

# GLOBALTEK

Global Tek Fabrication Co., Ltd.

2023 ESG REPORT



**GLOBALTEK**

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# 1 Overview

1.1 About the Report

1.2 Message from the President

1.3 Honors and Sustainable Achievements

1.4 Company Profile

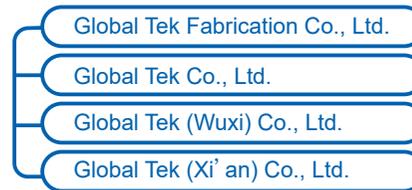


# 1.1 About the Report

Global Tek Fabrication Co., Ltd. publishes its annual sustainability report on the Company's official website. The 2023 sustainability report is the second report issued by Global Tek, with the main sections focusing on "Sustainable Governance", "Corporate Governance", "Value Creation and Shared Prosperity in the Supply Chain", "Green Manufacturing", "Happy Workplace", and "Social Care". The report details and showcases the efforts and achievements of Global Tek Group in 2023 concerning sustainability issues, management strategies, and performance in economic, governance, environmental, and social aspects. Through the release of this report, Global Tek hopes to continuously listen to the expectations and feedback of different stakeholders, using this input as a guide for ongoing improvements along the path of sustainability.

## Reporting Period and Scope

The report information disclosure period is from January 1, 2023 to December 31, 2023. To ensure the completeness of the report, part of the report is also disclosed by way of Global Tek Group, including the description of the cases, management policies, and goals before and after 2023.



## Basis of Preparation of the Report

The structure of this report uses the Universal Standards 2021 issued by the Global Reporting Initiative (GRI) as the primary disclosure framework. It also aligns with the standards of the Sustainability Accounting Standards Board (SASB), the United Nations Sustainable Development Goals (SDGs), and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Furthermore, it follows the "Guidelines for Preparing and Reporting Sustainability Reports" established by the Taipei Exchange.

the general manager and Chairman for approval before publication, and external verification is conducted to ensure the quality of the report. We also continue to improve the layout of the report so that stakeholders can read it clearly and quickly to understand the goals and effectiveness of Global Tek when it comes to sustainability issues .

### External Verification and Declaration

This report has been commissioned for independent verification by AFNOR Asia Ltd., using the AA1000 assurance standard, Type 1, moderate assurance level, to ensure that the disclosed information complies with the principles of Inclusivity, Materiality, Responsiveness, and Impact. Please refer to Appendix 4 for the contents and statements of AFNOR's assurance report; for the GRI, TCFD and SASB content index, please refer to Appendices I, II and III.

## Report Management

### Internal Review and Assurance

The topics in this report were identified through substantive analysis and selected during the process of discussion with stakeholders to determine the priority order, which is used as the reference basis for the information disclosure of the report.

After the reports are compiled by each plant/department according to their responsibilities, they are submitted to the "Sustainable Development and Risk Management Committee" for the editorial team to consolidate and edit. The heads of each promotion center under the Sustainable Development and Risk Management Committee then review and revise the reports. Following administrative procedures, the final version is submitted to

Basis of data calculation: The statistical data disclosed in this report is derived from the Company's own statistics and surveys. Financial data is sourced from financial information certified by Ernst & Young, and financial statement figures are calculated in New Taiwan Dollars (NT\$). Occupational safety and health-related performance is expressed using internationally recognized indicators. If there are any estimates or assumptions, they will be explained in the relevant context. Compared with the previous version of the ESG report, any changes in this report will be noted in the text.

Management system: The management system includes ISO 9001, PEDM, NADCAP, IATF 16949, ISO 14001, AS 9100, ISO 13485 , and ISO 14064-1, all of which have been externally audited and certified.

## Overview of Report Issuance

First publication: 2023

Current publication: Issued in August 2024.

Next publication: Scheduled for June 2025.

The reports from previous years are all published in the Sustainable Development section of Global Tek's website.

## Contact Information of the Report

If you have any questions or suggestions about the contents of this report, you are welcome to reach us at the following contact information:

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 Corporate website: <https://www.globaltek.com.tw/en/globaltek-mainpage/>  
 Sustainability section: <https://www.globaltek.com.tw/en/corporate-social-responsibility-2/>





## 1.2 Message from the President

After the pandemic eased off and the world gradually recovered, 2023 ushered in the challenges of high inflation, high interest rates, end market inventory depletion, an increase in geopolitical conflicts, and depreciation of the Japanese yen. These factors led to widespread difficulties in Taiwan's machine tool market and related precision machining industries. In addition, the electric vehicle market has reshaped the industry structure. The increasing proportion of electronic semiconductors in automotive applications has gradually replaced the demand for traditional precision machining parts. Coupled with the overall economic downturn in China, the impact of the Russia-Ukraine war, and the Israel-Arab conflict, the global economy has been significantly affected. Aside from a few specialized industries that can maintain stability or growth, most general industries have declined by more than 20%. Although Global Tek has not been immune to this, with a 16% drop in revenue growth in 2023 compared to 2022, it still remains committed to diversifying into niche markets. The aerospace industry has rebounded, resulting in a 12% revenue growth for Global Tek's aerospace division in 2023 compared to 2022. Through strong intervention and support, the aerospace company AvioCast Inc., in which Global Tek has invested, also turned its losses into profits. Under the dedicated management of its supervisors and the continuous improvement efforts with full mobilization of the team, Xi'an team is one of the few teams that has managed to maintain positive growth. Although Xi'an team's revenue accounts for 15% of the Group's total, their success in small but efficient operations has become a model for other factories within Global Tek Group, both now and in the future.

Lao Tzu once said "When the moon is full, it begins to wane; when water is full, it overflows; when things reach an extreme, they reverse". The cyclical nature of industries is also a constant, and businesses must not cling to outdated practices or resist change. Since its establishment in 2000, Global Tek has achieved remarkable results. However, during the financial crisis, the Company faced the harsh challenge of nearly four consecutive years of losses. These difficulties not only provided our team with early experience on how to adapt and make changes in adversity but also strengthened our commitment to continuously optimize and uphold the four key pillars of corporate culture, strategy, organization, and talent. This dedication is essential to achieving true corporate sustainability.

The "State of the Climate Report, 2023: Entering Uncharted Territory" pointed out that carbon dioxide, methane, and nitrous oxide emissions, global temperatures, and the rise in sea level have all reached record highs, while the Greenland ice sheet and Antarctic sea ice have receded to record lows. With uncertain industrial and economic prospects and the ongoing challenge of extreme climate events testing the resilience and adaptability of businesses, we deeply understand the importance of sustainability issues and their impact on the economy. In response to climate change, Global Tek is actively aligning with global sustainable development efforts. Following the framework of the Task Force on Climate-Related Financial Disclosures (TCFD), we focus on four key areas of "governance", "strategy", "risk management", and "metrics and targets" to disclose our management mechanisms for addressing climate change and to identify the financial impacts of short, medium, and long-term climate risks and opportunities. Based on the considerations of sound management and sustainable development, the Board of Directors was established on November 8, 2022

The "Sustainable Development and Risk Management Committee" oversees the "Risk Management Promotion Committee", which has established "Risk Management Policies and Procedures" as the highest guiding principles for risk management. These principles clearly define various types of risks, including operational risk, financial risk, compliance risk, environmental and climate change risk, human resource risk (including human rights), and technological and industrial change risk. Comprehensive risk assessments are conducted at least twice a year, and improvement methods are proposed to meet the needs of the operating environment.

Starting in 2022, we will continue to promote greenhouse gas inventory and third-party verification in accordance with ISO 14064-1 every year. The carbon reduction targets are in line with the government's response to Article 6 of the Paris Agreement, and the carbon reduction roadmap announced by the Executive Yuan at the end of 2022 shall prevail. Global Tek will continue to optimize the base year of 2022 to comply with regulatory requirements.

President of Global Tek Group  
Huang, Ya-Hsing



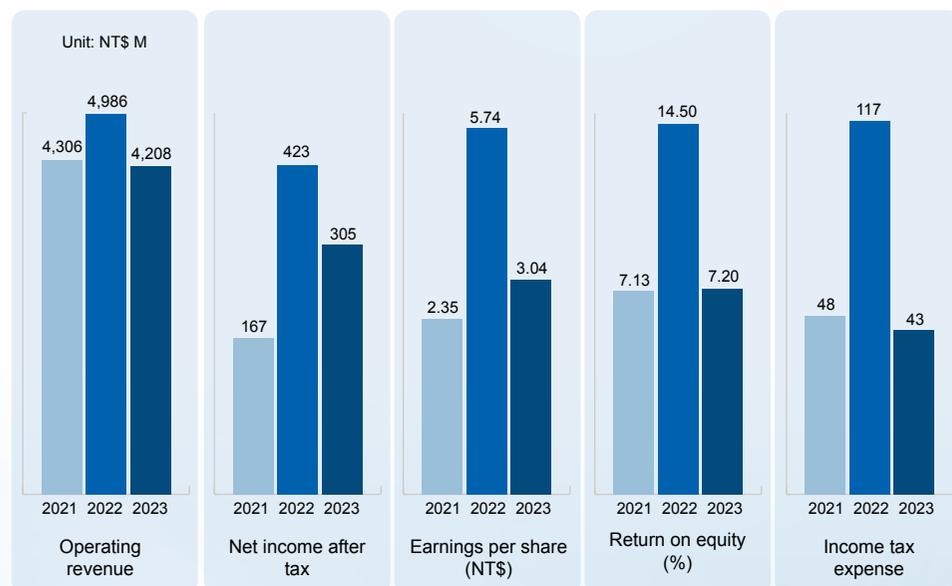


# 1.3 Honors and Sustainable Achievements

## Economic Performance

Global Tek Group continues its efforts to further enhance business performance to create more business opportunities. We constantly improve and implement various strategies to fulfill relevant social responsibilities, and at the same time enhance the recognition and influence of the corporate brand to strengthen competitiveness. We firmly believe that being active and hardworking will enable us to explore more business opportunities, and at the same boost the Global Tek brand and improve our competitive position in the market. The following table shows the Company's operating results in the past three years.

In 2023, global economic growth proved to be more resilient than expected, even as it slowed down. Although the automotive and aerospace industries have shown signs of recovery, the industrial applications sector, particularly bicycles and semiconductors, faced headwinds from high inventory levels. Also, the global geopolitical risks triggered by the COVID-19 pandemic and the Russia-Ukraine war have exacerbated supply chain disruptions and production delays. The geopolitical instability caused by the war has led to traffic blockades, trade restrictions, and the withdrawal of suppliers, undermining the stability of the supply chain. Due to the difficulty in predicting the availability of products and responding to market changes, Global Tek's operating revenue declined by 16% in 2023, resulting in an excess inventory of customers.



Unit: NTD thousands

Year / Project	2021	2022	2023
Operating revenue	4,305,940	4,986,366	4,208,458
Gross operating profit	884,776	1,132,512	3,277,842
Operating profit and loss	237,618	407,738	220,583
Non-operating income and expenses	-23,294	131,919	84,841
Pre-tax profit	214,324	539,657	305,424
Net income after tax	166,766	422,850	262,253
Total comprehensive income for the current period	177,649	441,605	230,164
Earnings per share	2.35	5.74	3.04
Amount of employee benefits	9,015	9,689	12,213
Dividends	85,000	173,000	131,000
Employee salary (including employee benefits)	684,275	777,309	684,928
Payments to investors	100,650	124,859	226,501
Payments to the government	5,500	34,346	96,744
Community investment	1,078	1,156	930



## Receive Financial Subsidies from the Government

To encourage businesses to make substantial investments using their profits, thereby improving production technology, product quality, or service standards, in accordance with the provisions of "Industrial Innovation Act", from the filing of additional business income tax on undistributed earnings of 2018, a company or limited partnership, for its core or subsidiary business needs, may, within three years from the year following the fiscal year in which the earnings were generated, invest up to a certain amount of those earnings in the construction or acquisition of buildings, software, hardware, or technology for its own production or business use. Such investment amounts may be deducted when calculating undistributed earnings for that year under the provisions of the Income Tax Act. In addition, to promote economic transformation and upgrading, the Chinese government has formulated relevant preferential measures to encourage companies to apply for new high-tech enterprises. High-tech enterprises are defined as those operating within the "Key Supported High-tech Fields of the Nation", continuously engaging in research and development and converting technological achievements into practical applications. These enterprises build their core intellectual property and use it as a foundation for business activities. They are registered resident enterprises within China (excluding Hong Kong, Macau, and Taiwan). Accredited enterprises will be entitled to a 15% corporate income tax rate and other fiscal and government subsidies. In addition, as a rare national qualification certification, high-tech enterprises have recognized and improved R&D management and enhanced corporate brand influence and competitiveness.

The Company's application for relevant subsidy programs and the receipt of such subsidy programs demonstrate the Company's commitment to the advancement of R&D technology and employee welfare. It is also recognized by government agencies, and upholds and implements the sustainable business philosophy.

Plant area	Item	Subsidized unit	Subsidy amount	
Taiwan Plant	Stable employment program	Ministry of Labor	NTD	420,000
	Taoyuan City Youth Safe Employment Award Program	Taoyuan City Government Employment and Vocational Training Service Office	NTD	30,000
	Salary subsidy program for maternity leave and paternity leave	Bureau of Labor Insurance, Ministry of Labor	NTD	15,930
	Power and utility equipment subsidy program	Bureau of Energy, Ministry of Economic Affairs	NTD	375,000
	Deduction of undistributed earnings applicable to actual investments	Internal Revenue Service	NTD	1,329,995
<b>Total</b>			<b>NTD</b>	<b>2,170,925</b>

Plant area	Item	Subsidized unit	Subsidy amount	
Wuxi Plant	Advantageous plans for personal income tax	National Taxation Bureau	RMB	12,643
	Tax policies to support key groups in entrepreneurship and employment	National Taxation Bureau	RMB	31,200
	One-time Job Expansion Subsidy Program	Wuxi Human Resources and Social Security Bureau	RMB	9,000
	Corporate Job Stabilization Subsidy Program	Wuxi Human Resources and Social Security Bureau	RMB	135,447
	2022 Green Finance Award Program	Xinwu District People's Government	RMB	2,840
	R&D expenses of a high-tech enterprise	National Taxation Bureau	RMB	3,146,864
	Incentives for the placement of people with disabilities	National Taxation Bureau	RMB	18,594
<b>Total</b>			<b>RMB</b>	<b>3,345,570</b>
Xi'an Plant	Advantageous plan for personal income tax burden	National Taxation Bureau	RMB	5,957
	Special program for the development of commercial and trade circulation and foreign economic and trade development	Xi'an Municipal Bureau of Commerce	RMB	74,000
	Incentives for unemployment insurance and stable jobs in Xi'an	Social Security Fund Management Center, Xi'an Economic and Technological Development Zone	RMB	59,042
	Incentive program related to production expansion of Xi'an Municipal Bureau of Finance	Xi'an Municipal Bureau of Finance and Xi'an Municipal Bureau of Industry and Information Technology	RMB	170,000
	Policies related to job expansion subsidy of Shaanxi Provincial Department of Human Resources and Social Security, Shaanxi Department of Education, and Shaanxi Provincial Department of Finance	Social Security Fund Management Center, Xi'an Economic and Technological Development Zone	RMB	1,500
<b>Total</b>			<b>RMB</b>	<b>310,499</b>

Sustainability Honors in 2023



Announced to join the 2023 Taiwan Sustainable Talent Sustainability Action Alliance



Awarded the 2023 Green Enterprise Award



Collions Aerospace Quality Performance Award



Received the 2023 Carbon Disclosure Pioneer Award from Cathay United Bank

Sustainability Achievements in 2023

Environmental	Social	Governance
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- In 2023, Taiwan Xinwu Plant added variable frequency control to the air compressor group control and switched to permanent magnet motors to achieve annual savings of about 7%, reaching the target of 4%.
- The total power generation of solar panels in Wuxi Plant in 2023 reached 473,955kWh, which is in line with the Company's goal of energy conservation and emission reduction.
- A new distillation and recycling system has been added, one for each of Youshi Plant and Xinwu Plant to distill the waste cutting water and alkaline boiling water from the manufacturing process into recycled water, with the expected reduction of waste liquid at 90%.
- In January 2023, Wuxi Plant signed "Corporate Emergency Plan for Environmental Emergencies" and prepared it according to the requirements of the local government's environmental protection authority. Environmental emergency drills are conducted every year.

- In 2023, the Group organized human rights promotions to 1,123 people and the number of hours reached 2,136.
- Insider trading promotion meeting in 2023, a total of 21 people/14 hours.
- In May 2023, the internal learning platform was upgraded to a mobile APP. Learning is no longer limited by time and space, allowing employees to use their spare time learn more flexibly. A total of 83 courses are combined with internal and external resources.
- In 2023, the Company obtained "Healthy Workplace Certification - Health Promotion Label" from the Health Promotion Administration of the Ministry of Health and Welfare.
- Charitable donations totaled NT\$ 1,217,426 in 2023.

- The operating revenue in 2023 was NT\$ 4,208,459.
- Global Tek has 2 female directors, accounting for 28.6%, and 4 independent directors, accounting for 57.1%.
- All self-assessments conducted by the Board of Directors were excellent.
- The corporate governance of TWSE/TPEX listed companies in 2022 was within the 5th tier, between 51% - 65%.
- In March 2023, conducted vulnerability analysis and simulated hacker attacks; in August 2023, conducted remote disaster backup drills for important systems. In 2023, the performance of information security protection was good, and there were no information security incidents.



# 1.4 Company Profile

## Company Profile

Since its establishment, Global Tek has integrated the management experience of foreign companies, the ambition to expand business opportunities in the globalization of electronic technology, and leading-edge precision mechanical processing that is not easy to replicate on a large scale, to create a professional, systematic, and international team in a traditional industry. In the early days of the Company's establishment, we cultivated a core characteristic culture, hoping to build a learning organization and to become an efficient and sustainable enterprise. In diversified niche markets globally, including, automotive, industrial products and aerospace, we have established a full-time one-stop organization to cultivate the differentiated competitiveness of a full range of engineering value proposition services.

## Company Profile

**Company Name**

Global Tek Fabrication Co., Ltd.

