and supervise safety and health management according to their assigned authority and responsibilities, while all other workers perform their duties in accordance with occupational safety and health requirements.

Occupational Safety and Health Committee

To ensure workplace safety and employee health, Gudeng has established an Occupational Safety and Health Committee and convenes meetings regularly to coordinate and promote Company-wide occupational safety and health matters. The Committee reviews safety and health plans and measures. After approval by the Chief Executive Officer, the Safety and Health Policy is issued and implemented for all employees to follow. The policy is communicated through the internal network and posted in work areas to strengthen employee awareness. The Committee also regularly tracks work plans and project progress, reviews risk factors and corrective actions, and prevents occupational accidents. Gudeng's mission is to create a safe, healthy, and zero-accident workplace and to continuously improve its safety and health management system and prevention culture.

Safety and Health Policy

- Comply with safety and health laws and regulations and implement safe operating standards.
- Encourage participation by all employees, strengthen safety awareness, and pursue zero accidents and disease prevention.
- Design inherently safe products and promote production-safety management mechanisms.
- Protect employees' workplace safety and health and provide safe facilities and environments.
- Establish safety and health audit and review systems and commit to continual improvement.



Occupational Health and Safety Activities

1. Health Examinations and Special-Operation Examination Subsidies：

The Company conducts regular health examinations for active employees every two years and provides examination subsidies. Employees engaged in special operations receive special health examinations every year to identify health risks early and strengthen preventive management.

2. On-Site Health Services and High-Risk Group Management：

Occupational health nursing personnel provide on-site health services, including health education, awareness communication, and health consultation. Annual health-examination results are used for health-risk classification. High-risk groups receive individualized health-management recommendations, and employees returning after occupational injury receive return-to-work health assessments to ensure safe reintegration.

3. Friendly Workplace Facilities：

Lactation rooms are provided for employees of childbearing age, supporting a gender-friendly workplace and parenting needs.

4. Environmental Monitoring and Drinking-Water Safety：

Work-environment monitoring and risk assessment are conducted periodically, and drinking-water quality is tested quarterly to ensure that the workplace environment is safe and free from health hazards.

5. Four Preventive Health-Protection Programs：

(1) Prevention of diseases caused by abnormal workloads.
(2) Ergonomic hazard prevention.
(3) Maternal health protection.
(4) Prevention of unlawful infringement in the workplace.

6. Full Subsidy for New-Hire Health Examinations：

Since 2023, the Company has fully subsidized physical examinations for new employees, demonstrating its commitment to employee health protection.

Physical and Mental Health Promotion Activities

1. Outdoor Challenge Activities：

The Employee Welfare Committee annually organizes activities such as climbing Taiwan's 100 Peaks, swimming across Sun Moon Lake, and cycling around Taiwan. Employees are encouraged to step outside the office, interact with nature, promote physical and mental health, and challenge personal limits.

2. Fitness Facilities：

Fitness equipment, including treadmills, spinning bicycles, steppers, and weight-training equipment, is available in employee dining areas for flexible use after work, helping employees relieve stress and maintain physical fitness.

3. Mental Health Seminars：

The Company periodically holds stress-relief and emotional-management seminars to help employees recognize stress reactions, strengthen self-awareness, learn relaxation and regulation techniques, and build positive coping capabilities and a resilient workplace culture.

Hazard Identification and Risk Assessment

In accordance with ISO 45001, Gudeng has established a Risk and Opportunity Management Procedure and a Hazard Identification, Risk Assessment and Control Procedure. Each department annually evaluates the frequency, likelihood, and severity of hazards and uses a risk matrix to determine risk levels for job duties and work activities. Based on the results, Gudeng implements Engineering Controls and/or Administrative Controls to reduce risk to acceptable levels and continually strengthen safety performance.

Worker Participation, Consultation, and Communication

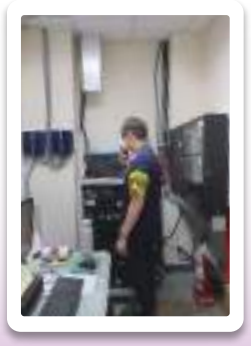
To protect employee participation rights and opportunities to express opinions, Gudeng maintains multiple communication channels and provides education and training.

1. **Occupational Safety and Health Committee:** Labor representatives and Company representatives regularly review workplace policies, risk management, and improvement measures so employee opinions can be incorporated into decision-making.
2. **New-Hire Training and Grievance Mechanism:** New employees complete occupational safety and health training before beginning work, including basic safety knowledge, operating precautions, and complaint/reporting channels.
3. **In-Service Training and Continuing Communication:** Current employees receive periodic annual safety training on safety policies, risk prevention, and emergency response to strengthen risk identification and safety culture.

Safety Education and Training Statistics

Training Category	Person-times	Person-hours
General OHS Training for New Employees	191	573
General OHS Training for Existing Employees	640	640
General OHS Training for Safety Committee Members	31	31
Chemical Hazard Communication Training	308	341
Respiratory Protection Training & Fit Testing	34	34
Hearing Protection Training	45	45
Self-Defense Fire Brigade Training	110	110
Fire Escape and Evacuation Assembly Drill	638	613
Total	1,997	2,387





Emergency Response and Incident Investigation Procedures

To minimize the impacts of unexpected incidents on personnel safety and the environment, Gudeng follows its Emergency Response Control Procedure, placing personnel safety first and rapidly controlling hazards, preventing escalation, and handling incidents appropriately. Regular drills cover fire, earthquakes, emergency evacuation and assembly to improve familiarity and practical response capability.

To strengthen self-protection awareness, hazard identification and safe withdrawal are emphasized in new-employee OHS training. When an imminent danger exists, workers may stop work and withdraw to a safe area—provided this does not endanger others—and must promptly notify their direct supervisor.

For significant occupational injury, disability or fatality events, Gudeng applies the Incident Investigation Management Procedure. Occupational safety and health personnel and labor representatives form an investigation team to determine root causes, establish corrective and preventive actions, and track effectiveness. Investigation results and follow-up progress are periodically reported and reviewed by the Occupational Safety and Health Committee.

Historical Occupational Injury Statistics

Item	2023	2024	2025
Working Hours	1,190,400	1,243,752	1,274,600
Disabling Injuries (persons)	3	5	3
Total Lost Workdays	5	41	52
Frequency Rate (FR)	2.52	4.02	2.35
Severity Rate (SR)	4	32	40
Frequency-Severity Indicator (FSI)	0.10	0.35	0.30

Note 1: The number and frequency of disabling injuries include fatalities resulting from occupational injuries.
Note 2: Disabling injury statistics exclude commuting accidents involving employees.
Note 3: Total working hours are calculated based on the total hours reported through the Occupational Accident Statistics Online Reporting System.
Note 4: Frequency Rate (FR) = Total number of disabling injuries ÷ total working hours × 1,000,000. Figures beyond three decimal places are disregarded.
Note 5: Severity Rate (SR) = Total lost workdays due to disabling injuries × 1,000,000 ÷ total working hours. The result is expressed as an integer.
Note 6: Frequency-Severity Indicator (FSI) = √[(SR × FR) / 1,000]. Figures beyond three decimal places are disregarded.