**Paid-in Capital**

NT\$ 910,414 thousand

**Nature of Ownership**

Publicly listed company  
(Stock Code: 4566)

**Chairman**

Ms. Liu Tsu-Ying

**Operation Headquarters**

15F, No. 94, Section 1, Xintai 5th Rd., Xizhi District, New Taipei City, Taiwan

## Operating Sites



Taiwan Taipei Headquarters



Taiwan Xinwu Plant



Taiwan Youshi Plant



Wuxi Plant



Xi'an Plant





## Affiliated Enterprises

### Companies directly or indirectly holding 100% of the shares

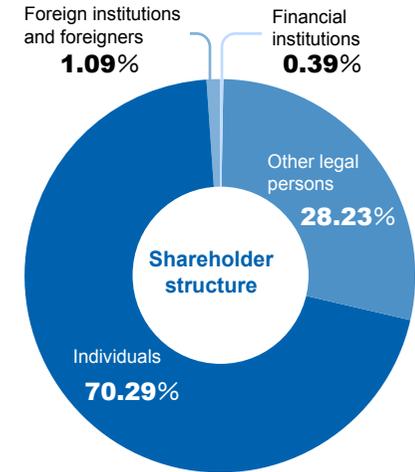
- Investment holding companies:
  - GLOBAL TEK FABRICATION CO., LTD.(Samoa)
  - GLOBAL TEK CO., LTD.
  - GLOBAL TEK FABRICATION CO., LTD.(HK)
- Operation and sales of manufacturing companies:
  - Taiwan/Global Tek Co., Ltd.
  - US/GP TECH, INC. (US)
  - Germany/GLOBAL TEK GmbH
  - Wuxi/Global Tek (Wuxi) Co., Ltd.
  - Xi'an/Global Tek (Xi'an) Co., Ltd.
  - Xi'an Global Tek Machinery Manufacturing Co., Ltd.
  - Global Tek Metal Manufacturing (Shaanxi) Co., Ltd.

### Equity-method investment company

- TOPYES PRECISION METAL PRODUCTS CO., LTD.
- AvioCast Inc.

## Business Philosophy

Leadership in technology, innovation in management, collective efforts, synergy, pursuit of excellence, customer recognition, achievement sharing, and longevity are the business philosophies of Global Tek's management team. We provide comprehensive services for precision metal machining products, with the mission of becoming the best strategic partner for niche global markets and core customers, as well as a benchmark for industry trends. With a shared vision, we have established a core value culture of mutual trust and mutual benefit and fostered a long-term commitment to unity and the ambition to win throughout the entire company, all in pursuit of forming our unique competitive advantage.



Note: This is based on the latest shareholders' book closure date of May 2, 2023.

## Products and Services

Global Tek is a professional precision metal parts processing manufacturer, and its products are sold all over the world, including Taiwan, Asia, Europe, America and other regions. The Company's automotive parts, industrial applications, and aerospace parts are small and diverse customized products. Since its establishment, we have been adhering to the concept of providing customers with quality services, and continue to develop and grow together with leading international brand customers in the industry. Global Tek's customers are mainly enterprises and B2B. We provide one-stop services for Tier 1 customers in the production chain of the automobile and industrial application industries and Tier 2 customers in the aerospace industry.

Global Tek's product portfolio focuses on niche products and global markets to avoid the potential fluctuation of a single concentration of risk on the Company's sales, and both the deployment and application fields focus on diversification. In the automotive sector, aside from expanding our existing business in safety and braking systems for both passenger and commercial vehicles, we are also developing applications within the ecosystems of new energy vehicles (including pure electric vehicles/BEV, hybrid electric vehicles/HEV, and plug-in hybrid electric vehicles/PHEV) and autonomous vehicles. We have successfully entered the electric vehicle market. In China, one of the two major EV sales markets in the world, we have secured supply chains for key core components from leading EV manufacturers and other emerging new energy vehicle manufacturers, such as the BSC brake safety control system and EPS electric power steering systems. The industrial applications include semiconductors, oil and gas exploration, high-end bicycles and electric bicycles, etc. The aerospace application components are mainly thrust reverser actuators and thermal fuel exchange systems on the aircrafts of the world's two largest aviation companies.

## Affiliated Companies and Shareholding Status





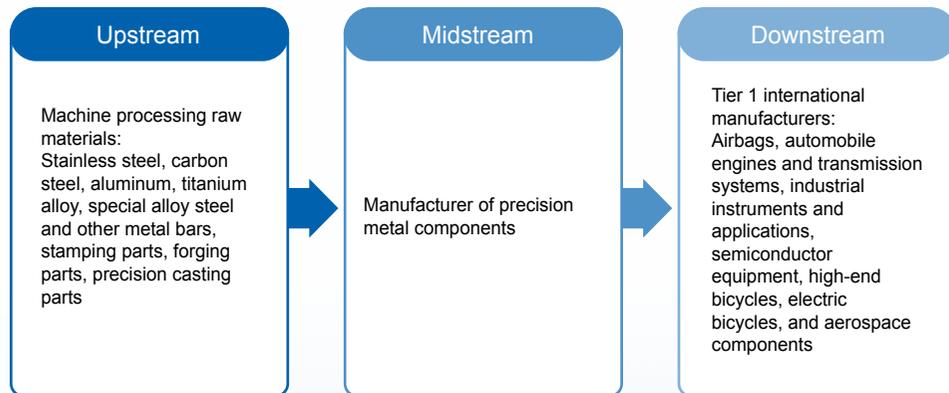
Global Tek Group mainly engages in precision metal machining. The industrial production chain can be illustrated by the diagram below, upstream processes before machining include shape casting, forging, and stamping; after machining, the process involves surface treatment.

Industrial Production Chain

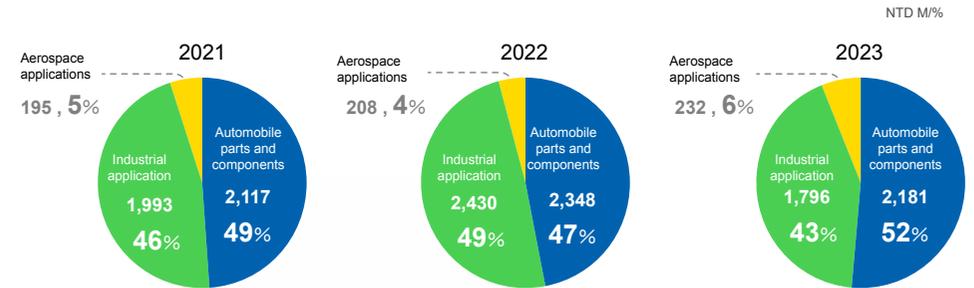


Global Tek is a tier 1 supplier of precision components for the automotive, industrial applications, and aerospace sectors. The upstream supply chain of the industry includes raw materials for machining and related production equipment. The Company procures various metal bars, including stainless steel, carbon steel, aluminum, titanium alloy, special alloy steel, and other metal bars, as well as stamped parts, forged parts, and precision castings. Products include automotive safety and driveline components, industrial instruments, semiconductors, high-end bicycles, electronic bike-related components, and aerospace components. These products are part of the midstream of the industry supply chain; downstream are international Tier 1 manufacturers in various industries, with a wide range of products. The relationship between the upstream, midstream and downstream of the industrial supply chain is as follows:

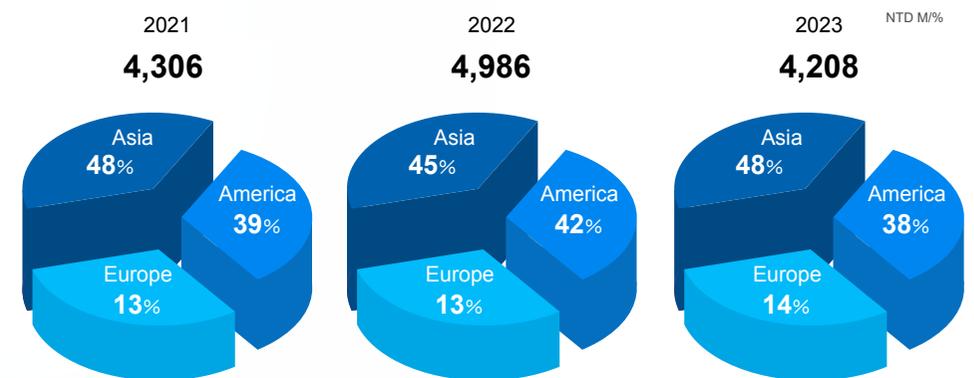
Upstream, Midstream, and Downstream of Global Tek's Supply Chain



Proportion of Product Revenue



Sales Regions



Public Association Participation

Global Tek actively participates in the organization of public associations, and promotes the development of the industry by participating in regular or irregular meetings and activities organized by public associations, as well as through and collaboration with peers, hoping to grow together. In 2023, Global Tek participated in five associations, as shown in the table below:

Region	Taiwan	Mainland China
Category		
Industry	Taoyuan City Industrial Association Youth Expanded Industrial Zone Manufacturers Association Taiwan Aerospace Additive Manufacturing Industry Association	Wuxi City Federation of Labor Unions Labor Union Committee of Xi'an Economic and Technological Development Zone

# 2 Sustainable Governance

The background of the slide features a hand typing on a keyboard, with a large, semi-transparent globe of the Earth positioned to the right. The scene is overlaid with various digital and abstract graphics, including glowing blue and red arrows, a network of lines, and a blue wave-like pattern at the bottom. The overall color palette is dominated by teal and blue tones.

- 2.1 Sustainability Management and Practice
- 2.2 Sustainability Strategic Planning
- 2.3 Stakeholder Engagement and Communication
- 2.4 Identification of Material Topics



## 2.1 Sustainability Management and Practice

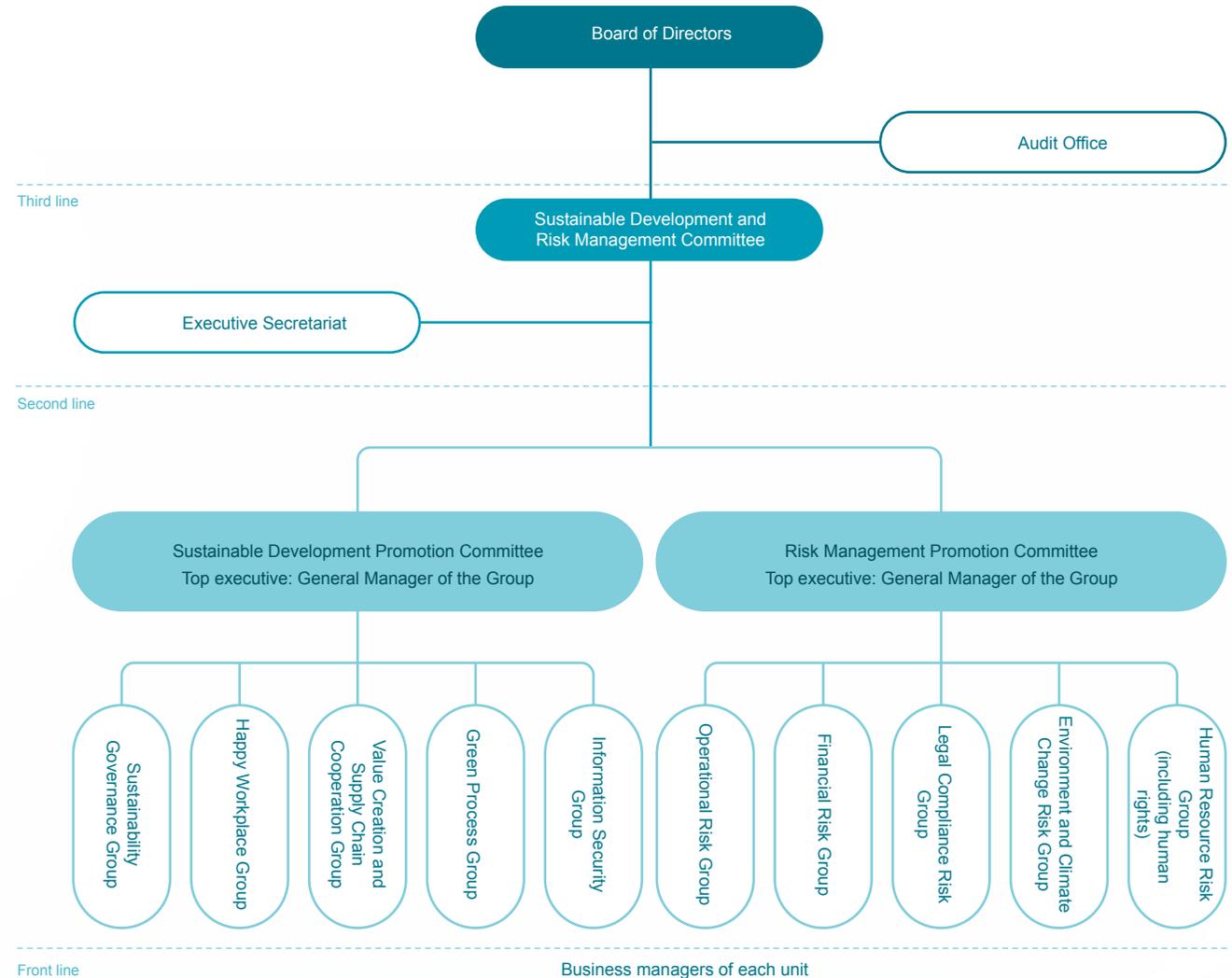
### I. Sustainable Development and Risk Management Committee

On November 8, 2022, Global Tek held the first session of "Sustainable Development Committee" and changed its name to "Sustainable Development and Risk Management Committee" to clearly define the organizational regulations and "Risk Management Policies and Procedures". Meetings are held at least twice a year.

The Sustainable Development and Risk Management Committee is composed of 4 independent directors. Independent Director Professor Chang, Shih-Chia is the convener and the Group's general manager, and forms the implementation team along with plant general managers, group management units and other senior management members. The Group has established the "Sustainable Development Promotion Committee" and "Risk Management Promotion Committee". The general manager of the Group also serves as the convener to guide the implementation of each team's work and report to the Sustainable Development and Risk Management Committee and the Board of Directors on a regular basis. The organization is clearly divided into the first line: the business managers of each unit; the second line: the Sustainable Development Promotion Committee and the Risk Management Promotion Committee; and the third line: the Board of Directors' functional organization, the Sustainable Development and Risk Management Committee.

The Sustainable Development Promotion Committee has established five task groups: Sustainable Governance Group, Happy Workplace Group, Value Creation and Supply Chain Collaboration Group, Green Manufacturing Group, and Information Security Group. Based on the established ESG themes, each task group formulates short, medium, and long-term goals, stays updated on global sustainable development trends, analyzes sustainability issues related to governance, environment, and society, and integrates these with core operations to set strategic sustainability directions and action plans. The Risk Management Promotion Committee is led by the Group's general manager and has established five teams: Operational Risk Team, Financial Risk Team, Legal Compliance Risk Team, Environment and Climate Change Team, and Human Resources (including Human Rights) Risk Team. Master and analyze global sustainability trends, manage sustainability policy goals, and take specific actions. The organizational chart and responsibilities of the Sustainability and Risk Management Committee are shown in the table on the right:

Organizational structure of the Sustainable Development and Risk Management Committee





Description of duties

The decision-making and supervision unit responsible for the Company's sustainable development-related works

Including the three major areas of corporate governance (G), environment (E), and society (S), we aim to strengthen the Company's management system, commit to environmental conservation, and fulfill social responsibility. This enables the Board of Directors to carry out its duty of protecting the rights and interests of the Company, employees, shareholders, and stakeholders.

Responsible for implementing the risk management decisions approved by the Board of Directors

Supervises the establishment of Global Tek Industrial Risk Management Mechanism, and is responsible for supervising the execution and coordination of the overall risk management

The "Sustainable Development and Risk Management Committee" is responsible for formulating relevant procedural documents, incorporating corporate sustainable development into the Company's operations and development, and formulating corporate sustainable development policies, systems, or related management guidelines. The Sustainable Development Promotion Committee and the Risk Management Promotion Committee are responsible for convening the task groups. They prepare the following year's work plans based on the annual business execution status, track the implementation of the current year's work plans, and submit the results to the Executive Secretariat, which consolidates the findings and reports them to the Sustainable Development and Risk Management Committee for review and handling.

II. Operation of the Sustainable Development and Risk Management Committee

The "Sustainability and Risk Management Committee" is chaired by an independent director and reviews the Company's core operating capabilities with the general manager and senior executives to formulate medium and long-term sustainable development plans.

The "Sustainable Development and Risk Management Committee" consists of "Sustainable Development Promotion Committee" and "Risk Management Promotion Committee", which serve as cross-departmental communication platforms. Meetings in 2023 were as follows:

Sustainable Development Promotion Committee	Risk Management Promotion Committee
First meeting : March 30 , 2023 Second meeting : May 29 , 2023 Third meeting : August 22 , 2023 Fourth meeting : December 6 , 2023	First meeting : May 29 , 2023 Second meeting : June 14 , 2023 Third meeting : December 14 , 2023

Through each promotion team, in alignment with the Company's operational goals and the sustainability issues of concern to stakeholders, we formulate responsive strategies and short, medium, and long-term execution plans. These plans are integrated into the annual budget for implementation, with regular tracking of their execution effectiveness.

The "Sustainable Development and Risk Management Committee" reported to the Board of Directors on the implementation results and future work plans of sustainable development twice on May 11 and December 28, 2023, respectively.

The motion content includes:

- 2023 Sustainability Report
- Direction of the Group's specific action plans for carbon reduction targets
- Results of various employee and public welfare activities in 2023
- Identification of risks and opportunities in 2024
- Financial impacts of TCFD climate-related risks

The Company's Board of Directors regularly listens to various business reports from the management team, including operational reports, greenhouse gas inventory reports, and ESG-related reports. The management team is required to propose business strategies to the Board, which must assess the feasibility of these strategies, review their progress, and, if necessary, urge the management team to make adjustments.





Global Tek Group's internal and Board of Directors communication in 2023:

Nature	Major incident	Communication method and frequency	Communication outcome
Environmental aspect	Environment Management	<ul style="list-style-type: none"> <li>Board meeting/quarterly</li> <li>Wuxi Safety and Environmental Protection Conference/once a month.</li> <li>Xi'an Environmental and Safety Conference/once a month.</li> </ul>	<p><b>Taiwan Plant</b></p> <ul style="list-style-type: none"> <li>Prepare the budgeted energy savings and carbon reduction capital expenditure items for 2024 from the perspective of the Group and report to the Board of Directors.</li> </ul> <p><b>Wuxi Plant</b></p> <ul style="list-style-type: none"> <li>From October to November 2023, the government's competent authority, the Bureau of Industry and Information Technology, arranged for a third-party organization to conduct an energy assessment of the plants equipment and ensure that they meet energy-saving requirements.</li> <li>Reducing production pollution is discussed in monthly meetings. Through continuous leak detection and rectification, hazardous waste generation and accidental leakage are controlled. Currently, the annual hazardous waste disposal volume is controlled within the target range.</li> <li>There are a total of 24 green process issues, and we continue to improve them one by one, track relevant issues, and report to the general manager and the Board of Directors when necessary. In 2023, there were no items to be reported.</li> <li>From October to November 2023, the government's competent authority, the Bureau of Industry and Information Technology, arranged for a third-party organization to conduct an energy assessment of the plants equipment to ensure they meet energy-saving requirements. In addition, to reduce production pollution, monthly meetings are held to control the generation and leakage of hazardous waste and ensure that they are within the target range through continuous leak checks and rectification.</li> </ul> <p><b>Xi'an Plant</b></p> <ul style="list-style-type: none"> <li>Twelve green process cases are listed for improvement one by one, and the improvement status will be tracked in the next month.</li> </ul>
Economic aspect	Value Creation and Mutual Benefits in the Supply Chain	<ul style="list-style-type: none"> <li>Meeting of procurement, engineering, and quality departments in Wuxi/once a month.</li> <li>Weekly meeting for production, supply and marketing in Xi'an/once a week.</li> </ul>	<p><b>Wuxi Plant</b></p> <ul style="list-style-type: none"> <li>There were 36 items of value creation and mutual benefits with the supply chain. The supply chain discussed how to maintain quality, improve the procurement process, and ensure suppliers comply with ESG requirements. Each department cooperates and delegates work appropriately and accordingly</li> </ul> <p><b>Xi'an Plant</b></p> <ul style="list-style-type: none"> <li>A total of 48 cases of value creation and supply chain co-satisfaction will be improved item by item, and the improvement status will be tracked in the next month.</li> </ul>





Nature	Major incident	Communication method and frequency	Communication outcome
Economic aspect	Sustainable Governance	<ul style="list-style-type: none"> <li>Board meeting/on a quarterly basis.</li> <li>In addition, the Board meeting may be convened depending on operational needs.</li> </ul>	<p><b>Taiwan Plant</b></p> <ul style="list-style-type: none"> <li>Proposal of cash capital increase for the subsidiary GLOBAL TEK GmbH.</li> <li>Proposal to establish a joint venture company, GLOBAL TEK.</li> <li>Proposal on the Company's purchase of the shares of "AvioCast Inc."</li> <li>2024 annual internal audit plan.</li> <li>The subsidiary intends to apply for a short-term comprehensive credit limit from Shanghai Branch of Cathay United Bank (China) Limited, with the Company providing endorsement and guarantee.</li> </ul> <p><b>Xi'an Plant</b></p> <ul style="list-style-type: none"> <li>Twelve monthly business indicators and future market forecasts.</li> </ul>
Social aspect	Happy Workplace	<ul style="list-style-type: none"> <li>Newsletter/birthday party/once a month.</li> <li>All-hands meeting/once a year.</li> <li>Regularly hold labor-management meetings.</li> <li>Education and training are held on a regular or irregular basis.</li> <li>Comply with relevant occupational safety laws and regulations.</li> <li>Various social care activities are held from time to time.</li> </ul>	<p><b>Taiwan Plant</b></p> <ul style="list-style-type: none"> <li>The Group publishes a monthly e-newsletter to communicate with employees on corporate governance, economic, environmental, social, and workplace issues.</li> <li>Every month, the Company's senior management attends the employee birthday celebration to maintain positive relationships with employees and promote workplace harmony.</li> <li>An all-hands-on-deck meeting is held every year, where the Chairman reports to all employees the operating results for this year and the operating policies and strategies for the coming year, as well as praising senior and excellent employees and thanking them for their hard work.</li> <li>In 2023, four labor-management meetings were held, with a total of six motions.</li> <li>Total hours of group training on related legal compliance issues: 2,136 hours/1,123 person-times.</li> <li>Insider trading prevention training: 14 hours/21 person-times.</li> <li>No violation of relevant occupational safety laws and regulations in 2023.</li> <li>In 2023, activities included a year-end banquet performance and donation event for children with special needs, a beach cleanup at Yongan Fishing Harbor, tree planting at schools in northern, central, and southern Taiwan, and the donation of medical equipment to the Songshan Branch of Tri-Service General Hospital.</li> </ul> <p><b>Xi'an Plant</b></p> <ul style="list-style-type: none"> <li>There were a total of 12 occupational safety compliance items.</li> </ul>
	Information security	<ul style="list-style-type: none"> <li>The IT unit formulates regulations and negotiates with the Chairman for confirmation</li> </ul>	<ul style="list-style-type: none"> <li>The formation of information security management regulations includes the information security risk management framework, information security policies, specific management plans, and resources invested in information security management.</li> <li>In 2023, a total of 36 information security notifications and promotions were made.</li> </ul>

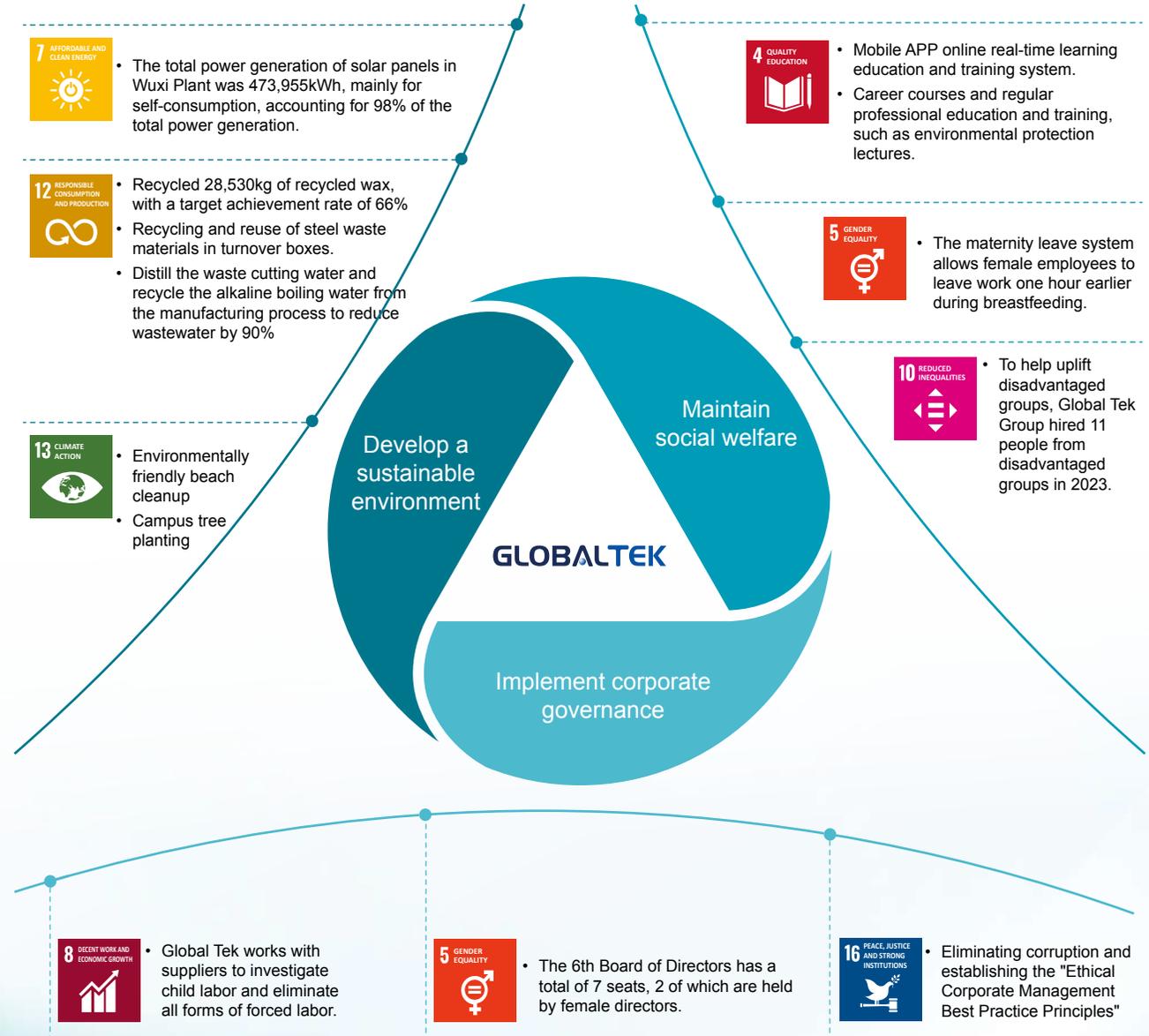




## 2.2 Sustainable Strategic Planning

In line with the Company's spirit: Global Tek Group is a team of determined professionals with high expectations for Taiwan's traditional machining industry. We are committed to deeply rooting ourselves in Taiwan, nurturing a people-oriented learning organization and a lean production management mindset. We uphold the principles of specialization, precision, and strength, without striving for dominance, and aim to grow together by sharing, replicating, and integrating resources through an open approach. We build a platform for strategic partners and employees to gather and integrate, promote sustainable management actions with industrial clusters of symbiosis and co-prosperity, provide precision metal products technical services, and continue to grow healthily in niche markets with quality customers.

In 2023, we reviewed the Group's sustainability vision and the United Nations Sustainable Development Goals (SDGs), and selected 8 goals and 13 sub-goals as the blueprint of the Company's sustainable management strategy. It is hoped that through these strategies, Global Tek Group will move towards a more sustainable and prosperous future.





## 2.3 Stakeholder Engagement and Communication

### Identification of Stakeholders

The Company identifies stakeholders based on the potential stakeholders listed in the GRI standards, including shareholders and other investors, customers, suppliers, employees and other workers, social welfare organizations, trade associations, financial institutions, governments, consumers, business partners, local communities, and non-governmental organizations. Through external experts, we rank these stakeholders by adding the scores of actual and potential negative impacts, and actual and potential positive impacts. If the overall score is greater than 10, it will be discussed with the Company's senior executives. Finally, shareholders and other investors, customers, suppliers, employees and other workers, financial institutions, government agencies, etc., were identified as the Company's important stakeholders in 2023.



### Stakeholder Communication

Stakeholders	Communication channel	Frequency	Communication effectiveness
 <b>Financial institutions</b> <b>Importance to Global Tek</b> As financial institutions are the key to Global Tek's continued expansion of operations, we strive to gain trust and support through adequate communication. <b>Issues of Concern</b> Ethical corporate management Risk management Economic performance	Annual report	Irregular	<ul style="list-style-type: none"> <li>Global Tek focuses on professionalism, precision, and humility in its development of sustainable governance, and invites participants to attend corporate briefings.</li> <li>In response to the goal of achieving net zero emissions by 2050, Global Tek incorporates pollution reduction, energy conservation, and carbon reduction policies into its business strategy, and invites financial institutions to visit our factories for guidance and understanding of Global Tek's implementation results.</li> <li>Invite financial institutions to Global Tek's year-end party to watch the performance of "Chensenmei Social Welfare Foundation", a fund that Global Tek participated in and donated to, as a way of presenting the achievements of Global Tek's social welfare investment. In addition, the donation of medical equipment enables patients to receive better medical care.</li> </ul>
	Investor conference	Irregular	
	Report to the government website	Irregular	
	Investment Promotion Service Center, Ministry of Economic Affairs	Irregular	
	Plant site visit	During the annual renewal of the contract with each financial institution	
	Public welfare activities, care and assistance for the disadvantaged and donation of medical equipment	Regular	



Stakeholders	Communication channel	Communication channel	Frequency	Communication effectiveness
 <p><b>Government agencies</b></p> <p><b>Importance to Global Tek</b></p> <p>The relevant marketing, production, procurement, and manpower operations are subject to the inspection and supervision of the competent authority. In addition, the Company is a listed company and must comply with the laws and regulations of the FSC and the Stock Exchange.</p> <p><b>Issues of Concern</b></p> <p>Energy emissions Ethical corporate management Labor-employer relations Industrial relations Economic performance Customer privacy Water and effluents Occupational health and safety</p>	 <p><b>Financial Supervisory Commission</b></p>	Official correspondence	Irregular	<ul style="list-style-type: none"> <li>Compliance with laws and regulations to announce and report relevant information to conform to supervisory actions of the competent authorities.</li> <li>In 2023, we participated in five awareness-raising events, such as Insider Trading Prevention Conference, Sustainable Finance and Climate Change Summit Forum, 14th Taipei Corporate Governance Forum, 2023 Legal Compliance Conference for Insider Trading, and 2023 Business Promotion Conference for Listed Companies.</li> </ul>
		Email	Immediately	
		Publicity meeting	Irregular	
		MOPS	Regular and irregular	
	 <p><b>Competent Authority</b></p>	Email	Immediately	<ul style="list-style-type: none"> <li>Regularly upload and disclose various data as required.</li> <li>Passed the result of labor inspection conducted by the Labor Inspection Division of the New Taipei City Government on April 7, 2023.</li> <li>Communicate and explain immediately with relevant business executives.</li> </ul>
		Official document meeting	Irregular	
		Telephone	Immediately	
		Visitation	Irregular	
	 <p><b>Environmental Protection Administration</b></p>	National Regulatory Database	Irregular	<ul style="list-style-type: none"> <li>Establish a complete identification, registration mechanism, and evaluation for environmental protection laws and regulations. Immediate improvement and preventive measures are taken if there is any non-compliance.</li> <li>Wastewater is reported twice annually, fixed pollutant emission concentrations (air pollution fees) are reported four times, and soil and groundwater pollution remediation fees are reported four times.</li> </ul>
		Official letter	Irregular	
		Participate in briefing sessions or lectures organized by the Department of Environmental Protection	Irregular	
	 <p><b>Labor Inspection Unit</b></p>	Briefing session on amendments and additions of laws and regulations	Irregular	<ul style="list-style-type: none"> <li>Establish a complete identification and registration mechanism and evaluation for occupational safety regulations. If there is any non-compliance, take immediate improvement actions and preventive measures.</li> </ul>
		Other study courses	Irregular	
		Meetings	Irregular	
	 <p><b>Fire Department</b></p>	Participation in briefing sessions	Regular	<ul style="list-style-type: none"> <li>Establish a complete identification and registration mechanism and evaluation for fire safety regulations. If there is any non-compliance, take immediate improvement actions and preventive measures.</li> </ul>
		Fire safety inspection	Regular	
 <p><b>Internal Revenue Service</b></p>	Email	Immediately	<ul style="list-style-type: none"> <li>Business tax returns in odd-numbered months.</li> <li>Income tax report for profit-seeking enterprise before the end of May each year.</li> <li>When the Company receives a letter from the tax authority requesting information, the Company will fully cooperate and submit relevant documents and explanations on a regular basis.</li> </ul>	
	Official letter	Irregular		
	Telephone	Immediately		

Stakeholders	Communication channel	Frequency	Communication effectiveness			
 <p><b>Shareholders and Other Investors</b></p> <p><b>Importance to Global Tek</b></p> <p>Shareholders and other investors are stakeholders of Global Tek, and the Company should be responsible to them with a trustworthy management approach.</p> <p><b>Issues of Concern</b></p> <p>Ethical corporate management Risk management Labor-employer relations Economic performance</p>	Shareholders' meeting	Once a year	<ul style="list-style-type: none"> <li>• Consolidated revenue is announced on a monthly basis.</li> <li>• A total of five investor conferences were held in 2023 to enable investors to understand the Company's operations.</li> <li>• The English version of the Company's shareholders' meeting handbook, annual report, and minutes of shareholders' meeting are announced for investors' reference.</li> <li>• News releases are issued monthly to enable investors to understand the Company's operations.</li> <li>• Inviting potential investors at home and abroad to visit our factories from time to time to help potential investors understand the Company's operations.</li> </ul>			
	Shareholder hotline, mailbox	Immediately				
	Investor conference	Quarterly				
	Press releases on distribution of operating data and revenue announcement	Once a month				
	Participation in domestic and foreign investment forums	Irregular				
 <p><b>Suppliers</b></p> <p><b>Importance to Global Tek</b></p> <p>We value the quality of raw materials, labor services, and distribution partners, and treat our partners in a fair, open, and equitable manner to achieve the goal of benefit sharing and sustainable growth.</p> <p><b>Issues of Concern</b></p> <p>Economic performance Procurement practices Supplier environmental assessment Supplier social assessment</p>	Evaluation of major suppliers	Monthly and irregular	<p><b>Taiwan Plant</b></p> <p>No corruption incidents occurred in the procurement business. Completed the evaluation of 10 major suppliers and conducted ESG promotion. The content of the publicity is as follows:</p> <ul style="list-style-type: none"> <li>• Comply with the supply chain quality management system, environmental protection system, and safety production system.</li> <li>• Adopt the paperless procurement management system to conduct low-carbon and energy-saving procurement.</li> <li>• Green energy vehicles are used for transportation. Currently, there are four business vehicles of Global Tek.</li> <li>• Promote the use of recycled packaging.</li> <li>• Promote the concept of ESG green procurement.</li> </ul> <p><b>Wuxi Plant</b></p> <ul style="list-style-type: none"> <li>• Comply with the supply chain quality management system, environmental protection system, and safety production system.</li> <li>• The 21 suppliers in the 2023 annual audit plan have all completed the audits.</li> <li>• Adopt the paperless procurement management system to conduct low-carbon and energy-saving procurement.</li> <li>• Green energy vehicles are used for transportation.</li> </ul> <p><b>Xi'an Plant</b></p> <ul style="list-style-type: none"> <li>• There are two tier 1 suppliers, and supplier performance ratings are conducted monthly. Annual supplier audits are conducted once a year, and the annual audit rate is 100%.</li> <li>• There are 14 tier 2 suppliers, and the performance of tier 2 suppliers is evaluated and scored every month, and the evaluation rate accounts for 71% of tier 2 suppliers.</li> <li>• Establish a common picture for end-customer service, high-quality, low-cost, fast supply chain response, and mutual benefits between employees and the Company.</li> <li>• We have reached a consensus with our suppliers in terms of environmental protection and safe production. There are 36 major raw material suppliers in total. All 36 suppliers have signed the supplier safety agreement (including human rights-related issues), and 29 have signed the environmental protection-related notifications. Seven companies have not yet signed the agreement because they are traders.</li> </ul>			
	Visit and on-site audit and evaluation	Irregular				
	Written review	Irregular				
	Telephone	Immediately				
	Email	Immediately				
	Correspondence	Immediately				