Occupational Accident Types

Type	2023	2024	2025
Caught in / Entangled	1	1	1
Fall from Height / Rolling Fall	0	0	0
Cut / Laceration / Abrasion	1	2	0
Slip / Fall	0	1	1
Other	1	1	1
Total	3	5	3

Notes: FR = disabling injuries ÷ total hours × 1,000,000. SR = lost workdays × 1,000,000 ÷ total hours. FSI = √((SR × FR)/1000). Commuting accidents are excluded. No occupational disease cases were identified in 2025; contractors, visitors and other non-employees recorded zero occupational injury and occupational disease cases.

Contractor Occupational Safety and Health Management

Gudeng has established systematic contractor safety management covering hazard communication, on-site supervision, consultative mechanisms and performance evaluation to ensure compliance with occupational safety and health requirements and prevent incidents during contracted work.

1.Pre-Construction Hazard Communication and Pre-Work Inspection:

Before construction begins, contractors are required to complete hazard communication procedures to ensure that all personnel fully understand potential risks. Pre-work occupational safety and health inspections must also be completed, and appropriate personal protective equipment must be worn before work commences. These measures strengthen risk control at the source and help prevent accidents.

2.Risk-Based Management and On-Site Supervision:

Appropriate supervision and inspection mechanisms are implemented based on the severity of hazards and risk levels associated with different types of contracted work. This ensures that contractors comply with the Company's occupational safety and health requirements and disaster prevention measures, thereby strengthening on-site risk management and compliance control.

3.Regular Contractor Coordination Meetings:

The Company convenes a Contractor Coordination Meeting annually to coordinate occupational safety and health requirements and implementation arrangements for construction activities. Contractors are briefed on the Company's workplace safety and health standards and management requirements, while safety concerns raised by contractors are discussed and coordinated to improve collaboration efficiency and operational safety.

4.Contractor Occupational Safety and Health Performance Evaluation:

The Company conducts annual occupational safety and health performance evaluations for contractors. Assessment criteria include regulatory compliance, work discipline, effectiveness of self-management, violation records, and conformity with relevant requirements of the Responsible Business Alliance (RBA) Code of Conduct. Evaluation results are provided to the Procurement Department as an important reference for contractor selection and contract renewal in the following year, thereby strengthening supply chain risk management and responsible governance.



6 Social Inclusion

6.1 Percentage of Types of Charity Commitment ····146
6.2 Natural Environment and Eco-Friendly Management ··153

From Individual Action to Collective Well-being: Multiplying Impact

Creating shared social value is deeply embedded in Gudeng' s sustainability commitment. Under the hands-on leadership of the Chairman and Vice Chairman, Gudeng keeps in mind its mission of giving back to society. We believe genuine change goes beyond corporate resource allocation and begins with each Gudeng employee. Employees are encouraged to turn the core philosophy of "Partner with H.E.A.R.T., Grow with P.A.S.S.I.ON." into concrete contributions to society. Gudeng also connects alliance partners and Group subsidiaries to expand collective influence beyond the capacity of a single company. The B4SI framework is used to manage public-welfare initiatives scientifically and to align them closely with the United Nations Sustainable Development Goals (SDGs). Long-term commitment enables the seeds of public welfare to grow into broader and deeper sustainable impact.

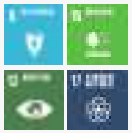
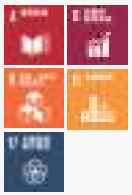
Lasting change is built through long-term commitment. Gudeng Precision firmly believes that perseverance can overcome even the greatest challenges, and that only through sustained investment of resources can the seeds of social good grow from initial efforts into broader and more far-reaching sustainability practices. With unwavering passion, we will continue contributing to social inclusion, extending the warmth of industry beyond boundaries and carrying hope and compassion to every corner of society.

6.1 Proportion of Types of Public-Welfare Investment

Item	Amount Share	Project Share
Arts & Culture Support	27%	17%
Community / Neighborhood Care	12%	12%
Disadvantaged Group Care	48%	24%
Educational Opportunities	8%	21%
Environmental Conservation	14%	14%
Total	100 %	

Category	2023 Amount	2023 %	2024 Amount	2024 %	2025 Amount	2025 %
Cash Donations	7,754,600	46.81%	3,650,000	56.47%	7,740,771	87.5%
In-kind Donations	8,166,705	49.30%	2,084,564	32.25%	1,060,000	12.0%
Volunteer Hours	195,264	1.18%	329,488	5.10%	47,603	0.5%
Management Costs	450,000	2.72%	400,000	6.19%	0	0%
Total	16,566,569	100%	6,464,052	100%	8,848,374	100%

2025 Five Public-Welfare Themes and Benefits

Public-Welfare Type	Beneficiaries	SDGs	2025 Specific Actions	Social Benefits
Environmental Conservation	· Ecological environment; · local residents		· Forest conservation activities; · protect the environment of Tucheng Industrial Park; · plant pink shower trees.	· Jointly conserve Taiwan’ s mountain ecosystems; · maintain neighborhood environmental quality; · beautify communities and enhance biodiversity.
Arts & Culture Support	· Local arts groups; · academic groups; · religious and social-welfare groups		· Promote arts and cultural performances (101 employee participants in 2025); · cooperate with academia; · preserve local memories and historical assets.	· Expand access to arts and culture; · connect industry and academia; · preserve local cultural heritage.
Community Inclusion	· Community residents; · rural communities; · non-profit social-welfare organizations		· Donate “Gudeng No. 6” disaster-survey vehicle; · donate firefighting and rescue equipment; · year-end winter-warmth reunion activities.	· Improve emergency response during the golden rescue period; · improve rescue quality and reduce duty risk; · provide year-end community care.
Disadvantaged Group Care	· Local residents; · vulnerable groups; · local small farmers		· Blood donation drives; · Shoes That Save Lives donation; · elderly wheelchair donation; · support local farmers; · humanitarian support for Myanmar; · donate desks and chairs in Northern Thailand.	· Encourage regular blood donation; · extend product life through reuse and cross-border action; · strengthen community care; · support sustainable farming; · humanitarian relief; · reduce educational gaps.
Diverse Talent Development	· Local schools; · disadvantaged groups		· Scholarships and competition uniforms for the New Taipei Industrial Vocational High School Mold Department; · Puli Junior High School basketball dream project; · dance courses and performances at an alternative school; · support the Kumamoto sports event for persons with disabilities.	· Support vocational education and technical talent; · broaden international perspectives and team resilience; · provide caring accompaniment; advance equality in sports.

Environmental Conservation

Protecting natural ecosystems is fundamental to continued social development. Only healthy ecosystems and environmental balance can sustain long-term economic activity and coexistence across generations. Gudeng's adoption and support of Yushan National Park is an important practical action that turns sustainability principles into real environmental stewardship. The Company will continue deepening its attention and investment in environmental issues and regard nature conservation and environmental protection as core corporate responsibilities.





Community Together, Environment Together

Gudeng Precision's headquarters is located in Tucheng Industrial Park. To fulfill its social commitment to the surrounding community, the Company encourages employees to form the Gudeng Environmental Volunteer Team. Through community cleanups, employees work with local residents to maintain the quality of the living environment while strengthening the connection between the Company and the community.

Two environmental volunteer activities were held, with 41 employees participating in total.





Arts and Cultural Support

Knowledge as a Bridge, Innovation through Industry-Academia Collaboration

Technology changes rapidly, and continued industrial growth depends on the deep cultivation and application of knowledge. Industry and academia are closely connected. Gudeng Precision has long supported academic research and industrial talent development and expanded its support for academia in 2025 by sponsoring the Taiwan Management Innovation Association. The Company encourages deeper collaboration between academic theory and industrial practice and seeks to cultivate forward-looking professionals essential to future industrial development.