Stakeholders	Communication channel	Frequency	Communication effectiveness
<div style="text-align: center;">  <p>Customers</p> </div> <div style="border: 1px solid #00A6C9; border-radius: 15px; padding: 5px; margin: 10px 0; text-align: center;"> <p><b>Importance to Global Tek</b></p> </div> <p>The Company grows from operating profit and supports the livelihood of employees and the profit of investors. The key to business development is to provide customers with comprehensive solution products and services under the VA/VE R&amp;D strategic framework, and to become a long-term strategic partnership with customers. In addition, satisfying customer needs and providing an excellent customer experience can also enable the Company to remain competitive and bring long-term business opportunities for the Company to operate stably and continue to grow. Customers' opinions and feedback can also be continuously improved.</p> <div style="border: 1px solid #00A6C9; border-radius: 15px; padding: 5px; margin: 10px 0; text-align: center;"> <p><b>Issues of Concern</b></p> </div> <p>Ethical corporate management Customer privacy</p>	In-plant business negotiation and product engineering seminars	Irregular	<p><b>Taiwan Plant:</b> Major customers conduct a monthly, quarterly, or annual comprehensive satisfaction score for suppliers as an indicator for continuous improvement and service. Please refer to Chapter 2-2 for details of "2023 Customer Satisfaction Survey Results". In 2023, the average customer satisfaction score was 85.2 points, and the departmental target was 85.0 points. The main items of satisfaction are delivery time and quality, and the main item to be improved is the price.</p> <p><b>Wuxi Plant:</b></p> <ul style="list-style-type: none"> <li>• During stages such as customer inquiries, product feasibility evaluations, technical review meetings, product launch, early product quality planning, customer complaints, and improvements, corrective and preventive measures should be proposed for any issues that arise. Timely follow-up and feedback should be provided, customer satisfaction tracked, and prompt responses to customer requests made. Feasible response strategies and action plans should be developed accordingly.</li> <li>• A total of 75 meetings were held in the plant.</li> <li>• A total of 41 audits on plant relocation/annual/product process/PPAP/new supplier introduction were conducted.</li> <li>• A total of 5 supplier meetings were held.</li> <li>• Visited customers a total of 111 times.</li> <li>• One product quality exchange meeting was held.</li> <li>• One machine processing and technology seminar was held.</li> <li>• A total of 265 QCD customer satisfaction reports were submitted.</li> <li>• A total of 145 online meetings were held.</li> </ul> <p><b>Xi'an Plant:</b> The on-time delivery rate and quality of delivery continued to improve, and the business grew steadily in 2023. On-time delivery rate &gt;98%. PPM&lt;1,000° Satisfaction score of 85 or higher.</p>
	On-site audit	Regularly, irregularly	
	Supplier conference	Year	
	Visit customers for business negotiation	Irregular	
	Product quality exchange meeting	Irregular	
	Machining Process and Technology Seminar	Irregular	
	Customer QCD satisfaction report	Monthly or quarterly	
	Online video conference	Immediately	
	Phone and email	Immediately	





Stakeholders	Communication channel	Frequency	Communication effectiveness
<div style="text-align: center;">  <p><b>Employees and Other Workers</b></p> </div> <div style="border: 1px solid #00A0C0; border-radius: 15px; padding: 5px; text-align: center; margin: 10px 0;"> <p><b>Importance to Global Tek</b></p> </div> <p>Providing real-time, continuous, and effective employee communication is an important issue for corporate development and the mainstay of sustainable management. The quality of employees is also the driving force for continuous corporate growth. The Company provides multiple channels to discover employees' needs and expectations for the Company as a reference for the Company to implement sustainable development plans. The quality of employees is of great importance to an enterprise. Therefore, enhancing the professional knowledge and experience of employees can positively enhance the competitiveness and reputation, and negatively reduce the operational risk of the enterprise.</p> <div style="border: 1px solid #00A0C0; border-radius: 15px; padding: 5px; text-align: center; margin: 10px 0;"> <p><b>Issues of Concern</b></p> </div> <p>Ethical corporate management Risk management Labor-employer relations Industrial relations Occupational safety and health Training and education Economic performance</p>	Set up feedback mailboxes	Processed once a week	<p><b>Taiwan Plant</b></p> <ul style="list-style-type: none"> <li>No labor union was established, and labor-management meetings are held on a quarterly basis. In 2023, four labor-management meetings were held.</li> <li>Organize employee activities from time to time to care for the physical and mental condition of employees.</li> </ul> <p><b>Wuxi Plant</b></p> <ul style="list-style-type: none"> <li>Implement digital education, promote corporate culture, implement ethical management, gender equality, fairness and integrity! We value the connection and inheritance of culture and strategy, and organize group reading clubs and plant reading clubs from time to time. In 2023, to keep up with the progress of the Group, the executive courses in Wuxi Plant continued, and a total of 3 reading clubs were held.</li> <li>We work with the labor union to care for disadvantaged groups, including the hiring of minorities. In 2023, a total of 6 people from minority groups were recruited.</li> <li>Regularly organize birthday parties, sports events, and group building activities to care for the physical and mental condition of employees and increase their cohesion.</li> <li>There is a labor union that meets once a month. A total of 12 labor-management meetings were held in 2023.</li> </ul> <p><b>Xi'an Plant</b></p> <ul style="list-style-type: none"> <li>There is a labor union that meets once every three months. A total of 4 labor-management meetings were held in 2023.</li> <li>The Company's labor union jointly organizes welfare funds for the Dragon Boat Festival, Mid-Autumn Festival, Spring Festival and summer heat funds. We regularly distribute welfare funds for employees in need, special groups on March 8 and June 1 every year.</li> <li>The labor union and the Company jointly organized 10 related activities, such as spring sports games, autumn sports games, and health management activities.</li> </ul>
	Email	Immediately	
	Telephone (including WeChat)	Immediately	
	Face-to-face communication	Irregular	
	Conduct satisfaction surveys regularly	Once a year	
	Suggestion box	Irregular	
	Labor-management meeting (Taiwan)	Quarterly	
	Labor union meeting (Wuxi)/ (Xi'an)	Monthly/quarterly	





## 2.4 Identification of Material Topics

The Company's sustainability topics refer to the GRI standards and SASB standards, and it has compiled 33 sustainability issues. External experts evaluate the Company's performance on sustainability issues by scoring the actual or potential negative impacts and positive influences on economic, environmental, and social (including people and human rights) aspects. The actual negative impact, potential negative impact, actual positive influence, and potential positive influence for each issue in the economic, environmental, and social (people and human rights) categories are added up and ranked. Issues with a total score greater than 30 points are considered material topics. However, among this group, topics listed by SASB are prioritized.

For the scoring results, external experts held a meeting with various departments of the Company to discuss the significance and possibility of the issue's impact based on past operational experience, and analyzed and determined 17 material topics. According to the nature of material topics, external experts and various departments of the Company conducted a comprehensive assessment, and finally summarized the 17 material topics into 5 sustainability issues, wrote the management policy content, and communicated and responded to stakeholders through the sustainability report.

### Identification of Material Topics

Material topics					
1 Ethical corporate management	2 Risk management	3 Labor-employer relations	4 Labor / management relations	5 Occupational safety and health	6 Training and education
7 Economic performance	8 Procurement practices	9 Supplier environmental assessment	10 Supplier social assessment	11 Energy	12 Water and effluents
13 Emissions	14 Customer privacy	15 Customer health and safety	16 Marketing and labeling	17 Prohibition of conflict mines & due diligence	
Secondary topic					
15 Local communities	16 Biodiversity	17 Waste	18 Diversity and equal opportunity	19 Non-discrimination	20 Freedom of association and collective bargaining
21 Child labor	22 Forced and compulsory labor	23 Security practices	24 Rights of indigenous people	25 Public policy	26 Customer health and safety
27 Marketing and labeling	28 Market position	29 Indirect economic impacts	30 Anti-corruption	31 Anti-competitive behavior	32 Taxation
33 Materials					



Global Tek Group's Sustainability Issues in 2023

Sustainability issues	Corresponding GRI topic	Importance to Global Tek	Actual and potential impact	Main targets of impact	Corresponding chapter
<p>Sustainable Governance</p>	<p>Ethical corporate management Risk management</p>	<p>To prevent risks such as financial and non-financial losses, and to enhance long-term stakeholder trust in Global Tek Group, the Group firmly follows the principles of integrity, legality, and transparency as its core operational values. In addition to complying with legal regulations, all employees are required to engage in business activities based on the principles of honesty, trust, and lawfulness. Transparent and thorough disclosure of external information will contribute to the sustainable development of Global Tek Group's various business operations.</p>	<ul style="list-style-type: none"> <li>Global Tek has established a Board member diversity policy in its "Corporate Governance Best Practices" and has developed appropriate guidelines based on its operations, business model, and development needs. By proactively disclosing the Company's information and outcomes in the economic, environmental, and social spheres, Global Tek focuses on meeting stakeholder expectations and enhancing transparency. At the same time, the Company aims to build a comprehensive corporate governance structure and promote related efforts to protect the rights and interests of all stakeholders.</li> </ul> <p>The Company will continue to implement ethical management and sustainable governance as its business goals, which will not only increase the Company's brand value in the industry, but also attract more investors.</p> <p>Continuing sustainable governance in our operations may face negative impacts such as increased costs, regulatory uncertainties, and social and political pressures.</p>	<p>Global Tek Group Suppliers Shareholders and Other Investors Customers</p>	<p>3. Corporate governance</p>
<p>Value Creation and Mutual Benefits in the Supply Chain</p>	<p>Operational performance Green procurement and local procurement Supplier management</p>	<p>Collaborating with local enterprises through green procurement can not only reduce the cost of raw material procurement, but also avoid violating existing and potential laws and regulations. At the same time, by controlling pollution at the source, we can reduce pollution and waste management costs, enhance product quality and competitiveness, and have the opportunity to receive government assistance and support. By actively implementing supply chain management and developing long-term, highly efficient cooperative relationships with suppliers, and risk assessments and audits covering environmental, social, economic, and governance aspects, we ensure that suppliers jointly fulfill their corporate social responsibilities. This strengthens the resilience of the supply chain, reduces operational risks, and supports the Company's sustainable operations.</p>	<ul style="list-style-type: none"> <li>In 2023, there were no negative impacts caused by non-management of Global Tek Group.</li> <li>A well-functioning supply chain provides the Company with a stable quality of shipments for continued operational growth. We also monitor suppliers to reduce major environmental pollution and human rights violations caused by suppliers.</li> </ul> <p>Through steady cooperation with suppliers, we can reduce risks in the supply chain and reduce the impact of incidents due to regulations on the overall supply chain system.</p> <p>Without good supplier communication and regulations, it may cause supply chain disruptions, price fluctuations, and economic and market uncertainties.</p>	<p>Global Tek Group Suppliers</p>	<p>4. Value creation and mutual benefits with the supply chain</p>



Sustainability issues	Corresponding GRI topic	Importance to Global Tek	Actual and potential impact	Main targets of impact	Corresponding chapter
 <b>Information Security</b>	Information security	Emphasizing and strengthening the Company's information security can protect the business and technical secrets of the Company and its business partners, effectively increase the trust of customers in the Company, reduce risks, and enhance the Company's competitiveness.	<p>• Global Tek Group proactively prevents incidents to reduce the Company's operational risks and the resulting economic losses. Prevent the leakage of business and technical secrets of the Company and partners through supervision and information protection. Up to now, Global Tek group has experienced no negative incidents such as information leakage or intrusion.</p> <p>By focusing on information security issues, we have established an information security protection system and risk monitoring to reduce information security incidents.</p>  <ol style="list-style-type: none"> <li>Internal information security incidents: such as malicious sabotage, careless operations, and non-compliance with regulations.</li> <li>External intrusion: such as virus infection, hacker attack (or illegal intrusion).</li> <li>Natural disasters or major emergencies: such as typhoons, floods, earthquakes, fires, explosions, nuclear accidents, major construction disasters, etc.</li> </ol>	Global Tek Group Employees and Other Workers Customers	3.5 Information Security and Privacy Management
 <b>Environment Management</b>	Energy management Water resource management Greenhouse gas emissions	Regarding the impacts of energy, water resources, and waste on carbon emissions and the greenhouse effect, Global Tek actively implements energy-saving measures, manages water resources, recycles and manages waste, and complies with regulations to implement greenhouse gas reduction measures. These efforts not only contribute to society but also reduce operational costs through improved energy efficiency.	<p>• Through process improvement, we can effectively reduce costs, waste, and carbon emissions to enhance competitiveness. Through the improvement of the manufacturing process, harm to human body caused by the products and the manufacturing process is also reduced.</p> <p>Through the implementation of material topics, Global Tek will continue to improve compliance and competitiveness in the market and gain more business opportunities and favor from the market. Through the supervision of the manufacturing process, relevant strategies are formulated to maintain environmental sustainability.</p>  <p>If the manufacturing process is not improved or supervised continuously, it will cause more serious pollution to the environment, cause financial penalties, and seriously affect the Company's crisis of shutdown.</p>	Global Tek Group Employees and Other Workers Financial institutions Government agencies	5. Environment Management





Sustainability issues	Corresponding GRI topic	Importance to Global Tek	Actual and potential impact	Main targets of impact	Corresponding chapter
 <b>Happy Workplace</b>	Talent recruitment and retention Occupational safety and health Diverse learning and talent cultivation Social Care	Global Tek respects labor rights and upholds a people-centered philosophy, and treats each employee as a valuable partner. The Company fosters a passionate and friendly workplace culture, ensures a healthy and safe working environment, and employs a diversified human resources strategy for talent selection, development, retention, and utilization. This allows every member of Global Tek to work together with the Company to create a brighter future, which is a key element in building a happy workplace and maintaining competitiveness.	<ul style="list-style-type: none"> <li>Global Tek has formulated the Hazardous Chemical Management Regulations to implement occupational safety and health management, strictly control the amount of chemicals in the plant, and add facilities in a timely manner to prevent the risk of leakage.</li> <li>About employees, the Company aims to increase the retention rate and cohesion of employees through diverse activities and management methods.</li> </ul> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>Positive</p> </div> <div style="text-align: center;">  <p>Negative</p> </div> </div> <ol style="list-style-type: none"> <li>Sound company systems and management policies can enhance employee cohesion; a comfortable and safe working environment, and the emphasis on and promotion of health are beneficial to employees' peace of mind at work, making production more efficient, and creating a harmonious working atmosphere in the workplace.</li> <li>Global Tek fulfills its corporate social responsibility and establishes a good corporate image while maintaining sustainable operations and profitability.</li> </ol>	Global Tek Group Government agencies Employees and Other Workers	6. Happy Workplace





# 3 Corporate Governance

3.1 Governance Structure

3.2 Governance Operations

3.3 Ethical Corporate Management

3.4 Risk Control

3.5 Information Security and Privacy Management



# Material Topic: Sustainability Governance

<p><b>Sustainability issues</b></p>	<p>Ethical corporate management and risk management</p>
<p><b>Importance to Global Tek</b></p>	<p>To prevent risks such as financial and non-financial losses, and to enhance long-term stakeholder trust in Global Tek Group, the Group firmly follows the principles of integrity, legality, and transparency as its core operational values. In addition to complying with legal regulations, all employees are required to engage in business activities based on the principles of honesty, trust, and lawfulness. Transparent and thorough disclosure of external information will contribute to the sustainable development of Global Tek Group's various business operations.</p>
<p><b>Influence and Impact</b></p>	<p><b>Economic aspect:</b> Through the Company's good management methods, the impact on the operation process will be effectively mitigated. If the Company's risks are not continuously controlled, investors and financial institutions may become suspicious of the Company, which in turn affects their willingness to invest and raise funds.</p> <p><b>Environmental aspect:</b> Good policies and management guidelines will effectively help the Company's operations in all aspects, make the Company's environmental policies and governance more efficient, and reduce waste along the way. If there is no proper supervision, in addition to causing a lot of pollution in the manufacturing process, the Company will generate negative publicity, and even fines and loss of brand reputation.</p> <p><b>Human rights aspect:</b></p> <ol style="list-style-type: none"> <li>1. If the Company does not have a comprehensive whistleblower protection mechanism, the human rights of whistleblowers may be violated.</li> <li>2. Establish a risk management mechanism for early identification, accurate measurement, effective supervision, and strict control to protect the interests of employees, shareholders, partners, and customers, increase the Company's value, and achieve the principle of optimal resource allocation.</li> </ol>
<p><b>Policy/Strategy</b></p>	<p><b>Establishment of the Sustainable Development and Risk Management Committee:</b> In accordance with the "Risk Management Best Practice Principles for Listed and OTC Companies", Global Tek established the Sustainability and Risk Management Committee in 2022. The committee clearly defines the organizational procedures and "Risk Management Policies and Procedures" and is chaired by the Group's general manager. Under this committee, five groups have been set up: the Operational Risk Group, Financial Risk Group, Compliance Risk Group, Environmental and Climate Change Group, and Human Resources (including Human Rights) Risk Group.</p> <p><b>Risk prevention:</b></p> <ol style="list-style-type: none"> <li>1. Due to the growing importance of risk management, Global Tek Group's Risk Management Steering Committee actively addresses and manages risks that must be considered during operations. Each functional unit head is responsible for managing, analyzing, and monitoring relevant risks within their respective units to ensure that risk control mechanisms and procedures are effectively implemented. The top risk management officer or his/her designated authorized agent reports to the "Sustainable Development and Risk Management Committee" twice a year.</li> <li>2. To prevent risks such as financial and non-financial losses, and to enhance long-term stakeholder trust in Global Tek Group, the Group firmly follows the principles of integrity, legality, and transparency as its core operational values. In addition to complying with legal regulations, all employees are required to engage in business activities based on the principles of honesty, trust, and lawfulness. Transparent and thorough disclosure of external information will contribute to the sustainable development of Global Tek Group's various business operations.</li> <li>3. Establishing comprehensive risk management measures can help enhance the resilience of operations, protect them from crisis events, and ensure that employees and the environment can be improved and upgraded.</li> </ol>



Goals and Targets

The Company uses 2022 as the base year.

**Short-term goals (2-3 years):**

- The "Code of Conduct Related to Ethical Management and Employee Ethical Management Statement" reached a signing rate of 100% by all employees of Global Tek.
- Employee ethical management education and training: Once a year for Taiwan Plant/Wuxi Plant, with 50% of employees receiving training; Xi'an Plant: once a year, with 20% of employees receiving training.
- Education and training on supplier integrity management:  
**Taiwan Plant:** Revise Tier 4 New Supplier Evaluation Form and include the Supplier Quality System Review Form as part of the ethical management review item. The review is conducted during the new supplier evaluation and annual review.  
**Wuxi Plant:** Completed education and training for major strategic suppliers, reaching 50%.  
**Xi'an Plant:** Completed education and training for major suppliers.
- Complaint hotline or whistleblowing hotline: We will respond to reports within 7-10 days after receiving them.
- Internal and external units conduct regular audits to identify sustainability risks, and use tools such as the risk management framework, materiality analysis, and business continuity planning to conduct risk analysis and assessment, determine the Company's risks and opportunities, and arrange corresponding mitigation measures.
- Incorporate risk management into the Company's operations.
- The responsible unit continues the risk assessment process and adopts risk control plan for the corresponding level of the risks faced.
- The top risk management executive regularly reports on risk management operations to the Risk Management Committee of the Board of Directors every year.

**Medium-term goals (3-5 years):**

- Employee ethical management education and training: Taiwan Plant/Wuxi Plant: Once a year, with the cumulative number of trainees reaching 100%; Xi'an Plant: once a year, with 50% of the trainees.
- Education and training on supplier integrity management:  
**Taiwan Plant:** Completed the education and training for Tier 1 strategic suppliers.  
**Wuxi Plant:** Completed education and training for major strategic suppliers, reaching 100%.  
**Xi'an Plant:** Completed 50% of the education and training of major suppliers.
- Through on-the-job training, problems found by the implementation unit are discussed and solutions are proposed for participants to learn new knowledge and comply with laws and regulations.
- The risk management policies and procedures are regularly reviewed with special attention given to the relevant regulations of the competent authorities and the development of risk management systems at home and abroad; they are improved accordingly to enhance the effectiveness of risk management implementation.
- Implementation of work improvement courses.
- Corporate Governance Evaluation: Strive for a range of 51%-65%.

**Long-term goals (over 5 years):**

- Employee education and training on ethical corporate management: Global Tek Group holds training once a year, and the cumulative number of participants reaches 100%.
- Education and training on supplier integrity management:  
**Taiwan Plant:** Completed the education and training of secondary suppliers and included them in the qualified supplier list for reference.  
**Wuxi Plant:** Completed all supplier education and training, reaching 100%.  
**Xi'an Plant:** Completed education and training for all major suppliers.
- Each audit implementation unit proposes and implements improvement policies for the problems found during the implementation, and formulates a code of compliance.



<p><b>Management Evaluation Mechanism</b></p>	<ol style="list-style-type: none"> <li>1. Regularly conduct operational risk-related audits through the audit unit.</li> <li>2. Arrange for CPAs to report on the communication between the Audit Committee and the corporate governance unit and management.</li> <li>3. The "Corporate Governance Evaluation organized by the Securities and Futures Bureau of Taiwan" was used as an important reference for evaluation.</li> </ol>
<p><b>Performance and Adjustment</b></p>	<p><b>Completion progress in 2023:</b></p> <ol style="list-style-type: none"> <li>1. All have directors, independent directors, and internal managers of Global Tek signed the "Declaration of Compliance with Ethical Corporate Management Policy", and new employees sign the "Confirmation of Review of Management Regulations", which were promoted during training to ensure that all employees understand the Company's policies and code of conduct.</li> <li>2. In July, September, and November 2023, Global Tek's factories held ethical corporate management events, and the number of trainees reached 99%. Taiwan Plant has hired lawyers from law firms to give lectures, and they were translated into the native languages of foreign employees to strengthen publicity.</li> <li>3. In 2023, there were three complaints received via the whistleblowing mailbox, which were confirmed to be related to communication with related parties, vendor marketing, and questionnaire surveys by research institutions. There were no complaints or reports of employees violating moral integrity or workers' human rights being infringed upon.</li> <li>4. In terms of risk management, a total of 3 Risk Management Promotion Committee meetings were convened in May, June, and December 2023 to identify various risk items and formulate countermeasures. The Executive Secretariat of the Sustainable Development and Risk Management Committee reported to the Board of Directors on December 28.</li> <li>5. The results of the recent corporate governance evaluation were as follows: the 8th Corporate Governance Evaluation (evaluation year: 2021), the Company ranked between 66%-80%; in the 9th Corporate Governance Evaluation (evaluation year: 2022), it ranked in the 51%-65% range. The Company has formulated the 10th Corporate Governance Evaluation (evaluation year: 2023), and remains within the range of 51%-65%, with the goal of advancing to a higher level.</li> </ol>
<p><b>Preventive or Remedial Measures</b></p>	<p><b>Preventive measures:</b></p> <ol style="list-style-type: none"> <li>1. Global Tek adheres to high standards for ethical corporate management, and has a comprehensive whistleblower protection mechanism in place to minimize related negative impacts. In addition to arranging various ethical management education, training and tests, we have also established the ethical code of conduct, ethical management procedures and guidelines for employees to follow, report to the Board of Directors regularly, construct and improve the corporate governance structure and promote related works, so as to safeguard the rights and interests of all stakeholders.</li> <li>2. Global Tek Group defines various risks based on the Company's overall operational guidelines and has established a risk management mechanism that allows for early identification, accurate measurement, effective supervision, and strict control. This mechanism is designed to protect the interests of employees, shareholders, partners, and customers, increase company value, and optimize the allocation of company resources.</li> <li>3. For risk management, risk identification is used to minimize the Company's operational risks and increase its ability to respond to risk and continue operations. In the event of actual negative incidents, remedial plans are established for individual incidents to minimize negative harms.</li> <li>4. The Sustainable Development and Risk Management Committee reports on the progress of the sustainability projects through regular meetings and monthly reports from various departments to ensure that sustainability activities are carried out according to the progress. It also reports the progress of sustainability implementation to the Board of Directors on a regular basis. For high-risk and high-impact items, senior executives formulate risk mitigation plans and conduct continuous monitoring and improvement. The audit unit incorporates the implementation of important plans into the audit plan for regular audits.</li> <li>5. Through internal control and audit management, internal inspections and reviews are performed on all units and subsidiaries in accordance with the Company's internal control system, and the implementation status is disclosed in the Company's annual report.</li> </ol> <p><b>Remedial measures:</b></p> <p>Regarding the corporate governance evaluation, after the annual results are announced, the responsible department convenes the Sustainability Development Committee, the General Manager, Internal Audit, Chief Financial Officer, and relevant department heads to review each unscored item. Improvement timelines are set, recorded, and reported to the Sustainability Development Committee for reference.</p>





# Material Topic: Information Security

<b>Sustainability Issues</b>	Information security
<b>Importance to Global Tek</b>	Emphasizing and strengthening the Company's information security can protect the business and technical secrets of the Company and its business partners, effectively increase the trust of customers in the Company, reduce risks, and enhance the Company's competitiveness.
<b>Influence and Impact</b>	<p><b>Economic aspect:</b> Preventing incidents, reducing the Company's operational risks and resulting economic losses. Malicious virus infections, hacker attacks, or illegal intrusions will result in the disclosure of corporate information.</p> <p><b>Human rights aspect:</b> Prevent the leakage of business and technical secrets of the Company and partners through effective management. Malicious sabotage, careless operation, and non-compliance with regulations may result in the disclosure of personal information of employees and customers.</p>
<b>Policy/Strategy</b>	Keep up with the times, establish relevant policies and introduce information security-related equipment and technologies, improve the skills of information security personnel, and conduct company-wide publicity in a timely manner.
<b>Goals and Targets</b>	<p>The Company uses 2022 as the base year.</p> <p><b>Short-term goals (2-3 years):</b></p> <ul style="list-style-type: none"> <li>Identify and update the information security management policy on a regular basis.</li> <li>Include information security training in new employee training, and conduct education and training for all employees on a regular basis.</li> <li>Regularly conduct vulnerability analysis and simulate hacker attacks to strengthen external information service protection, improve the ability to block hackers, regularly conduct disaster remote backup drills for important systems, and re-plan relevant software and hardware in Wuxi Plant.</li> <li>No violation of customer privacy.</li> <li>No information security incidents occurred.</li> </ul> <p><b>Medium and long-term goals (over 3 to 5 years):</b></p> <ul style="list-style-type: none"> <li>Maintain zero breach of customer privacy and no information security incidents.</li> <li>Introduce ISO 27001 robust information security regulations.</li> <li>Adhere to the ISO 27001 information security regulations and Trade Secrets Act to ensure the security of customer secrets.</li> </ul>

<b>Management Evaluation Mechanism</b>	Report information security issues to the Board of Directors every year. Regularly conduct vulnerability analysis and simulate hacker attacks.
<b>Performance and Adjustment</b>	<p><b>Completion progress in 2023:</b></p> <ol style="list-style-type: none"> <li>Information security training has been included in the newcomer training program. A total of 15 employees participated in the training for a total of 1 hour.</li> <li>Conducted 4 information security education and training sessions for all employees; conducted IT personnel education and training, with a total of 2 employees participating for a total of 2 hours.</li> <li>Conduct vulnerability analysis and simulate hacker attacks in March 2023.</li> <li>In August 2023, a disaster remote backup drill was conducted for important systems.</li> <li>There was no information security incident in 2023.</li> </ol>
<b>Preventive or Remedial Measures</b>	<p><b>Preventive measures:</b></p> <p>In addition to implementing the Company's information security policy, establishing a detection mechanism and handling procedures for information security incidents to reduce the impact of information security incidents on the Company's operations, we have also cooperated with suppliers for a long time to provide assistance in the event of information security incidents.</p>

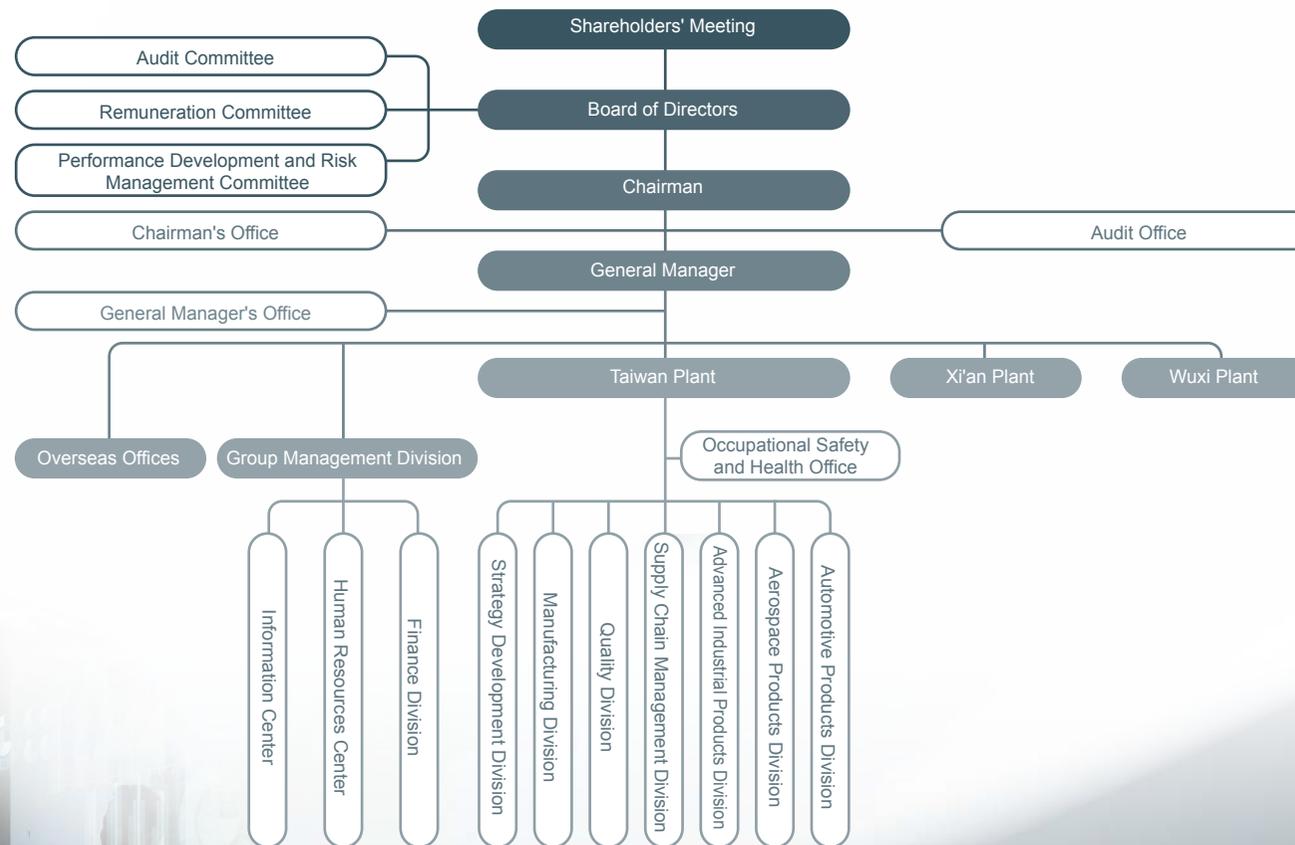


### 3.1 Governance Structure

Global Tek has established a Board member diversity policy in the "Corporate Governance Best Practice Principles" and has developed appropriate strategies based on its operations, business model, and development needs. The Company actively discloses information and results in the areas of economy, governance, environment, and society to meet stakeholder expectations. At the same time, it builds a comprehensive corporate governance structure and promotes related work to protect stakeholder rights.

To further strengthen the Company's overall operations, we have established the Audit Committee, Remuneration Committee, and Sustainable Development and Risk Management Committee under the Board of Directors to comprehensively manage the Company at all levels. The overall operation of the Company's Board of Directors and functional committees is described in the following chapters. For more detailed information, please refer to the Company's official website and annual report.

Organization Chart of Global Tek Fabrication Co., Ltd.





## Composition of the Board of Directors

The election of directors of Global Tek follows the cumulative voting system and candidate nomination system specified in the Articles of Incorporation and Director Election Regulations. In addition, the Board of Directors shall review the eligibility requirements of shareholders or directors (including independent director candidates) in advance, and provide reference to the shareholders based on the review results. During the director selection process, multiple aspects are considered, including basic attributes, values, and professional knowledge and skills, etc. The long-term corporate goals include having at least one female director and at least one director with a background in finance and accounting to promote the diversity and professionalism of the Board of Directors.

In consideration of corporate governance and the Group's future operational layout, Global Tek elected a new Chairman on November 9, 2023 in response to the continuous expansion of operations.

The 6th Board of Directors consists of seven members, including two female directors (28.6%) and four independent directors (57.1%). Their professional expertise covers various fields, including legal expertise, business management, leadership and decision-making, industry knowledge, finance and accounting, marketing, and strategic development, to implement the goal of Board member diversity.

## List of Board Members

Job title	Name	Gender	Date of first appointment (election)	Major educational experience	Current positions in the Company and other companies
Chairman	Liu, Tsu-Ying	Female	December 1, 2009	<ul style="list-style-type: none"> <li>EMBA, National Taipei University of Business</li> <li>Aircraft College, National Chengchi University</li> <li>Clerk at Land Bank of Taiwan</li> <li>Department of Taxation and Accounting, National Taipei University of Business (formerly known as Taipei Business College)</li> </ul>	<ul style="list-style-type: none"> <li>Chairman of Global Tek Co., Ltd.</li> <li>Director and Corporate Representative of Global Tek (Wuxi) Co., Ltd.</li> <li>Director and Corporate Representative of Global Tek (Xi'an) Co., Ltd.</li> <li>Director and Corporate Representative of Xi'an Global Tek Machinery Manufacturing Co., Ltd.</li> <li>Director of GLOBAL TEK FABRICATION CO., LTD (Samoa)</li> </ul>
Group General Manager	Huang, Ya-Hsing	Male	December 1, 2009	<ul style="list-style-type: none"> <li>Founder of the Company, EMBA Enterprise Group, National Taiwan University</li> <li>Department of Taxation and Accounting, National Taipei University of Business (formerly known as Taipei Business College)</li> <li>Associate General Manager of Sales at Global Tek Co., Ltd.</li> <li>Vice President of Global PMX Co., Ltd.</li> <li>Procurement Officer of Taiwan International Standard Electronics</li> </ul>	<ul style="list-style-type: none"> <li>Group General Manager of Global Tek Co., Ltd.</li> <li>Director of Global Tek (Xi'an) Co., Ltd.</li> <li>Director of Global Tek (Wuxi) Co., Ltd.</li> <li>Director of Xi'an Global Tek Machinery Manufacturing Co., Ltd.</li> <li>Director of GLOBAL TEK FABRICATION CO., LTD.(Samoa)</li> <li>Director of GLOBAL TEK FABRICATION CO., LTD.(HK)</li> <li>Director of GP TECH, INC. (US)</li> <li>Director of GLOBAL TEK GmbH</li> <li>Director of Top Yes (Suzhou) Precision Industry Co., Ltd.</li> <li>Representative of the Corporate Director of AvioCast Inc.</li> </ul>
Director	Ting, Ling-Chuan	Male	June 23, 2022	<ul style="list-style-type: none"> <li>Information Division of Yu Chang Technical &amp; Commercial Vocational Senior High School</li> </ul>	<ul style="list-style-type: none"> <li>Chairman of JiuH Yuan Co., Ltd.</li> </ul>

Job title	Name	Gender	Date of first appointment (election)	Major educational experience	Current positions in the Company and other companies
Independent Director	Huang, Ming-Chan	Male	January 23, 2017	<ul style="list-style-type: none"> <li>• Ph.D., School of Law, Tunghai University</li> <li>• Adjunct Assistant Professor, Department of Business Administration, National Chiayi University</li> <li>• Judge of the District Court of Chiayi, Taiwan</li> <li>• Lecturer at Judges Academy of the Judicial Yuan</li> </ul>	<ul style="list-style-type: none"> <li>• Attorney-at-law, Hua Hong Law Offices</li> <li>• Member of Legal Affairs Commission, Ministry of Science and Technology, Executive Yuan</li> <li>• Representative of the Corporate Director of Trade Van Information</li> <li>• Vice Chairman of Formosa Television Co., Ltd.</li> </ul>
Independent Director	Tsai, Jung-Teng	Male	June 23, 2022	<ul style="list-style-type: none"> <li>• Bachelor of Business Administration, University of Wisconsin</li> <li>• Chairman of Association of Taiwan Listed Companies</li> <li>• Representative Director of Delta Electronics Japan</li> <li>• Advisory Committee Member of Joint Research Center, National Central University</li> <li>• Vice President of Delta Electronics Group</li> </ul>	<ul style="list-style-type: none"> <li>• Senior Consultant of Delta Electronics</li> <li>• Independent Director of CSC Shine Trend International Multimedia Technology Co., Ltd.</li> </ul>
Independent Director	Chang, Shih-Chia	Male	June 23, 2022	<ul style="list-style-type: none"> <li>• Ph.D., Graduate School of Business, National Taiwan University</li> <li>• Master of Industrial Engineering, University of Texas at Arlington</li> <li>• Bachelor of Industrial Administration, National Taiwan University of Science and Technology</li> <li>• Professor and Dean of the School of Management, National Taipei University of Business</li> </ul>	<ul style="list-style-type: none"> <li>• Professor, Department of Business Administration, National Taipei University of Business</li> </ul>
Independent Director	Chen, Hsiang-Ju	Female	June 23, 2022	<ul style="list-style-type: none"> <li>• EMBA, National Taiwan University</li> <li>• MBA, California State University</li> <li>• Bachelor of Business Administration, California State University</li> <li>• General Manager of First Securities</li> <li>• Director of First Financial Holding/First Securities/First Securities Asia/First Worldsec Securities</li> <li>• Senior Deputy General Manager and Chief Executive of the Investment Banking Department of CTBC Securities and Director of Hong Kong Branch</li> <li>• Deputy General Manager and Senior Executive of the Investment Banking Department, CTBC Bank</li> <li>• Director of the Investment Banking Department and Vice General Manager of ECM Capital Market Department, Nomura Securities Co., Ltd.</li> <li>• Vice General Manager of Research Department/Fixed Income Department/Investment Banking Department/International Department of Capital Securities</li> </ul>	<ul style="list-style-type: none"> <li>• None</li> </ul>

Note:

1. There are 7 members of the Board of Directors who are over 50 years old.
2. The term of office of the 6th Board of Directors is from June 23, 2022 to June 22, 2025.