Aesthetic Empowerment, Cross-Level Resonance

As one of Gudeng Precision's longest-running two-way communication platforms, the Bill's Appointment series communicates Company culture and enables direct interaction among the Chairman, President, senior executives, and employees to build team consensus. Arts and cultural appreciation within the program creates shared internal topics while also supporting local arts and culture, creating mutual value.

Four arts and cultural activities were held, with a total of 101 employee participants.



Community Inclusion

Strengthening Emergency Response, Building Local Safety Together



Disaster prevention and rescue are matters of seconds. A highly mobile disaster-assessment vehicle is a key tool for improving emergency-response efficiency. Gudeng has long paid attention to front-line disaster-relief needs. After learning of a need at the Huwei Fire Brigade in Yunlin County, the Company assessed local disaster characteristics and provided a customized disaster-assessment vehicle with corresponding equipment. The donation strengthens local rescue capability and helps firefighters seize the critical golden rescue window. Gudeng continues fulfilling its responsibility to give back to local communities and protect public safety.

Protecting Unsung Heroes, Supporting Front-Line Rescue Personnel





Gudeng recognizes firefighters as unsung heroes who respond first when disasters occur. The Company has long monitored the protective-equipment needs of local fire units. After learning that the Long'en Volunteer Fire Brigade and Dapu Special Search and Rescue Unit needed firefighting and rescue equipment, Gudeng donated equipment to improve responder safety and serve as a strong supporter of front-line firefighters.

Overcoming Terrain Barriers, Upgrading Rescue Capability

Working with the World Chinese Business Women's Association, Gudeng jointly donated an off-road firefighting vehicle after learning that Kaohsiung City's Fire Bureau had increasing needs for special search-and-rescue and mission support. The off-road vehicle can handle difficult terrain and includes professional storage compartments for equipment such as tripods and stretchers, increasing the flexibility and speed of mountain rescue and response to complex disasters.





Supporting with Love, Moving Forward Hand in Hand





Public welfare should not stop at donations; it begins with dialogue and deepens through companionship. In 2025, Gudeng redesigned Family Day activities around the principles of "supporting self-reliance through purchasing" and "promoting inclusion through shared participation." At northern sites, employees supported self-reliant partners by purchasing coffee and appreciating their professional craftsmanship. At southern sites, Gudeng cooperated with the Family Support Center and invited 10 families to join the event. Through diverse forms of engagement, the Company extends care and warmth across its operating locations.

Care for Disadvantaged Groups

Supporting Local Agriculture, Creating Shared Prosperity

Gudeng supports local agricultural development through practical action by purchasing agricultural products directly from small farmers and sharing fresh pineapples with employees. This creates a positive three-way cycle of "corporate support, farmer benefit, and employee sharing," helping farmers receive reasonable returns, strengthening the momentum for sustainable agricultural development, enhancing agricultural value, and improving local economic resilience.





Listening to Needs, Responding in Time

After learning that elderly people and residents with mobility limitations in Xizhi District faced a shortage of wheelchair aids, Gudeng launched the "One Wheelchair for Every Village" donation project. A total of 50 wheelchairs were donated to neighborhood offices and the district office so residents could borrow them locally at no charge.



Compassionate Medical Transportation, Supporting Rural Long-Term Care



Chiayi County is geographically extensive and has a high degree of population aging. For elderly people with limited mobility in rural areas, the journey to medical treatment can be long, while demand for long-term-care transportation exceeds available vehicles. By participating in a charity seed-purchase fundraising program, Gudeng supported fundraising for rehabilitation transport vehicles, helping local social-welfare organizations serve elderly and mobility-impaired groups. The Company's care is converted into real mobility, reducing transportation barriers, increasing long-term-care service capacity and coverage, and helping patients avoid missing critical treatment windows because of distance.

Care without Borders — Sending Love to Myanmar



When the Myanmar earthquake occurred, Gudeng responded quickly to the Overseas Community Affairs Council's call and provided timely and practical humanitarian assistance across geographic and cultural boundaries. Guided by the spirit of sharing the suffering of others, the Company demonstrated that care has no borders and that action should be taken at the front line in response to major international disasters, working with relevant organizations to enhance the positive contribution of the international community.

Diverse Talent Development

Strongest Assist — Helping Dreams Take Flight



Education extends beyond the classroom, and dreams should not be limited by financial constraints. International exchange is an important way for students to broaden horizons and connect with the world, but high airfare can become a major barrier. After learning of the difficulties faced by the Puli Junior High School basketball team, Gudeng proactively donated airfare expenses so the students could participate internationally. The support removes an invisible barrier to their dreams, builds a bridge to the world, provides a broader stage, and encourages these passionate young athletes to “dunk bravely” in their own lives.

Gentle Support — Emerging Stronger



Gudeng has long cared about the diverse development of young people and recognizes that setbacks can create confusion or interrupt growth. For young people caught in difficult circumstances, material support alone is not enough; they also need opportunities to rebuild confidence and rediscover themselves. Gudeng's partnership with Feng-Chu Secondary School provides a stage for students to demonstrate talent, learn self-reconciliation and growth, and rebuild confidence and courage. The performance showcase is not only a dance presentation but also a witness to their renewal after difficult times.

Care in Action

Passing on Passion through Blood Donation

A healthy healthcare system requires collective support, and medical blood supplies are essential to social stability and life safety. Gudeng co-organizes multiple blood-donation drives every year, encourages employee participation, provides official blood-donation leave, and arranges shuttle transportation so employees can contribute with peace of mind. Gudeng believes that rolling up one's sleeves to donate blood not only supports Taiwan's healthcare system but also keeps hope moving through the collective power of goodwill.





Giving Materials New Life, Spreading Care

In 2025, Gudeng continued cooperating with the Step30 International Ministries / “Old Shoes Save Lives” initiative, encouraging employees to practice both circular-economy principles and care for life. By organizing and sharing unused household items, employees give resources a new life and send them overseas to help protect health and improve living conditions for families in Africa. Gudeng believes that a virtuous cycle of kindness requires continuous cultivation and that collective employee participation allows this spirit of resource appreciation and shared well-being to reach further around the world.





6.2 Natural Environment and Eco-Friendly Management

Relationship between Operating Sites and Ecologically Sensitive Areas

The Company's major operating sites are located within existing industrial parks and science parks. Operations do not involve development of natural habitats, deforestation, land use within protected areas, or large-scale land-use conversion, and therefore the direct impact on surrounding ecosystems is relatively limited. Nevertheless, Gudeng continues monitoring environmental conditions around its operating sites and will include potential relationships with ecologically sensitive areas, protected areas, and high-biodiversity areas in future environmental-management reviews to reduce possible impacts from operations.

Biodiversity Considerations for New Plant Planning

In response to future business development and new plant construction, the Company will progressively incorporate biodiversity and ecological considerations into early-stage site assessment as reference factors for site selection, engineering design, and environmental management. Depending on site characteristics and surrounding environmental conditions, future plant projects will assess proximity to ecologically sensitive areas, protected areas, water-resource protection areas, and high-biodiversity areas. During planning, priority will be given to reducing potential environmental impacts from land-use change, construction disturbance, wastewater discharge, waste generation, and resource use.

For design and construction management, Gudeng will promote low-impact development, energy and water conservation, pollution prevention, and resource circularity. Environmental management during construction, contractor management, and abnormal-event response mechanisms will be used to reduce potential impacts on surrounding ecosystems. The Company also plans to progressively establish ecological-risk review processes for new plant projects based on actual site conditions, strengthening responsibility for environmental protection and biodiversity conservation during business expansion.

Environmental Impact Prevention and Management

To reduce potential negative impacts on the surrounding environment, Gudeng centers environmental management on regulatory compliance, pollution prevention, process management, and efficient resource use. The Company implements controls for air pollution, water pollution, waste, chemicals, energy, and water resources in accordance with applicable environmental regulations and performs required monitoring, reporting, and management. Process improvement, equipment maintenance, standardized operations, and abnormal-event response mechanisms are used to reduce pollutant emissions and environmental-incident risk and keep operational impacts within a controllable range.

Future Ecological Risk Inventory Direction

Gudeng will continue improving ecological-risk inventory and management practices according to its operating scale, industry characteristics, regulatory developments, and stakeholder concerns. Future assessments will consider the geographic relationship between existing/new sites and ecologically sensitive areas, dependence of major operations on natural resources, pollution emissions and waste management, and potential environmental impacts in the supply chain. The Company will progressively establish mechanisms for ecological-impact identification, risk assessment, management measures, and follow-up tracking to strengthen its commitment to environmental protection and eco-friendly operations.

Appendix

GRI Standards Content Index

Statement of Use | Gudeng Precision has reported in accordance with the GRI Standards for the period January 1, 2025 to December 31, 2025.

GRI 1 Used | GRI 1: Foundation 2021

Applicable GRI Sector Standards | No applicable GRI Sector Standard for the semiconductor industry had been issued during the reporting period of this report.

GRI 2: General Disclosures 2021

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
		- Organizational Profile and Reporting Practices -		
	2-1	Organizational details	Preface - About Gudeng Precision	9
	2-2	Entities included in the organization's sustainability reporting	Preface - About the Report	3
	2-3	Reporting period, frequency and contact point	Preface - About the Report - Feedback	5
	2-4	Restatements of information	Appendix - Restatements of Information	169
	2-5	External assurance	Preface - About the Report; Appendix - Sustainability Report Assurance Statement	3 167
		- Organizational Activities and Workers -		
	2-6	Activities, value chain and other business relationships	Value Chain Context; 2.3.1 Supplier Overview	14 54
Talent Attraction and Retention	2-7	Employees	5.2 Talent Attraction and Retention	113
Friendly Workplace	2-8	Workers who are not employees	5.1 Diversity and Inclusion, Happy Workplace - Employee Structure	110

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
		- Governance -		
	2-9	Governance structure	2.1 Organization Overview	34
	2-10	Nomination and selection of the highest governance body	2.1.2 Board Governance	37
	2-11	Chair of the highest governance body	2.1.2 Board Governance	37
	2-12	Role of the highest governance body in overseeing the management of impacts	2.1.2 Board Governance	37
	2-13	Delegation of responsibility for managing impacts	1.2 ESG Implementation Framework	20
	2-14	Role of the highest governance body in sustainability reporting	Preface - Report Management Process	7
	2-15	Conflicts of interest	2.1.3 Integrity Management	40
	2-16	Communication of critical concerns	2.1.2 Board Governance	41
	2-17	Collective knowledge of the highest governance body	2.1.2 Board Governance	37
	2-18	Evaluation of the performance of the highest governance body	2.1.2 Board Governance	40
	2-19	Remuneration policies	2.1.2 Board Governance	39
	2-20	Process to determine remuneration	2.1.2 Board Governance	39
Talent Attraction and Retention	2-21	Annual total compensation ratio	5.2 Talent Attraction and Retention - Total Compensation Ratio	120
		- Strategy, Policies and Practices -		
	2-22	Statement on sustainable development strategy	1.1 Sustainable Development Blueprint	18
	2-23	Policy commitments	1.1 Sustainable Development Blueprint	18
	2-24	Embedding policy commitments	2.1.2 Board Governance	37
Risk Management	2-25	Processes to remediate negative impacts	2.1.3 Integrity Management	41
Risk Management	2-26	Mechanisms for seeking advice and raising concerns	2.1.3 Integrity Management	40
	2-27	Compliance with laws and regulations	5.4 Human Rights	130
	2-28	Membership associations	Appendix - Participation in Industry Associations	169

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
		- Stakeholder Engagement -		
	2-29	Approach to stakeholder engagement	1.4 Materiality Analysis and Stakeholder Engagement	25
	2-30	Collective bargaining agreements	Not applicable. The Company has not established a labor union.	-

GRI 3: Material Topics 2021

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
	3-1	Process to determine material topics	1.4 Materiality Analysis and Stakeholder Engagement	25
	3-2	List of material topics	1.4 Materiality Analysis and Stakeholder Engagement	26
	3-3	Management of material topics	1.4 Materiality Analysis and Stakeholder Engagement	25

GRI 201: Economic Performance 2016

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
Operational Performance	201-1	Direct economic value generated and distributed	2.1.1 Financial Performance	35
Risk Management	201-2	Financial implications and other risks and opportunities due to climate change	4.1 Climate and Energy Management	96
Talent Attraction and Retention	201-3	Defined benefit plan obligations and other retirement plans	5.2 Talent Attraction and Retention	122

GRI 202: Market Presence 2016

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
Talent Attraction and Retention	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	5.2 Talent Attraction and Retention	119
Talent Attraction and Retention	202-2	Proportion of senior management hired from the local community	5.2 Talent Attraction and Retention	113

GRI 203: Indirect Economic Impacts

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
	203-1	Infrastructure investments and services supported	6.1 Types and Proportion of Public Welfare Investment	146

GRI 204: Procurement Practices 2016

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
Sustainable Supply Chain	204-1	Proportion of spending on local suppliers	2.3.4 Local Procurement	62

GRI 205: Anti-corruption 2016

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
	205-2	Communication and training about anti-corruption policies and procedures	2.1.3 Integrity Management - Education, Training and Communication	41
	205-3	Confirmed incidents of corruption and actions taken	No corruption incidents occurred at Gudeng Precision in 2025.	-

GRI 206: Anti-competitive Behavior 2016

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No anti-competitive, antitrust or monopoly-related incidents occurred at Gudeng Precision in 2025.	-

GRI 302: Energy 2016

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
	302-1	Energy consumption within the organization	4.1.6 Energy Management	102
	302-3	Energy intensity	4.1.6 Energy Management	102
	302-4	Reduction of energy consumption	4.1.6 Energy Management	103
	302-5	Reductions in energy requirements of products and services	4.1.6 Energy Management	103

GRI 303: Water and Effluents 2018

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
		Interactions with water as a shared resource	4.2.1 Water Resource Management	104
		Management of water discharge-related impacts	4.2.1 Water Resource Management	104
		Water withdrawal	4.2.1 Water Resource Management	104
	303-4	Water discharge	4.2.1 Water Resource Management	104
	303-5	Water consumption	4.2.1 Water Resource Management	104