### Industry Experience and Professional Capability of the Board of Directors

Job title	Name	Industry experience				Professional ability		
		Banking/ Finance	Business management	Business marketing	R&D	Accounting and financial analysis	Information technology	Risk management
Chairman	Liu, Tsu-Ying	●	●					
Group General Manager	Huang, Ya-Hsing		●	●				
Director	Ting, Ling-Chuan		●	●				
Independent Director	Huang, Ming-Chan		●					●
Independent Director	Tsai, Jung-Teng		●		●			
Independent Director	Chang, Shih-Chia		●					
Independent Director	Chen, Hsiang-Ju	●				●		

### Board of Directors Training

In accordance with the "Corporate Governance Best Practice Principles for Listed and OTC Companies", the Company aims to guide its directors to strengthen their collaboration and interaction, which enhances their professional knowledge and legal literacy, cultivates their exceptional qualities and decision-making abilities, and enables them to actively and effectively implement the corporate governance system. The Company's directors continue to pursue advanced studies to improve the Company's governance and competitiveness. The 2023 training status was shown in the table below:

Job title	Name	Date of continuing education	Organizer	Course title	Training hours	Total hours
Chairman	Liu, Tsu-Ying	June 2, 2023	Chinese National Association of Industry and Commerce, Taiwan	2023 Taishin Net Zero Power Summit Forum	3	6
		June 9, 2023	Securities and Futures Institute	2023 Insider Trading Prevention Seminar	3	
Group General Manager	Huang, Ya-Hsing	March 27, 2023	Chinese National Association of Industry and Commerce, Taiwan	Training for directors and supervisors - "Corporate Resilience to Competitiveness in Taiwan"	3	6
		August 9, 2023	Greater China Financial and Economic Development Association, Association of Taiwan Listed Companies	Impact of carbon pricing on corporate operations	3	
Director	Ting, Ling-Chuan	July 4, 2023	Taiwan Stock Exchange Corporation	2023 Cathay Sustainable Finance and Climate Change Summit Forum	6	6
Independent Director	H u a n g , Ming-Chan	March 27, 2023	Chinese National Association of Industry and Commerce, Taiwan	Training for directors and supervisors - "Corporate Resilience to Competitiveness in Taiwan"	3	6
		July 14, 2023	Chinese National Association of Industry and Commerce, Taiwan	Training for the Company's directors and supervisors - "Trade Secret Litigation Practice, Non-Competition Clauses and Cases"	3	

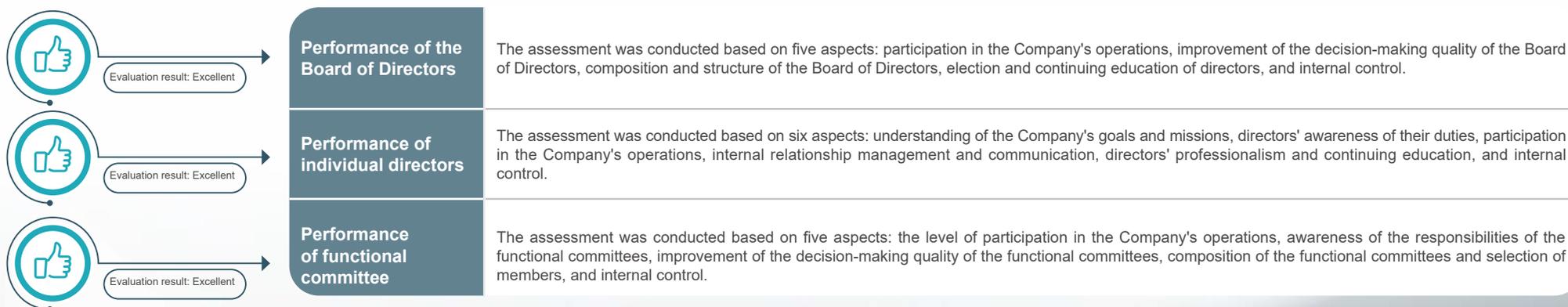
Job title	Name	Date of continuing education	Organizer	Course title	Training hours	Total hours
Independent Director	Tsai, Jung-Teng	March 27, 2023	Chinese National Association of Industry and Commerce, Taiwan	Training for directors and supervisors - "Corporate Resilience to Competitiveness in Taiwan"	3	12
		April 13, 2023	Securities and Futures Institute	Corporate Governance and Securities Laws and Regulations	3	
		October 12, 2023	Taiwan Academy of Banking and Finance	Workshop on the operation and supervisory of Board of Directors and corporate governance - Anti-money laundering and fair customer treatment principles/Net zero emissions and carbon management	6	
Independent Director	Chang, Shih-Chia	June 9, 2023	Securities and Futures Institute	2023 Insider Trading Prevention Seminar	3	6
		July 31, 2023	Taiwan Investor Relations Institute	How to innovate and break through profitability in the digital economy era	3	
Independent Director	Chen, Hsiang-Ju	June 17, 2023	Taipei Foundation of Finance	ESG Sustainability Project Workshop - Supply Chain Engagement	6	6

### Regulations Governing the Performance Evaluation of the Board of Directors

The Company has established the "Regulations Governing the Performance Evaluation of the Board of Directors", which is implemented annually. In the 2023 performance evaluation report of the operation of the Board of Directors, individual directors, and functional committees (including Audit Committee and Remuneration Committee), the overall evaluation result was excellent. The scope of the Board's assessment was from January 1, 2023 to December 31, 2023.

The Company's assessment methods include internal self-assessment of the Board of Directors, self-assessment of directors, and internal self-assessment of functional committees. The assessment items are as follows:

### Performance Evaluation and Results





## Implementing Avoidance of Interest

The Company's Chairman and general manager are spouses. The two have long been involved in the development of the metal processing industry and are well aware of the industry trends and customer relationships. The Company's operations and performance are in line with the Company's goals. To strengthen corporate governance, the Company currently has a total of 7 directors, of which 4 are independent directors, accounting for 57% of the total directors. The 5 directors are not spouses or relatives within the second degree of kinship. In addition, more than half of the directors are neither employees nor managers.

For the needs of business development and practical operations, the Company has established "Rules on the Scope of Responsibilities of Independent Directors", which clearly stipulate that "if an independent director has dissenting or reserved opinions, they should be recorded in the minutes of the Board meeting", "the company or the Board of Directors shall not obstruct, reject, or evade the independent director's performance of their duties", and "if an independent director deems it necessary to perform their duties, they may request the Board to appoint relevant personnel or hire experts to assist in handling matters". These measures ensure that independent directors can completely fulfill their responsibilities, thereby enhancing the effectiveness of Board operations and the Company's performance.

According to the Company's Board meeting regulations, if a director or the legal entity they represent has a conflict of interest, they must explain the significant details of the conflict at the Board meeting. If the conflict is likely to harm the Company's interests, they are prohibited from participating in the discussion and voting, and they must recuse themselves during both the discussion and voting processes. Furthermore, they cannot act as a proxy for other directors to exercise voting rights. If a director's spouse, relative within the second degree of kinship, or a company in which the director has a controlling affiliation, has an interest in a matter of the meeting, the director shall be deemed to have self-interest in the matter.

If a director joins the voting in violation of the recusal policy, his/her voting rights are invalid. The voting rights of Directors not allowed to exercise their voting right on a specific proposal shall not be counted toward the number of voting rights present at the Board meeting as it relates to such proposal. In 2023, the Board of Directors held a total of 5 meetings on 2023/03/23, 2023/05/11, 2023/08/10, 2023/11/09, and 2023/12/28. Recusals were as follows:

- (I) On March 23, 2023 (the 5th meeting of the 6th session), the Board of Directors discussed the distribution plan for employee compensation and director remuneration in 2022, the issuance of performance bonuses for managers in the second half of 2022, and the issuance of special bonuses for senior management in 2022. Since Director Huang, Ya-Hsing and Director Liu, Tsu-Ying had conflicts of interest, they temporarily recused themselves and did not participate in the voting in accordance with the principle of avoidance of interest.
- (II) On August 10, 2023 (the 7th meeting of the 6th session), the Board of Directors discussed the 2022 employee compensation allocation plan for managers and the issuance of performance bonuses for managers for the first half of 2023. Similarly, Director Huang, Ya-Hsing and Director Liu, Tsu-Ying recused themselves due to conflicts of interest and did not participate in the voting.
- (III) On December 28, 2023 (the 9th meeting of the 6th session), the Board of Directors discussed change of salary adjustment for the Chairman of the Company. As they had a relationship of interest with directors such as Huang, Ya-Hsing and Liu, Tsu-Ying, they recused themselves temporarily based on the principle of avoidance of interest and did not participate in voting. Please refer to the 2023 annual report for the avoidance of interest.



## 3.2 Governance Operations

To enhance the supervisory and management functions, the Company established three functional committees under the Board of Directors: Compensation Committee, Audit Committee, and Sustainable Development and Risk Management Committee. Details of the Sustainable Development and Risk Management Committee are explained in section 2.1 on Sustainable Management and Practices.

### Remuneration Committee

To improve corporate governance, strengthen the Board's compensation management functions, and protect investor rights, the Company established "Organizational Regulations of the Remuneration Committee" on January 23, 2017, in accordance with the "Regulations Governing the Establishment and Exercise of Powers of Compensation Committees of Companies Listed on the Stock Exchange or OTC" and officially set up the "Remuneration Committee". The Company's Remuneration Committee operates in accordance with the Company's "Organizational Regulations of the Remuneration Committee", which holds at least two general meetings each year. The Company faithfully performs its duties and submits its suggestions to the Board of Directors for discussion with the care of a good manager.

### Remuneration Committee

<b>List of committee members</b>	The 3rd Remuneration Committee consists of 4 members Member term of office: June 23, 2022 to June 22, 2025 Convener: Independent Director Tsai, Jung-Teng Members: Independent Director Huang, Ming-Chan, Independent Director Chang, Shih-Chia, Independent Director Chen, Hsiang-Ju
<b>Authority</b>	<ul style="list-style-type: none"> <li>• Regularly review the organizational regulations of the Remuneration Committee and propose amendments.</li> <li>• Formulate and regularly review the performance evaluation standards for directors and managers, annual performance targets, and the policies, systems, standards, and structures of remuneration.</li> <li>• Regularly assess the achievement of performance targets for the Company's directors and managers, and determine the content and amount of their remuneration based on the results of the performance assessment standards.</li> </ul>
<b>Operation status (4 meetings in 2023)</b>	The 3rd term of the Remuneration Committee: As of December 31, 2023, all four members of the Remuneration Committee attended all four meetings (100% attendance).
<b>Remuneration to directors and functional committee members</b>	<ul style="list-style-type: none"> <li>• Remuneration: Provided based on the distribution of earnings for the year in accordance with the Company's Articles of Incorporation.</li> <li>• Remuneration: including salary, position allowances, severance pay, various bonuses, pensions, etc.</li> <li>• Expenses related to business execution: including transportation expenses, special expenses, various allowances, dormitory, vehicle allocation, and other in-kind provisions.</li> <li>• Remuneration to members hired according to the Company's Functional Committee Charter.</li> <li>• Directors: They are divided into independent directors and ordinary directors. If they are not independent directors, they are ordinary directors.</li> </ul>
<b>Amount and distribution method</b>	<ul style="list-style-type: none"> <li>• The remuneration policy for directors is based on the Company Act and the Company's Articles of Incorporation. The remuneration to directors for the current year shall not exceed 1% of the profit for the year. According to Article 3, Paragraph 1, Point 2 of the "Regulation Governing the Payment of Remuneration for Directors and Functional Committee Members", 70% of the total directors' remuneration is allocated equally among directors based on their tenure, while the remaining 30% is allocated at the discretion of the Chairman based on the directors' actual involvement in the Company's operations.</li> <li>• Director remuneration: The Board of Directors is authorized by the Company's Articles of Incorporation to determine the remuneration in accordance with the industry standard.</li> <li>• Directors' travel expenses for attending a Board meeting are NT\$8,000 per person. Other expenses shall be approved by the Board of Directors in advance.</li> <li>• Remuneration for independent directors: Starting from the date of election, they will receive a monthly fixed remuneration of NT\$30,000. Independent directors do not participate in the distribution of directors' remuneration.</li> <li>• Members of other functional committees (including but not limited to the Audit Committee and the Remuneration Committee) shall be provided with a fixed remuneration of NT\$25,000 per member per quarter from the date of appointment, and calculated based on the quarterly percentage.</li> </ul>





**Risk linkage**

- The remuneration policy primarily considers the overall operation of the Company, with compensation standards determined based on individual capabilities, contributions, and performance in achieving targets. Industry salary levels are referenced to ensure that managers' compensation remains competitive, allowing the Company to retain outstanding management talent. There is a positive correlation between managerial remuneration and business performance, and the performance goals of managers are aligned with risk control. The overall salary and remuneration mainly includes salaries, bonuses and employee remuneration. The salary is verified according to the market competition of manager's position and the Company's regulations. Bonus and employee remuneration are determined based on the personal performance of manager, the achievement of departmental goals, and the Company's operating performance.
- Bonuses are based on the results of individual performance evaluations, the Company's business performance, and the rationality of the connection between future risks. However, if there is a material risk event that is sufficient to affect the Company's goodwill, internal management misconduct, personnel malpractice, etc., the bonus will be reduced or rejected.

**Linkage between compensation and performance**

- The remuneration for managers, including the general manager and deputy general managers, consists of salary, bonuses, and compensation, and is processed according to the relevant company regulations. The compensation standards are set by the human resources department according to the scope of management responsibilities and duties, as well as the need to attract and retain top management talent, while referencing industry salary levels to determine a reasonable remuneration for the position.
- Managers' performance is assessed based on the Company's annual operating results, positions and responsibilities assumed, achievement of departmental annual goals, contribution, departmental management, talent cultivation, and implementation of the Company's culture. If there is profit in the year, the Company shall allocate 1% to 10% of the profit as employee remuneration according to Article 18 of the Articles of Incorporation. Performance bonuses and remuneration are approved based on the comprehensive results of performance evaluation to achieve the incentive effect. The reasonableness of remuneration is reviewed and approved by the Remuneration Committee and forwarded to the Board of Directors for resolution.

**Audit Committee**

The Audit Committee operates in accordance with the Company's "Audit Committee Charter". Meetings are convened at least once a quarter and may be convened at any time as needed. Its operation is mainly for the supervision of the following matters:

- I. Fair presentation of the Company's financial statements.
- II. Appointment, independence, and performance of the CPAs.
- III. Effective implementation of the Company's internal control.
- IV. The Company complies with relevant laws and regulations.
- V. Management and control of existing or potential risks to the Company.

**Audit Committee**

<b>List of committee members</b>	The total number of members of the 3rd Audit Committee is 4. Member term of office: June 23, 2022 to June 22, 2025 Convener: Independent Director Huang, Ming-Chan Committee Members: Independent Director Tsai, Jung-Teng, Independent Director Chang, Shih-Chia, Independent Director Chen, Hsiang-Ju
<b>Authority</b>	<ul style="list-style-type: none"> <li>• Establishment or amendment of the internal control system in accordance with the Securities and Exchange Act.</li> <li>• Evaluation of the effectiveness of the internal control system.</li> <li>• Established or amended the procedures for the acquisition or disposal of assets, engaging in derivative transactions, lending funds to others, making endorsements or providing guarantees for others, and handling major financial and business transactions in accordance with the Securities and Exchange Act.</li> <li>• Matters involving the directors' self-interest.</li> <li>• Significant asset or derivative transaction.</li> <li>• Lending of material funds, making endorsements or providing guarantees.</li> <li>• The offering, issuance, or private placement of securities of an equity nature.</li> <li>• Appointment, dismissal, remuneration, and evaluation of the independence and suitability of the CPAs.</li> <li>• Appointment or dismissal of a chief financial officer, accounting officer, or internal audit officer.</li> <li>• Financial statements signed or sealed by the Chairman, managerial officers, and chief accounting officer.</li> <li>• Other material matters as required by the Company or the competent authority.</li> </ul>
<b>Operation status (5 meetings in 2023)</b>	The 3rd term of the Audit Committee: As of December 31, 2023, all four members of the Remuneration Committee attended all five meetings (100% attendance).



## 3.3 Ethical Corporate Management

### Ethical Management

Global Tek has established the "Procedures for Ethical Management and Guidelines for Conduct", "Code of Ethical Conduct", and "Regulations for Reporting Illegal, Unethical, or Dishonest Conduct", as well as a complaint and reporting channel to provide feedback and communication with internal and external stakeholders.

The internal regulations are as follows:

- Any director or managerial officer who violates the Code of Ethical Conduct shall be punished in accordance with the disciplinary measures specified in the Code of Ethical Conduct and shall immediately disclose on the MOPS the date, the reason, and the details of the violation such as standards and handling information.
- The Company shall not offer or promise to offer any facilitating payments. If an employee of the Company offers or promises to make facilitation payments due to threats or intimidation, he/she shall report the incident to his/her immediate supervisor and notify the responsible unit of the Company. The responsible unit of the Company shall immediately handle the notification and review the relevant circumstances to reduce the risk of recurrence. If any illegal act is discovered, it shall be reported to the judicial unit immediately.
- When engaging in business activities, the Company's personnel shall explain the Company's ethical management policy and relevant regulations to the counterparty, and explicitly refuse to directly or indirectly offer, promise, request, or accept any improper benefits in any form or name. Avoid engaging in business transactions with agents, suppliers, customers or other business partners that are involved in unethical conduct. Upon discovery of unethical conduct in business dealings or business partners, we shall immediately cease business dealings with them and list such business dealing as a rejection, to implement the Company's business integrity policy.