GRI 305: Emissions 2016

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
	305-1	Direct (Scope 1) GHG emissions	4.1.5 GHG Inventory	102
	305-2	Energy indirect (Scope 2) GHG emissions	4.1.5 GHG Inventory	102
	305-4	GHG emissions intensity	4.1.5 GHG Inventory	102
	305-5	Reduction of GHG emissions	4.1.5 GHG Inventory	102

GRI 306: Waste 2020

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
	306-1	Waste generation and significant waste-related impacts	4.2 Water Resources and Waste Management	104
	306-2	Management of significant waste-related impacts	4.2 Water Resources and Waste Management	104
	306-3	Waste generated	4.2 Water Resources and Waste Management	104

GRI 308: Supplier Environmental Assessment 20162.3 Sustainable Supply Chain

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
Sustainable Supply Chain	308-1	New suppliers that were screened using environmental criteria	2.3 Sustainable Supply Chain	53
Sustainable Supply Chain	308-2	Negative environmental impacts in the supply chain and actions taken	2.3 Sustainable Supply Chain	54

GRI 400: Social

GRI 401: Employment 2016

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
Friendly Workplace	401-1	New employee hires and employee turnover	5.1 Diversity and Inclusion, Happy Workplace - New Hires and Turnover	112
Friendly Workplace	401-2	Benefits provided to full-time employees	5.2 Talent Attraction and Retention - Competitive Compensation and Benefits	119
Friendly Workplace	401-3	Parental leave	5.2 Talent Attraction and Retention - Marriage and Parental Care Statistics	116

GRI 402: Labor-Management Relations 2016

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
Labor-Management Relations	402-1	Minimum notice periods regarding operational changes	5.4 Human Rights - Labor-Management Meetings	132

GRI 403: Occupational Health and Safety 2018

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
Occupational Safety and Health	403-1	Occupational health and safety management system	5.6 Occupational Safety and Health - OHS Management System	140
Occupational Safety and Health	403-2	Hazard identification, risk assessment, and incident investigation	5.6 Occupational Safety and Health - Hazard Identification and Risk Assessment	142
Occupational Safety and Health	403-3	Occupational health services	5.6 Occupational Safety and Health - Occupational Health and Safety Activities	141
Occupational Safety and Health	403-4	Worker participation, consultation and communication on occupational health and safety	5.6 Occupational Safety and Health - Worker Participation, Consultation and Communication	142
Occupational Safety and Health	403-5	Worker training on occupational health and safety	5.6 Occupational Safety and Health - Safety Education and Training Hours	143

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
Occupational Safety and Health	403-6	Promotion of worker health	5.6 Occupational Safety and Health - Physical and Mental Health Promotion Activities	142
Occupational Safety and Health	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.6 Occupational Safety and Health - Emergency Response and Incident Investigation Procedures	143
Occupational Safety and Health	403-8	Workers covered by an occupational health and safety management system	5.6 Occupational Safety and Health - OHS Management System	140
Occupational Safety and Health	403-9	Work-related injuries	5.6 Occupational Safety and Health - Historical Occupational Injury Statistics	144

GRI 404: Training and Education 2016

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
Talent Development; Talent Attraction and Retention	404-1	Average hours of training per year per employee	5.3 Talent Development - Average Employee Training Hours	128
Talent Development; Talent Attraction and Retention	404-3	Percentage of employees receiving regular performance and career development reviews	5.2 Talent Attraction and Retention - Competitive Compensation System	119

GRI 405: Diversity and Equal Opportunity 2016

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
	405-1	Diversity of governance bodies and employees	2. Sustainable Governance - Board Governance; 5.1 Diversity and Inclusion, Happy Workplace - Employee Structure	37 110
	405-2	Ratio of basic salary and remuneration of women to men	5.2 Talent Attraction and Retention - Gender Pay Ratio by Job Level	119

GRI 406: Non-discrimination 2016

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
	406-1	Incidents of discrimination and corrective actions taken	5.4 Human Rights - Employee Feedback Channels and Case Handling	133

GRI 408: Child Labor 2016

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
	408-1	Operations and suppliers at significant risk for incidents of child labor	Gudeng Precision does not employ child labor or young workers in hazardous work.	-

GRI 414: Supplier Social Assessment 2016

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
Sustainable Supply Chain; Risk Management	414-1	New suppliers that were screened using social criteria	2.3 Sustainable Supply Chain - Supplier Management Process	54
Sustainable Supply Chain; Risk Management	414-2	Negative social impacts in the supply chain and actions taken	2.3.2 Supplier Risk Assessment and Investigation	58

GRI 418: Customer Privacy

Material Topics	Disclosure	Disclosure Content	Chapter / Topic	Page
Information Security; Customer Relationship Management	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No complaints were reported in 2025.	-

Sustainability Accounting Standards Board (SASB) Content Index

Gudeng Precision selected applicable metrics from the SASB Materiality Map covering 11 sectors and 77 industries. Sector: Technology & Communications | Industry: Semiconductors.

Disclosure Topic: Greenhouse Gas Emissions

Metric Code	Accounting Metric	Report Content / Description
TC-SC-110a.1	(1) Scope 1 global gross emissions; (2) Total emissions from perfluorinated compounds	1. 682.11 metric tons CO2e 2. No perfluorinated compound emissions
TC-SC-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and performance against those targets	Please refer to 4.1 Climate and Energy Management.

Disclosure Topic: Energy Management in Manufacturing

Metric Code	Accounting Metric	Report Content / Description
TC-SC-130a.1	(1) Total energy consumed: (2) Percentage of grid electricity in total energy consumed (3) Percentage of renewable energy in total energy consumed	1. 18,309 GJ 2. 91.0% 3. 0%

Disclosure Topic: Water Management

Metric Code	Accounting Metric	Report Content / Description
TC-SC-140a.1	Located in Areas with High or Extremely High Baseline Water Stress: (1) Percentage of Total Water Withdrawal (2) Percentage of Total Water Consumption	Total water withdrawal: 54.600 million liters Total water consumption: 31.090 million liters None of Gudeng Precision's sites are located in high-risk water-stressed areas.

Disclosure Topic: Waste Management

Metric Code	Accounting Metric	Report Content / Description
TC-SC-150a.1	Total amount of hazardous waste generated from manufacturing and percentage recycled	No hazardous waste was generated in 2025.

Disclosure Topic: Employee Health and Safety

Metric Code	Accounting Metric	Report Content / Description
TC-SC-320a.1	Description of efforts to assess, monitor, and reduce employee exposure to human health hazards	Please refer to 5.6 Occupational Safety and Health.
TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	No such incidents occurred in 2025.

Disclosure Topic: Recruitment and Management of Global Professional Talent

Metric Code	Accounting Metric	Report Content / Description
TC-SC-330a.1	Percentage of employees who require a work visa	11.5% of employees require a work visa. Please refer to 5.1 Diversity and Inclusion, Happy Workplace.

Disclosure Topic: Product Life Cycle Management

Metric Code	Accounting Metric	Report Content / Description
TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Not applicable.
TC-SC-410a.2	Processor energy efficiency at a system level for: (1) servers, (2) desktops, and (3) laptops	Not applicable.

Disclosure Topic: Raw Material Procurement

Metric Code	Accounting Metric	Report Content / Description
TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	Please refer to 2.3 Sustainable Supply Chain.

Disclosure Topic: Intellectual Property Protection and Competitive Behavior

Metric Code	Accounting Metric	Report Content / Description
TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	No such incidents occurred in 2025.

Disclosure Topic: Activity Metrics

Metric Code	Accounting Metric	Report Content / Description
TC-SC-000.A	Total production	623,270 pcs
TC-SC-000.B	Percentage of production from owned facilities	100%

Regulations Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies

	Item	Implementation Status
1	Board and management oversight and governance of climate-related risks and opportunities	Gudeng Precision's Board of Directors is the highest oversight body for climate-related risks and opportunities and incorporates climate issues into the Company's overall governance framework and strategic planning. The Board regularly reviews the potential impacts of climate change on operations, finance and strategy, and oversees the effectiveness and implementation of climate risk management mechanisms. To strengthen governance effectiveness, the Board authorizes the Sustainable Development Committee to coordinate the planning and implementation of climate strategies and decarbonization targets, oversee the completeness of related disclosures and the appropriateness of risk management processes, and assess the incorporation of sustainability and decarbonization performance into senior management performance evaluations and remuneration mechanisms. At the management level, the Chairman (also serving as CEO) is the highest person responsible for climate governance and integrates cross-functional resources. The Sustainability Office and relevant functional units conduct climate risk identification, scenario analysis, decarbonization action plans and performance tracking, and regularly report progress and improvement plans to the Board and functional committees, forming a closed-loop governance mechanism of Board oversight, management execution and regular feedback.
2	Effects of identified climate risks and opportunities on business, strategy and finance over the short, medium and long term	The Company identifies climate-related risks and opportunities in accordance with the TCFD framework and assesses their impacts on business, strategy and finance over the short, medium and long term. Short term (1-3 years): key risks include implementation of climate regulations, carbon fees, rising stakeholder expectations for carbon disclosure and renewable electricity use, and extreme-weather impacts on operational stability. The Company has strengthened carbon management, energy-efficiency measures and resource circularity. Medium term (3-10 years): carbon pricing and carbon border adjustment mechanisms may increase export costs; the Company therefore needs to accelerate low-carbon process and product R&D and strengthen supply-chain decarbonization collaboration. Technology upgrades and R&D investment may increase capital expenditures, but support continued market competitiveness. Long term (10-30 years): as the energy transition deepens, the Company will progressively increase renewable energy use and self-generated green electricity, reduce carbon-cost exposure, create green brand value, and build long-term competitive advantages.
3	Financial impacts of extreme-weather events and transition actions	The Company evaluates the financial impacts of transition and physical risks in accordance with the TCFD framework. Financial impacts of transition actions: as net-zero policies progress, the Company expects decarbonization-related costs, including investments in energy-saving and carbon-reduction equipment, process-improvement expenditures, renewable-energy deployment costs and carbon-credit purchases, which may increase capital expenditure and operating costs. However, improved energy efficiency and low-carbon transition planning can reduce future carbon-fee and carbon-pricing exposure and maintain market competitiveness. Financial impacts of extreme-weather events: rising temperatures may increase electricity costs and operating expenses; sudden heavy rainfall and flooding may cause site inundation, equipment damage, cleanroom contamination and production suspension, leading to asset impairment and revenue interruption. Extreme weather may also disrupt ports, logistics and raw-material supply, resulting in delivery delays, higher logistics costs and contractual penalty risks, which may affect customer relationships and revenue stability. To mitigate these impacts, the Company has strengthened drainage and flood-control facilities, BCPs, diversified supply sources and safety-stock management to improve operational resilience and control potential financial risks.
4	Integration of climate-risk identification, assessment and management into the overall risk management system	The Company has incorporated climate change into its overall risk management system and existing Business Continuity Management (BCM) mechanism. Climate issues are integrated into the annual risk-identification process. The Business Continuity Management Committee identifies material climate issues based on external climate policy trends, industry developments and internal operating conditions, including impacts from net-zero policies, water and electricity shortages or interruptions, natural disasters, extreme-weather events and reputational risks. During assessment, climate risks are incorporated into the overall corporate risk matrix based on likelihood and impact, and their potential effects on operations, finance and strategy are evaluated. During management, responsible units formulate response strategies and action plans, including enhanced energy management, decarbonization transition, Business Continuity Plans (BCPs), and improved supply-chain resilience, with regular follow-up on improvement results. The Sustainability Office also convenes a cross-functional TCFD project team to conduct materiality analysis and tiered assessment of transition risks, physical risks and opportunities in accordance with the TCFD framework, and progressively integrates this assessment mechanism into BCM to form a complete closed-loop governance process of identification, assessment, management and oversight, with regular reporting to the Sustainable Development Committee and the Board.

	Item	Implementation Status
5	If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analytical factors, and key financial impacts used should be disclosed.	The Company conducts scenario analysis in accordance with the TCFD framework to assess its operational resilience to climate-related risks. The scenario assumes that global temperature rise is limited to 2° C and is based on publicly available data from relevant international climate models. 1. Scenario and Key Assumptions: (1) Accelerated global implementation of net-zero policies and carbon pricing mechanisms; (2) Gradual increases in carbon fees/carbon prices; (3) Greater penetration of renewable energy; (4) Rising energy costs and increased investment needs for technological transition; and (5) Increased frequency of extreme weather events. 2. Analytical Factors and Parameters: (1) Carbon pricing levels and changes in GHG emissions; (2) Fluctuations in energy prices; (3) Capital expenditure requirements for energy efficiency and carbon reduction; (4) Risk of operational disruptions caused by extreme weather events; and (5) Changes in market demand and customers' low-carbon requirements. 3. Key Financial Impacts: In terms of transition risks, the Company may face higher investments in energy-saving equipment, process improvement expenditures, and carbon credit procurement costs, which may affect its capital expenditure and operating cost structure. In terms of physical risks, climate change may increase energy costs and heighten the risks of operational disruptions and asset losses.
6	If the Company has a transition plan to address and manage climate-related risks, disclose the contents of the plan, as well as the metrics and targets used to identify and manage physical and transition risks.	Over the past two years, Gudeng Precision has implemented the "Gudeng Precision Supply Chain Low-Carbon Transformation Program" to systematically address climate-related physical and transition risks, supported by a data-driven management mechanism for risk identification, management, and tracking. Transition Plan: In response to the stringent ESG and carbon disclosure requirements of international customers, the Company partnered with 12 core suppliers to promote low-carbon transformation. The program included completion of ISO 14064-1 organizational GHG inventory verification and development of a digital carbon management platform comprising three major modules: (1) Organizational GHG inventory based on the GHG Protocol; (2) ISO 20400 sustainable procurement management; and (3) ISO 14067 product carbon footprint management. During the program period, cumulative carbon reductions across the supply chain exceeded 13,000 tCO_2e, while electricity savings reached 19.22 million kWh. At the Company's Tree Valley Plant, process improvements, optimization of compressed air and air-conditioning systems, renewable energy adoption, and resource circulation initiatives achieved annual reductions of 3,003 tCO_2e. The successful model has subsequently been extended across the supply chain to establish a replicable carbon reduction management framework. To effectively identify and manage climate-related physical and transition risks, the Company has established quantitative metrics and specific targets and incorporated them into its annual operational and performance management mechanisms. Transition Risk Metrics and Targets (1) GHG Management Metrics: GHG emissions and product carbon footprint assessments Targets: Reduce GHG emissions intensity by 2% annually; conduct ISO 14067 product carbon footprint assessments for key products. (2) Energy Management Metrics: Renewable energy generation and consumption, and energy-saving performance Targets: Achieve RE60 by 2030, RE90 by 2035, and RE100 by 2040; reduce electricity consumption per unit of revenue by 2% annually. (3) Sustainable Supply Chain Management Metrics: Supplier GHG inventory coverage and progress of the carbon management platform Targets: Establish a dedicated carbon management platform; assist 12 suppliers in obtaining ISO 14064-1 verification; and implement ISO 20400 Sustainable Procurement guidelines. To address physical risks such as extreme weather, water scarcity, and unstable energy supply, the Company has established the following management mechanisms: (1) Water Resource Management Metrics: Water recycling rate and water-use efficiency Targets: Reduce water consumption per unit of revenue by 3% annually and achieve a process water recycling rate of 85%. (2) Product Design and Resource Efficiency Metrics: Waste generation and recycling/reuse rate Targets: Reduce waste generation per unit of revenue by 2% annually and achieve a waste recycling and reuse rate of 80%.