We also encourage internal and external personnel to speak up and report unethical or improper behavior. If the reported case is true after investigation, it will be handled according to the regulations immediately. The Company has a whistleblower protection mechanism in place to keep the identity of the whistleblower and the content of the report confidential, and promises to protect the whistleblower from being improperly treated due to the report, in order to protect the rights and interests of complainants and whistleblowers.

Global Tek has set up a spokesperson, established a public mailbox for the Audit Office, and disclosed the contact information for ESG-related matters, all as communication channels to be utilized by stakeholders. For various issues related to the Company, if you have any questions, suggestions, complaints, violations, reports, etc., the above channels allow us to respond and communicate in real time to all letters, messages, and complaints received.

Inform relevant internal units to evaluate and respond to maintain smooth and good interaction. In 2023, the whistleblower mailbox received 3 valid pieces of information regarding: vacant lot disposal, product business, and academic questionnaire surveys. These letters did not contain any environmental, social, customer, or other type of complaint nor cases of whistleblowing.

Internally, we have established diverse employee communication channels. If you are uncertain whether the situation violates applicable laws, regulations, binding policies, or company regulations, you can also seek advice and assistance from your supervisor or the human resources department. We hope to maintain good labor-management relations through these channels while protecting the rights and interests of employees. In 2023, there were no complaints/reports involving violations of ethical integrity and labor rights by employees of Global Tek Group.



## Internal Control and Internal Audit

The Company has established the "Ethical Corporate Management Best-Practice Principles", "Procedures for Ethical Management and Guidelines for Conduct", "Code of Ethical Conduct", "Regulations Governing Prevention of Insider Trading", and "Regulations for Reporting Illegal, Unethical, or Dishonest Conduct", and other regulations as internal control systems. The internal audit unit conducts independent audits to ensure the operation of the overall mechanism and joint management to prevent the occurrence of unethical behavior.

Among them, "Regulations for Reporting Illegal, Unethical, or Dishonest Conduct" encourages internal and external personnel to report dishonest or improper behavior. There are four methods for reporting: "email", "hotline", "reporting mailbox", and "in person". The Corporate Governance section of the Company's website also provides detailed regulations for internal and external stakeholders. The identity of the whistleblower and the content of the report are kept confidential to protect the whistleblower from being improperly dealt with due to the whistleblowing. The Company did not receive any complaints in 2023.

The Chairman's Office, Audit Office, and Human Resources Center are responsible for handling reports of illegal, unethical, or dishonest conduct. Except for whistleblowing cases that do not meet the conditions for investigation, the reception unit shall issue an investigation report based on the facts verified after completing the necessary investigation procedures and report to the Chairman. If the reported case involves a director or senior executive, or if a major violation is discovered, or if the Company is likely to suffer significant damage, the independent director shall be notified in writing. Each year, the responsible unit reports to the Company's Board of Directors on the implementation of the ethical corporate management policy and prevention of unethical conduct. The most recent reporting date was December 28, 2023. In 2023, the Company did not have any corruption or insider trading violations. The table on the right shows the implementation of ethical corporate management in 2023:

Item	Implementation status
Sign the declaration	<ol style="list-style-type: none"> <li>1. New internal managers sign the "Declaration of Compliance with Integrity Management Policy".</li> <li>2. New employees sign the "Acknowledgment of Review of Management Regulations" that incorporates the "Ethical Corporate Management Procedures and Code of Conduct" into the management regulations.</li> </ol>
Education and training	The Human Resources Center is responsible for education and awareness programs. In 2023, external professional lecturers and lawyers were specially invited to conduct in-person courses in May and November. These courses covered topics such as workplace violations, integrity in business operations, corruption, ethics, human rights and employee policies, and procedures for reporting illegal, unethical, or dishonest conduct. For foreign employees, the content was translated into their native languages through intermediaries. A total of 856 participants attended these sessions.
Compliance promotion	In 2023, the Company's meeting affairs unit focused on the prevention of insider trading, including important regulations for handling material internal information, and used videos and case studies to promote the matters that executives at all levels (especially internal managers) should pay attention to. A total of 21 participants in 2023
Annual evaluation	In 2023, online tests of the education and training system were implemented for native employees, and tests were held for foreign employees through Google quizzes. The focus of the tests covered the scope of course training mentioned in the education and training.





## Diverse Complaint Channels

The Company has regulations in place for reporting "illegal, unethical, or dishonest conduct" through which stakeholders can use communication channels to make suggestions and complaints to the Company. After the Company receives feedback, the responsible unit will conduct an investigation and follow-up action. Employees or stakeholders can also use the Company's "opinion mailbox" to blow the whistle on any suspected illegal or dishonest behavior.

### Complaint Channel

	Complaint channel	Reception window
Internal	<ul style="list-style-type: none"> <li>Employee suggestion box.</li> <li>Report to the immediate supervisor or the human resources department.</li> <li>Exclusive email for employee complaints and reports.</li> </ul>	<ul style="list-style-type: none"> <li>Chairman's Office</li> <li>Audit Office</li> <li>Human Resources Center</li> </ul>
External	<ul style="list-style-type: none"> <li>The telephone number and email of the spokesperson.</li> <li>ESG contact number and email.</li> </ul>	<ul style="list-style-type: none"> <li>Spokesperson</li> <li>Executive Secretariat of the Sustainable Development and Risk Management Committee</li> </ul>
Reception unit	Chairman's Office, Auditing Office, or Human Resources Center	
Mailing address	Building C, 15F, No. 94, Section 1, Xintai 5th Rd., Xizhi District, New Taipei City 221 No. 638, Section 6, Kuai Su Road, Xinwu District, Taoyuan City 327	
Whistleblowing hotline	886-3-420-1398 ext: 3013 Chairman's Office 3006 Auditing Office 3003 Human Resources Center	
Email	HELP@globaltekww.com	
Case investigation and handling process		
Complaint received	Upon receipt of relevant complaints, the top supervisor of responsible unit initiates an investigation.	
Accident assessment and investigation	Conduct assessment and analysis of the complaint issues, and conduct investigation and collection of evidence.	
Immediate reply	Immediate response to the complaint handling results.	
Document retention	The reports and results shall be retained in writing for five years.	
Review and meeting report	The responsible unit shall report the situation, how it will be handled, and the subsequent review and improvement measures to the Board of Directors, if necessary.	

## Legal Compliance

A major violation is defined as a single incident that exceeds NT\$1 million in cumulative fines. According to the MOPS, in 2023, there were no major violations of social, economic, or environmental laws and regulations during the operations of Global Tek Group (including Taiwan Plant, Wuxi Plant, and Xi'an Plant). There were no anti-competitive behavior, anti-trust or monopolistic practices. The Company was also not subject to any non-monetary sanctions.

## Tax Management

To implement the tax governance policy, all production sites comply with the tax laws and regulations of their respective countries to ensure that transactions between operating sites are conducted in accordance with the principle of regular trading, and did not engage in complex transactions that are false or have no economic substantive purpose, nor transfer profits to low-tax countries or tax-free havens for the purpose of tax avoidance. We also disclose tax information to stakeholders through public channels such as financial reports and corporate sustainability-related information to provide information transparency. The Company is currently exempted from submitting the country-by-country report.

We actively communicate with stakeholders through various channels and participate in tax initiatives to support the implementation of various new tax policies and jointly create a favorable tax environment.

- Tax collection authority - If there is any doubt about the application of laws and regulations, we will take the initiative to contact the tax collection authority. When we receive a letter from the tax authority requesting information, we will fully cooperate.
- Independent directors and investors - The Board of Directors and independent directors communicate tax issues to enable them to effectively grasp the status of tax risk control.



• Financial statements



• Shareholders' meeting annual report



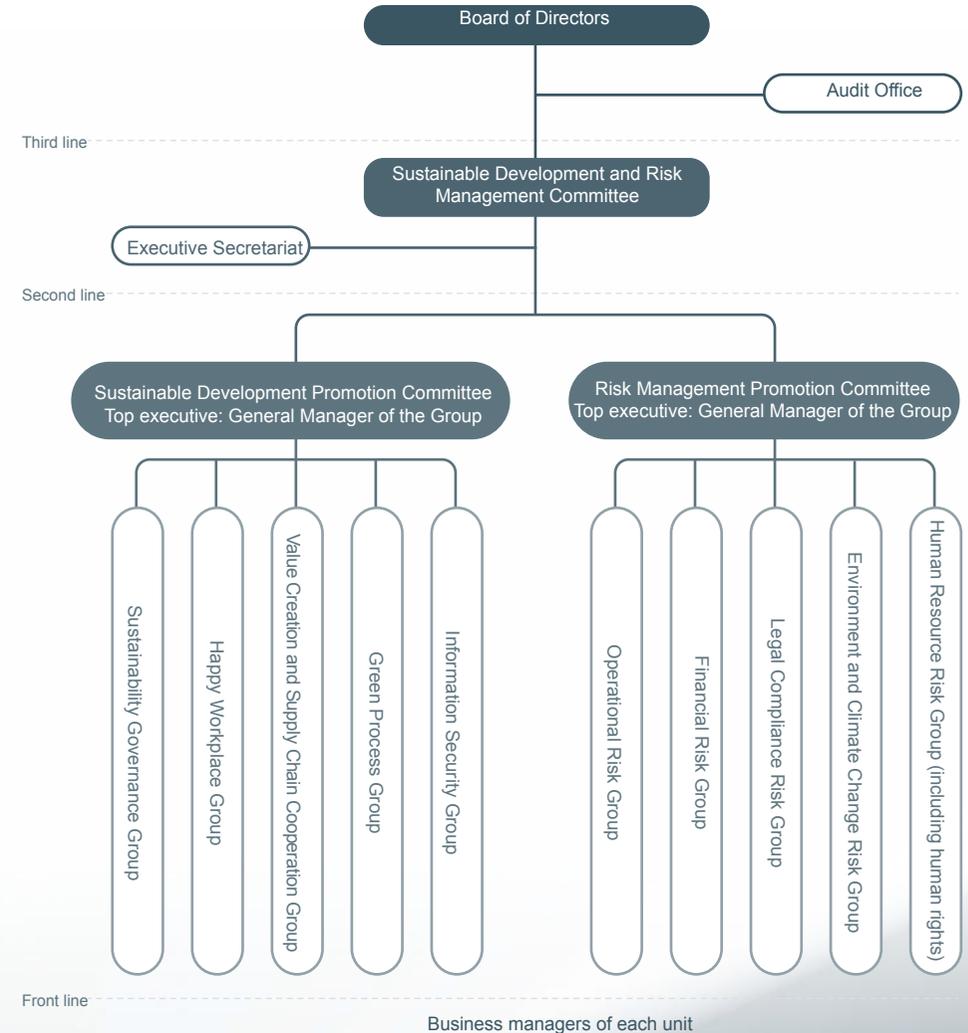
### 3.4 Risk Control

Considering the need for steady operations and sustainable development, Global Tek established "Sustainability and Risk Management Committee" at the Board level on November 8, 2022. Under this committee, "Risk Management Promotion Committee" was formed, which established the "Risk Management Policies and Procedures" as the highest guiding principles for risk management. These policies clearly define the types of risks, including: operational risk, financial risk, compliance risk, environmental and climate change risk, and human resources risk (including human rights). The Risk Management Promotion Committee, along with the senior management of each business unit or site, is responsible for identifying, assessing, recognizing, confirming, and developing response strategies and control methods for the various risk factors. These efforts are integrated into the 2024 OGSM (Objectives, Goals, Strategies, Measures) framework, which formulates the Group's objectives to each unit, forming a performance management system for checking targets, actions, and outcomes, and building a highly efficient and agile team.

#### Source of Risk



#### Risk Management Organizational Chart

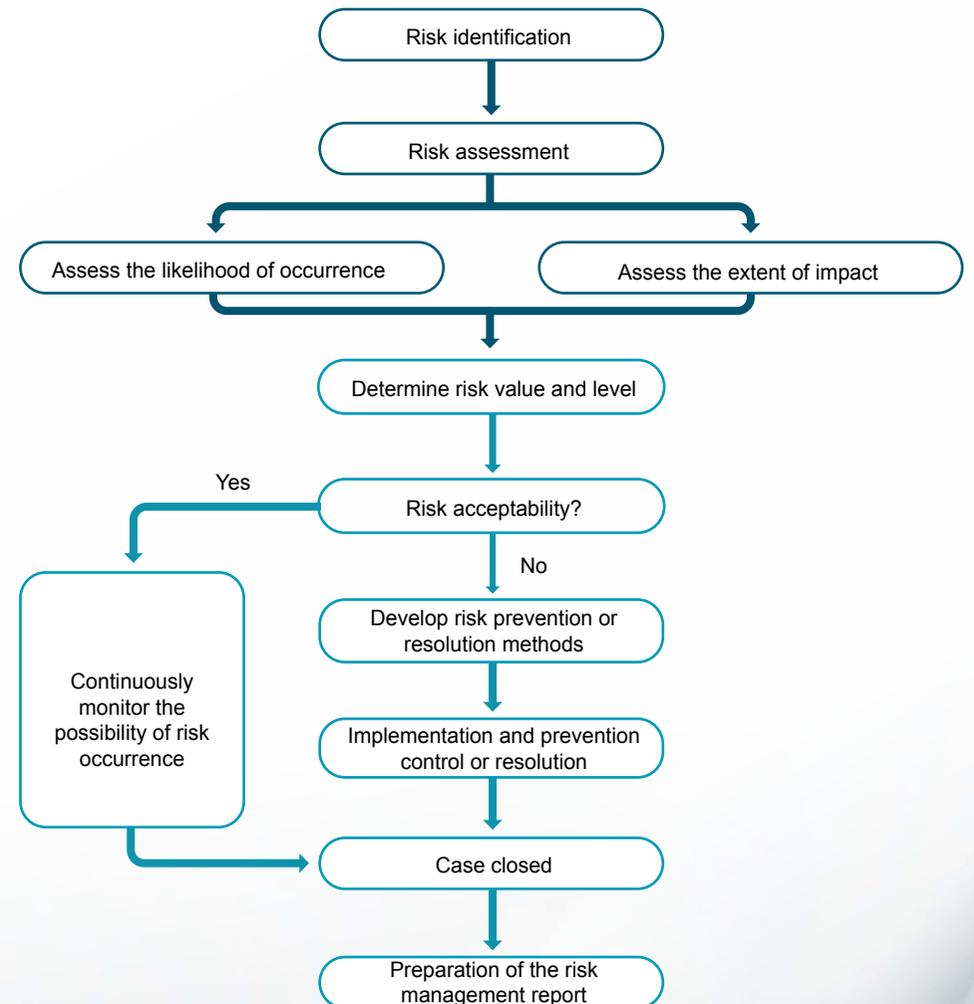




Governance units and risk management	
Risk management level	Risk management operations
Board of Directors	As the highest decision-making unit for risk management, it is responsible for guiding and supervising the implementation of the Company's risk management policy, ensuring the effective operation of the risk management mechanism, and taking the ultimate responsibility for risk management.
Third-line responsibilities	The chairperson of the Sustainable Development and Risk Management Committee shall review and supervise the implementation of the Company's operational, financial, legal compliance, environmental and climate change, human resources risk management mechanisms (including human rights), and continue to improve the quality of risk management.
Second-line responsibilities	<ol style="list-style-type: none"> <li>The senior management of each plant or business unit or the Risk Management Promotion Committee, is responsible for identifying, analyzing, assessing, and developing solutions or preventive measures for potential risks. Also, based on the actual operations of each unit, they should review operational rules, regulations, or procedures, supervise and examine the compliance with the latest legal updates, including revisions, announced by the competent authorities, and assess the likelihood of various risks, issuing early warnings or proposing solutions as needed. When necessary, they may propose the amendment or formulation of internal rules, regulations, or operational procedures related to the business unit.</li> <li>The senior management of each plant, business unit, and the Risk Management Promotion Committee is required to report at least twice a year on the identification, analysis, assessment, and proposed solutions or preventive measures for potential risks to the Sustainability and Risk Management Committee (Executive Secretariat). The Executive Secretariat will compile these reports and submit a comprehensive risk identification, analysis, and/or resolution report to the Sustainability and Risk Management Committee at least twice a year.</li> <li>Before implementing solutions for risks that may threaten the Company's operations, the senior management of each plant, business unit, and the Risk Management Promotion Committee must convene relevant responsible parties and units to discuss the solutions. If necessary, external consultants' opinions should be sought to assess risks and propose preventive or remedial measures as early as possible.</li> </ol>
Front-line responsibilities	The business operators of each unit must carry out risk identification, assessment, control, and supervision in accordance with the Company's risk management policies and procedures, and report it to their superiors.

In order to improve the risk management function, the Company's risk management mechanism is to clearly grasp the risk level of each risk item through risk identification, assessment, judgment, development of solutions or prevention methods, control, supervision, and preparation of risk management reports, in order to clearly understand the risk level of each risk item, and develop solutions or prevention methods.

### Risk Management Procedures



Due to the growing importance of risk management, Global Tek Group's Risk Management Steering Committee actively addresses and manages risks that must be considered during operations. Each functional unit head is responsible for managing, analyzing, and monitoring relevant risks within their respective units to ensure that risk control mechanisms and procedures are effectively implemented. The top risk management officer or his/her designated authorized agent reports to the "Sustainable Development and Risk Management Committee" twice a year.



In 2023, the Risk Management Promotion Committee held meetings in May, June, and December, during which various risks were identified. The Company's risk management report was presented to the Board of Directors by the Executive Secretariat of the Sustainability and Risk Management Committee in December.

According to "Risk Management Policies and Procedures", the risk management promotion team selected 6 important risk issues from 36 possible risk issues for Global Tek. The summary is as follows:

Ranking of importance	Orientation	Material risk issues	Countermeasures	
↓	Economic aspect	Legal compliance risk	Inadvertent violation of government regulations	Continuous improvement is achieved by strengthening the transparency of environmental safety, internal audit and internal control, corporate governance, education and promotion, and visualized goal management.
	Economic aspect	Operational risk	Changes in customer requirements	In response to geopolitical risks and customer demands for a "China +1" strategy, the Company plans to establish a third production site in Thailand. This will not only consolidate the existing production sites across the Taiwan Strait but also create Global Tek Thailand Park, integrating upstream and downstream key suppliers within the park through clustering. We plan to start small-hot mass production in 2025.
	Economic aspect	Information security risk	Cyber attack	<ol style="list-style-type: none"> <li>1. Regularly check firewalls, strengthen intrusion detection and email protection, and deploy company-wide antivirus and protection equipment.</li> <li>2. Regularly perform full backups and off-site backups of all virtual hosts to protect business data.</li> <li>3. Conduct information security training and promotion for employees from time to time, and produce information security training materials for new recruits to effectively promote information security protection awareness.</li> <li>4. Information personnel continue to participate in information security activities to understand recent information security incidents and strengthen the introduction of relevant technologies and analysis into the Company.</li> </ol>
	Crowd aspect	Human resource risk	Shortage of key talent	<ol style="list-style-type: none"> <li>1. Formulate the strategic plan for organizational development and clearly define the organizational functions.</li> <li>2. Promote the overall skills inventory of the organization, identify the competency gap, and continuously strengthen reinforcement plans.</li> <li>3. Through the online learning platform and the current physical operations and learning, as well as cross-plant exchanges, enhance collection and sharing of professional knowledge.</li> </ol>
	Environmental aspect	Environment and climate change risk	Increased cost of greenhouse gas emissions	<ol style="list-style-type: none"> <li>1. Implement continuous improvement for energy conservation and emission reduction.</li> <li>2. Improve production efficiency and make fundamental changes from the perspective of lean production and automated production.</li> </ol>
	Economic aspect	Risk from technology and industry change	Lack of innovative energy	The competition in the precision machining industry is becoming increasingly fierce. In addition to strengthening vertical integration, it is crucial to enhance the capabilities and energy of technology research and development groups across various factories, linking them with new business opportunities that offer higher added value.