	Item	Implementation Status
7	If internal carbon pricing is used as a planning tool, the basis for determining the carbon price should be disclosed.	The Company uses a Shadow Price as a planning tool for internal carbon pricing and incorporates it into major investment and equipment-procurement decisions. When evaluating new equipment or process-improvement options, estimated carbon emissions are multiplied by the internal carbon price and included as an implicit carbon cost in addition to traditional financial metrics such as return on investment and payback period. The internal carbon price is based on domestic carbon-fee policies and international carbon-market trends, expected future abatement technology costs and carbon-fee exposure under the net-zero transition pathway, and industry characteristics and customer requirements for low-carbon products. By internalizing carbon costs in advance, the shadow-price mechanism directs capital expenditure toward lower-carbon and higher-efficiency investments, reduces future financial impacts from carbon pricing, and strengthens climate-transition resilience.
8	If climate-related targets have been established, the Company should disclose the activities covered, the scope of GHG emissions, the implementation timeline, and annual progress toward the targets. If carbon offsets or Renewable Energy Certificates (RECs) are used to achieve such targets, the source and quantity of the carbon reduction credits offset, or the number of RECs used, should also be disclosed.	The Company has established multiple climate-related targets covering greenhouse gas reduction, energy transition, water efficiency, and low-carbon supply chain management, with clearly defined emissions scopes, implementation timelines, and annual tracking mechanisms. 1. Activities Covered and Emissions Scopes The climate-related targets cover the Company's own operations, including manufacturing processes, equipment, and energy use, as well as supply chain management. GHG inventories are conducted in accordance with ISO 14064-1, covering Scopes 1, 2, and 3. 2. Key Climate-Related Targets and Timelines (1) GHG Management Target: Reduce GHG emissions intensity by 2% annually. Scope: Primarily Scopes 1 and 2, with gradual expansion to Scope 3. Timeline: Ongoing annual reduction target. (2) Energy Transition Targets (Renewable Energy) ・Achieve RE60 by 2030 ・Achieve RE90 by 2035 ・Achieve RE100 by 2040 ・Reduce electricity consumption per unit of revenue by 2% annually (3) Supply Chain Decarbonization Targets (Scope 3 Management) ・Assist 12 suppliers in completing ISO 14064-1 verification ・Establish a dedicated carbon management platform ・Promote ISO 14067 product carbon footprint assessments 3. Annual Progress Tracking The Company regularly consolidates emissions data and carbon reduction performance through its digital carbon management platform. Key indicators, including GHG emissions intensity, electricity savings, renewable energy usage, and supplier GHG inventory coverage, are reviewed annually, with implementation progress reported to the Sustainable Development Committee and the Board of Directors. In recent years, cumulative carbon reductions across the supply chain have exceeded 13,000 tCO_2e, while a single Company site has achieved annual carbon reductions of approximately 3,000 tCO_2e, demonstrating steady progress toward the Company's established climate targets.
9	GHG inventory and assurance status, reduction targets, strategies, and specific action plans are disclosed separately in Sections 1-1 and 1-2.	Please refer to Chapter 4 Sustainable Environment, Section 4.1.4 Metrics and Targets and Section 4.1.5 GHG Inventory.

Sustainability Report Assurance Statement



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Independent Assurance Statement

To the Management and Stakeholders of GUDENG PRECISION INDUSTRIAL CO., LTD:

DQS has been engaged by GUDENG PRECISION INDUSTRIAL CO., LTD. ("GUDENG") to provide independent assurance over the Sustainability Report 2025. The engagement took place in April 2026.

The objective of this assurance engagement was to independently express conclusions on underlying reporting processes and validate qualitative and quantitative claims, so as to limit misinterpretation by stakeholders and increase the overall credibility of the reported information and data.

Scope of assurance and standards

The assurance encompassed the entire sustainability report and focused on all figures, statements and claims related to sustainability during the reporting period from January 2025 to December 2025.

The assurance engagement was performed with reference to the AA1000 Assurance Standard (AA1000AS v3) and GRI Standards 2021 of Global sustainability standard board (GSSB), which consists of:

- Evaluating GUDENG's sustainability framework and processes using the inclusivity, materiality, responsiveness and impact criteria of the AA1000 AccountAbility Principles (AA1000AP 2018).
- Evaluating the quality of the reported sustainability performance information – Economy, Environment and People (including Human Rights), the period from 1 January 2025 to 31 December 2025.
- The financial information is the same as the scope of the 2025 consolidated financial report of GUDENG Group. Non-financial information (such as Economy, People (including Human Rights)): GUDENG Taicheng Headquarters, Fuxing Factory, Taiwan Tree Valley Factory, Tainan Science Park Factory.
- GUDENG is responsible for the issuance, response, performance data, case studies and the information related to management sustainability related data and information systems.
- The report is with reference to the requirements of GRI Standards 2021.

Level of assurance

A Type 1 Moderate Level of assurance under AA1000AS v3 was provided for this engagement which contains information and performance data subject to assurance is limited to the scope described above.

DQS Taiwan Inc.
8F, 2-3, Yuan Huan West Road,
Hsing Yuan Dist., Taichung City
Taiwan 420014

Accredited as: IT-1000
www.dqsglobal.com



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Limitations

The assurance did not cover financial data, GHG emissions, technical descriptions of buildings, equipment and production processes or other information not related to sustainability.

The assurance engagement is not a compliance audit and does not assess or evaluate compliance with applicable laws and regulations.

Independence and Competences of the Assurance Provider

The DQS Group is an independent professional services firm that provides assurance on sustainability disclosures under the Global Reporting Initiative (GRI), CDP and other specialized management and reporting mechanisms. Independent verifiers have not been involved in the development of the report or have they been associated with GUDENG sustainability programs, data collection or strategic processes.

DQS Group ensures that the assurance team possesses the required competencies, maintained neutrality and performed ethically throughout the engagement. Further information, including a statement of impartiality, can be found at: www.dqsglobal.com.

The management of GUDENG was responsible for the preparation of the sustainability data.

Assurance Methodology

The assurance procedures and principles used for this engagement were drawn from the International Standard AA1000AS and methodology developed by DQS, which consists of the following steps:

1. Identifying statements and data sets, which are classified according to the relevant data owners and the type of evidence required for the verification process.
2. Reviewing the Sustainability Report to determine whether the material topics identified during our procedures have been adequately disclosed.
3. Carrying out interviews with key functional managers and data owners at GUDENG office in No. 7, Zhongxing Rd., Taicheng Dist, New Taipei County, Taiwan, R.O.C.
4. Assessing the collected information and provide recommendations for immediate corrections where required or for future improvement of the report content.

Evaluation of the adherence to AA1000 AccountAbility Principles

Inclusivity – *People should have a say in the decisions that impact them*

GUDENG identified and communicates with the stakeholders based on their activities and industry sessions as well as reference the previous report. For future reports, a more systematic approach was recommended to identify key stakeholders and assess sustainability issues, aiming to improve both accuracy and comprehensiveness.

DQS Taiwan Inc.
8F, 2-3, Yuan Huan West Road,
Hsing Yuan Dist., Taichung City
Taiwan 420014

Accredited as: IT-1000
www.dqsglobal.com



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Materiality – *Decision makers should identify and be clear about the sustainability topics that matter*

The materiality topics referred to the major themes from the previous year, sustainable trends, and gathering issues of concern from peers, materiality topics are identified through internal analysis and discussions. For further report, the management of material topics should be firmly aligned with the establishment of medium and long-term goals, ensuring that the content is complete and consistent.

Responsiveness – *Organizations should act transparently on material sustainability topics and their related impacts*

GUDENG is responding to those issues that it has identified as material and demonstrates this in ESG performance indicators. The organization and its stakeholders can use the reported ESG information as a reasonable basis for their opinions and decision-making. When establishing measurable medium to long-term goals for identified material topics, for future reports should place greater emphasis on aligning with the relevant thematic guidelines.

Impact – *Organizations should monitor, measure and be accountable for how their actions affect their broader ecosystems*

GUDENG has implemented systems to monitor and measure its economy, environment and people (including human rights) impacts through selected performance indicators based on the GRI standards. To develop a robust and comprehensive framework for reporting sustainability data, with an emphasis on ecosystems is welcome.

Conclusion

On the basis of AA1000AS v3 type 1 moderate assurance engagement according to the above-listed criteria, nothing has come to our attention that causes us to believe that the disclosures within the scope of this assurance engagement are materially misstated. The processes for collecting and consolidating the data are structured in such a way as to enable independent verification.

On behalf of the assurance team

August 4, 2026

Taiwan

Bob Chen

Managing Director
DQS Taiwan Inc.

DQS Taiwan Inc.
8F, 2-3, Yuan Huan West Road,
Hsing Yuan Dist., Taichung City
Taiwan 420014

Accredited as: IT-1000
www.dqsglobal.com

Restatements of Information

Reason for Restatement	Section	Before Restatement	After Restatement	Page
Change in definition of temporary workers	5.1 Diversity and Inclusion, Happy Workplace	Employees under fixed-term contracts that expire at a specified time or upon completion of a specific task or event with an assessed timeframe.	Non-employee workers hired by outsourced service providers, contractors or staffing agencies who work at Company sites or provide services to the Company, including cleaning, security, catering and engineering personnel.	112
Change in formula for new employee retention rate	5.1 Diversity and Inclusion, Happy Workplace	(Number of newly hired employees remaining employed during the year) / (Total number of employees at year-end)	(Number of new hires - Number of new hires who left) / Number of new hires	110

Changes in Material Topics

2024 Material Topic	2025 Material Topic	Change	Reason
Quality Management	Quality Management	Maintained	No change in level of concern.
Sustainable Supply Chain	Sustainable Supply Chain	Maintained	No change in level of concern.
Technological Innovation	R&D / Technological Innovation	Topic name revised	The substance of the topic did not materially change; the title was revised to better reflect the Company's R&D investment and innovation management practices.
Climate and Energy Management	-	Removed	Based on this year's materiality analysis, the topic ranked relatively lower and was not included as a material topic.
Water Resources and Waste Management	-	Removed	Based on this year's materiality analysis, the topic ranked relatively lower and was not included as a material topic.
Talent Attraction and Retention	Talent Attraction and Retention	Maintained	No change in level of concern.
Talent Development	Talent Development	Maintained	No change in level of concern.
Information Security	Information Security	Maintained	No change in level of concern.
Human Rights	-	Removed	Under GRI 2021, human rights are incorporated into the Universal Standards applicable to all organizations and therefore do not need to be separately identified as a material topic.
Occupational Safety and Health	Occupational Safety and Health	Maintained	No change in level of concern.
Social Inclusion	-	Removed	Based on this year's materiality analysis, the topic ranked relatively lower and was not included as a material topic.
-	Inclusive Workplace	Added	Employee care, diversity and equality, workplace environment and employee well-being increased in importance and were newly identified as a material topic.
-	Operating Performance	Added	Operating growth, financial performance and long-term competitiveness have significant impacts on sustainable operations and stakeholder decision-making.
-	Labor-Management Relations	Added	Added to strengthen employee communication, labor-management coordination and protection of employee rights, and to respond to stakeholder concerns regarding stable labor relations.
-	Customer Relationship Management	Added	Customer satisfaction, service quality, partnerships and market trust have significant impacts on operational stability and competitiveness.
-	Risk Management	Added	Added in response to increased uncertainty in the external business environment, market demand, regulatory compliance, financial and investment decisions, and internal controls.

Participation in Industry Associations

To maintain industry competitiveness and sustain long-term development momentum, Gudeng Precision actively participates in relevant industry associations and maintains constructive relationships with industry and academic institutions. Through industry-academia exchange, cross-sector collaboration and information sharing, the Company is able to keep abreast of market dynamics, industry trends, technological innovation and policy developments. These insights serve as important references for operational decision-making, technology deployment and sustainability strategy planning, further strengthening forward-looking positioning and long-term competitive advantages.

Industry Association	Position
SEMI (Semiconductor Equipment and Materials International)	Member
Science Park Industries Association	Director
Taiwan Semiconductor Industry Association (TSIA)	Member
Taiwan Association of Sustainable Supply Chains (TASS)	Member
Taiwan Aerospace Industry Association	Member
National Youth Entrepreneurship Association	President
National Association of Small and Medium Enterprises	Member
Taiwan Precision Machinery and Mold Strategic Alliance	Member
Corporate Governance Association of the Republic of China	Member
China Productivity Center - National Elite Alliance for Sustainability	Member
New Taipei City Tucheng District Association of Industry and Commerce	Member
Tainan Real Estate Development Business Association	Member
Chinese Excellence Business Association	Member

External Initiatives

Corporate social responsibility is not a static obligation, but a dynamic management process that evolves with the business environment, international trends and stakeholder expectations. To respond to changing stakeholder concerns and needs and continuously review the Group’ s sustainability management approaches and implementation performance, Gudeng Precision actively benchmarks international sustainability initiatives, standards and frameworks. These serve as the basis for strengthening sustainability governance, refining management practices and improving disclosure quality. Through continuous adoption of and response to international standards, the Company seeks not only to improve its own sustainability performance, but also to leverage its industry influence and work with value-chain partners to advance the sustainable transformation of the overall industry.

Frameworks and initiatives:

- SASB (Sustainability Accounting Standards Board)
- RBA (Responsible Business Alliance)
- UN Global Compact
- SDGs (United Nations Sustainable Development Goals)

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Gudeng Precision

ESG Hub

Questionnaire

BE THE FIRST-CHOICE PARTNER
WITH GLOBAL LEADING SEMICONDUCTOR COMPANIES
BY OFFERING INNOVATIVE CRITICAL MATERIALS TECHNOLOGY



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