## 3.5 Information Security and Privacy Management

In order to maintain the Company's sustainable operations and respond to future information security incidents, the Company has established an information security team and clearly defined the Company's information security policy and specific management plans. The Company had no major information and communication security incidents in 2023, and there was no material impact on the Company's financial operations.

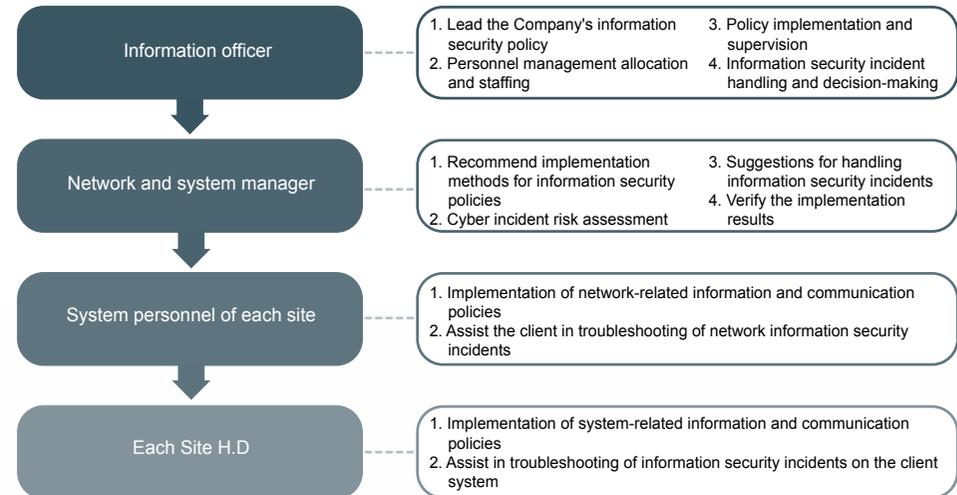
### Cyber Security Policy

To ensure the smooth operation of the Company's related business activities and to prevent unauthorized access, use, control, disclosure, destruction, alteration, or other violation of or damage to information or IT systems, while ensuring their confidentiality, integrity, and availability, the following policy has been established for all employees to follow:

- Implement the information and communication security management system and pass the verification of internal and external auditing units.
- Effectively manage information assets, continuously perform risk assessment, and take appropriate protective measures.
- Protect information and communication systems from unauthorized access and maintain the confidentiality of information and communication systems.
- Protect the integrity of information and communication systems by preventing unauthorized modification.
- Ensure that authorized users can use the information and communication system when needed.
- Comply with national laws and regulations.
- Assess the impact of various man-made or natural disasters and formulate a recovery plan for the core information and communication system to ensure the sustainable operation of the core business.
- Implement information security education and training, especially for new employees to improve information security awareness company-wide.
- Resource management for external suppliers and customers connecting to the Company's network to ensure the security of information and communication services.
- Implement audit execution and management review processes to achieve continuous improvement of the information security management system.
- Strengthen the sharing of information security joint defense and information communication incidents in each plant.

### Cyber Security Risk Management Framework

The information department is an independent department not affiliated with the user unit. It is responsible for coordinating and implementing information security policies, promoting information security messages, raising employees' information security awareness, and collecting and improving the performance and effectiveness of the organization's information security management system, products or procedures, etc. The audit unit conducts an information security audit on the internal control system every year to evaluate the effectiveness of internal control over the Company's information operations.



### Specific Management Plans

- The adequacy rate of the information and communication system is over 99.99%. (hours of interruption/total operating hours ≤ 0.01%).
- After the occurrence of an information security incident, the rate of level-by-level notification, response, and recovery operations within the required time is 100%.
- Regarding the company email, 98% of all spam and intrusions are blocked. (Efficiency = Number of successfully filtered spam emails / Total number of spam emails to be filtered).
- Disaster recovery drill plan and operations (once a year).
- Information security education and real-time information security demonstration report and training (information security training at least once every six months/real-time information security demonstration from time to time).
- No more than one data breach of the information and communication system occurs each year.
- Penetration testing and vulnerability scanning are conducted once a year.

### Customer Privacy

In addition to implementing the Company's information security policy, establishing a detection mechanism and handling procedures for information security incidents to reduce the impact of information security incidents on the Company's operations, we have also cooperated with suppliers to provide assistance in the event of information security incidents. In 2023, we did not receive any complaints regarding breaches of customer privacy or loss of customer data.

# 4 Value Creation and Mutual Benefits in the Supply Chain

4.1 Product R&D

4.2 Procurement Policy

4.3 Supplier Evaluation Management





## Material Topic: Value Creation and Supply Chain Mutual Benefits

<p><b>Sustainability Issues</b></p>	<p>Operational performance Green procurement and local procurement Supplier management</p>
<p><b>Importance to Global Tek</b></p>	<p>Cooperating with local enterprises through green procurement not only reduces the cost of raw material procurement, but also helps avoid violated any existing and potential laws and regulations. At the same time, by controlling pollution at the source, we can reduce pollution and waste management costs, enhance product quality and competitiveness, and have the opportunity to receive government assistance and support. Through the active implementation of supply chain management, we develop long-term, highly efficient cooperative relationships with suppliers. We also conduct risk assessments and audits on environmental, social, economic, and governance aspects to ensure that suppliers fulfill their corporate social responsibilities, thereby strengthening the resilience of the supply chain, reducing operational risks, and contributing to the Company's sustainable operations.</p>
<p><b>Influence and Impact</b></p>	<p><b>Economic aspect:</b> Implement supplier management regulations through material topics to effectively establish long-term and efficient cooperative relationships with suppliers, reduce costs, and enhance competitiveness. If the management measures are not continuously updated or supervised, the Company may be affected in the event of a problem.</p> <p><b>Environmental aspect:</b> Through supplier audits, we can effectively urge them to reduce carbon emissions, reduce waste, and recycle water to reduce their negative impact on the environment. If environmental assessments of suppliers are not performed continuously, environmental impacts might affect the overall supply chain.</p> <p><b>Human rights aspect:</b> Ensure that suppliers jointly fulfill their corporate social responsibilities, improve human rights protection, and reduce harm to the human body caused by products and processes. Continue to conduct supplier human rights assessments to prevent human rights violations.</p>
<p><b>Policy/Strategy</b></p>	<ul style="list-style-type: none"> <li>Uphold the Company's spirit: Global Tek Group consists of a team of professionals who are resilient and hold great expectations for Taiwan's traditional precision machining industry. We are committed to establishing deep roots in Taiwan, cultivating a people-centered learning organization, and promoting lean production management. We follow the philosophy of specialization, excellence, and strength without aiming for sole dominance, and we aim to grow together through openness, sharing, replication, and resource integration.</li> <li>Create a platform for gathering and integrating with strategic partners and employees, promote sustainable management actions with industrial clusters of symbiosis and co-prosperity, provide technical services for precision metal products, and continue to grow with quality customers in niche markets.</li> </ul>





Goals and Targets

The Company uses 2022 as the base year.

**Short-term goals (2-3 years):**

- The Group integrates supplier evaluation information of the three factories to define a list of environmentally friendly raw material suppliers; it introduces environmentally friendly raw material suppliers according to customers' environmental requirements.
- Take inventory of the existing raw materials and find alternative sources that can be recycled and reused.
- Collaborate with suppliers to develop products or develop new materials: Taiwan Plant investigates the possibility of local procurement; Wuxi Plant successfully developed one project; Xi'an Plant transferred 100 tons/year of local procurement from overseas.
- We have established a supplier code of conduct, which is included as a document for direct suppliers to sign. Taiwan and Wuxi Plants have revised and obtained signatures from suppliers, completing supplier education and advocacy. For Xi'an Plant, the Group has designed a supplier code of conduct and contractual agreements that is applicable to all three factories.
- Incorporation of ESG elements into supplier evaluations and audit items: The Group completed the new supplier evaluation form and supplier quality system audit form.
- The Group incorporates ESG issues into the annual supplier conference.
- The Group promotes improvement measures for suppliers receiving a low ESG score.

**Medium-term goals (3-5 years):**

- Collaborative product development or new material development with suppliers: Taiwan Plant/Wuxi Plant successfully develops one product each year.
- Formulate a supplier code of conduct and require signatures from direct suppliers. All suppliers of the Taiwan Plant and Wuxi Plant have signed such documents; the signing rate of the main raw material suppliers of Xi'an Plant is 100%.
- Include ESG elements in supplier evaluations and audit items: Taiwan Plant conducts an annual evaluation plan for important suppliers; Wuxi Plant/Xi'an Plant conducts relevant evaluations and audits on strategic suppliers using the new system.

**Long-term goals (over 5 years):**

- Formulate a supplier code of conduct and require signatures from direct suppliers. All suppliers of the Taiwan Plant have signed such documents; Wuxi Plant has also completed the signing of documents with secondary suppliers (Type II).
- Include ESG elements in supplier evaluations and audit items: All suppliers of the Taiwan Plant have signed such documents; all suppliers of Wuxi Plant/Xi'an Plant are evaluated and audited in accordance with the new system.

Management Evaluation Mechanism

1. Arrange for external units to conduct product testing and verification

**Taiwan Plant:** When providing samples to customers, we conduct testing and verification according to the customer's requirements. If the supplier is qualified, the samples will be sent.

**Wuxi Plant:** The relevant inspection instruments and equipment are regularly tested and verified by a third party. Product testing and verification are submitted to pass inspection according to customer requirements.

**Xi'an Plant:** All products delivered by Xi'an Plant meet the requirements after testing by customers.

2. Conduct due diligence on conflict-free mineral suppliers

**Taiwan Plant:** All strategic suppliers are qualified (approximately 45 raw material and machinery processing manufacturers).

**Wuxi Plant:** All strategic suppliers have signed.

**Xi'an Plant:** The top two customers in terms of sales meet the requirements after investigation.

3. Regularly conduct customer satisfaction and opinion surveys on product quality.

**Taiwan Plant:** Conduct customer satisfaction and opinion surveys on an annual basis.

**Wuxi Plant:** Conduct monthly customer satisfaction and opinion surveys.

**Xi'an Plant:** Regularly provide delivery and quality satisfaction assessments for the top two customers in terms of sales.



Performance and Adjustment

Completion progress in 2023:

1. Major suppliers have completed the signing of relevant declarations of the green procurement guidelines.

**Taiwan Plant :** Currently, we mainly focus on raw material and machine processing manufacturers, and have signed contracts with 45 manufacturers in total.

**Wuxi Plant:** In 2023, 9 suppliers signed "Guarantee for Non-Use of Environmental Substance", in addition to the 35 in 2022. A total of 44 strategic suppliers has all signed "Guarantee for Non-Use of Environmental Substance".

**Xi'an Plant :** Two major suppliers have completed the signing of the relevant declarations of green procurement guidelines.

2. Formulate the supplier code of conduct and implement supplier promotion.

**Taiwan Plant :** Formulated a supplier code of conduct and conducted supplier promotion in December 2023.

**Wuxi Plant:** In 2023, 9 suppliers signed "Declaration of Non-use of Conflict Minerals" in addition to the 35 in 2022.

**Xi'an Plant:** A code of conduct for suppliers has been formulated, and supplier promotion was conducted in September 2023.

3. The Group has revised the new supplier evaluation form and supplier quality system audit form to include ESG-related elements in the audit and evaluation items.

**Taiwan Plant :** The new supplier evaluation form and supplier quality system audit form have been revised.

**Wuxi Plant :** The new supplier evaluation form and the supplier ESG audit form have been revised.

**Xi'an Plant :** The new supplier evaluation form and supplier quality system audit form have been revised.

Preventive or Remedial Measures

**Preventive measures:**

Establishing comprehensive risk management measures can help improve the resilience of operations, prevent the impact of crisis events, and protect the improvement of employees and environmental safety.

Through corporate social responsibility and risk management policies, we build a sustainable supply chain, pursue green manufacturing, and achieve high-efficiency energy conservation and environmental protection missions.

We plan energy consumption reduction policies, review the overall energy consumption every year, monitor the energy consumption every month, conduct comparison and analysis with the Company's energy consumption goals, plan improvement projects, and continue to reduce energy consumption and reduce carbon emissions.

**Remedial measures:**

For supply chain management, the Company continually strengthens the promotion of the importance of ESG to create value for ourselves and the entire supply chain.

By reviewing the overall carbon reduction performance every year and formulating emissions reduction strategies, we continue to build green factories. If the carbon reduction performance is not as expected, the Company also evaluates the procurement of renewable energy and cooperates with relevant units.





## 4.1 Product R&D

As a member of an international group specializing in precision mechanical processing, since its establishment, Global Tek has followed the principles of professionalism, systematization (with certifications such as IATF 16949 for the automotive industry, AS 9100 for the aerospace industry, and ISO 13485 for the medical device industry), and internationalization. We focus on niche global markets, cultivating core clients through a strategy of specialization, excellence, and strength without seeking sole dominance, while integrating upstream and downstream resources to grow together.

The main business scope is the production and processing of precision machining components, which are used in global niche markets such as automotive safety systems, fuel transmission, industrial instrumentation, semiconductor equipment, high-end bicycles, aerospace industry, and medical equipment.

Focusing on niche global markets has always been our key strategic priority. Therefore, in 2009, we entered the aerospace sector, adopting the operational strategy of "doing what large companies are unwilling to do, and small companies are unable to do". Through professional management, we aim to connect and integrate upstream and downstream supply chains that meet AS 9100 and NADCAP certifications, with precision mechanical processing as the core capability. By leveraging Global Tek's innovative cross-functional organizational management model, we strive to meet the comprehensive needs of our clients and ensure that they receive the most competitive, one-stop, complete precision mechanical parts solutions.

In addition, the Company's core culture and strategy focus on the development of corporate sustainability, and we insist on building a learning organization that seeks truth, change, and innovation. Implement and continuously improve and strengthen competitiveness through lean manufacturing and logical management. We insist on creating a team with differentiated competitive advantages. By focusing on specific niche markets around the world, focusing on customers and cultivating core customers, and integrating strategic partners in the value chain, we have created a team that can provide customers with one-stop comprehensive value proposition services, and also a group organization with international economic scale.

All products delivered in mass production must pass the customer's visit to the plant and both environment and quality reviews, as well as the evaluation and audit of the product's production process. The table below shows the safety regulations and international certifications that Global Tek Group has obtained.

### Statistics of Products or Services That Have Obtained Safety Certification/International Quality System Certification

Region	Product or service name	Safety regulation certification/ international quality system certification	Percentage of evaluated products or services provided to customers (%)
Taiwan Plant	Automotive products	IATF 16949 / ISO 9001	100%
	Aerospace products	AS 9100 / ISO 9001	
	Industrial products	ISO 9001	
	Pressure vessel materials	PEDM	
	Xinwu Plant	ISO 14001	
	Non-destructive inspection - fluorescence test	NADCAP	
Wuxi Plant	Automobile parts	IATF 16949 / ISO 14001	
	Medical device parts	ISO 13485	
Xi'an Plant	Permit for discharge of waste gas and wastewater generated in the Company's production process	China pollution permit	
	All products manufactured within the Company	ISO 9001	
	All products manufactured within the Company	ISO 14001	
	Aerospace products	AS 9100	

Note:  
 1. Percentage = (Total amount of evaluated products or services provided to customers/Total amount of products or services provided to customers)\*100.  
 2. Relevant international regulations and quality certifications are shown in Appendix V.



## Compliance With Product-Related Laws and Regulations

Products in Taiwan and Wuxi factories are subject to the customer's requirements and the laws and regulations. During the development stage, PPAP (Production Part Approval Process) is submitted according to "Production Part Approval Process" of Global Tek, and the production is approved by the customer, including product labeling and packaging method. The current product evaluation rate is 100%.

The products of Xi'an Plant must meet the information and labeling requirements specified by the customer, and must be confirmed and approved by the customer. The labeling and information on shipping packaging must include product name, material number, furnace number, production information, CoC (Certificate of Conformity), and material certification. Currently, the information involved in legal requirements includes RoHS, REACH, conflict minerals, TSE (Turkey National Standard Institute-Turkish Standards Institution), all of which have been recognized by customers.

In 2023, the Company did not violate the health and safety regulations, information and labeling, and marketing communication regulations related to products and services.

## Customer Satisfaction

Customers are stakeholders that Global Tek values. Through customer satisfaction, the Company's business operations can be improved. The calculation is based on customers' monthly or quarterly performance evaluations or satisfaction reports. The evaluation indicators can be divided into quality, price, delivery, terms and services. Regularly conduct customer satisfaction surveys to understand the actual performance of products and services after delivery, and use the feedback as an important reference for adjustment and improvement. The customer satisfaction results collected in 2023 were as follows:

Plant area	Description
Taiwan Plant	Including the automotive, aerospace, and industrial divisions, each division conducts annual customer satisfaction surveys on quality, on-time delivery, price, service efficiency, professionalism, and other items based on customer needs and in compliance with their applicable quality management system, or accept the supplier scorecard provided by the customer to ensure that product and process efficiency meet the specifications. The 2023 survey results met all targets. Automotive customers result of 100 points (target was 90 points); Aerospace customers result of 100 points (target was 95 points); Industrial customers result of 85 points (target was 85 points).
Wuxi Plant	Satisfaction surveys were conducted based on indicators such as product quality, on-time shipment rate, and service quality. In 2023, the satisfaction survey results of all business units were all A or above (90 points or above).
Xi'an Plant	A satisfaction survey was conducted based on indicators such as product quality, delivery time, and service quality. The result in 2023 was 85 points (out of 100 points).





## 4.2 Procurement Policy

The main principles of Global Tek Group are to select local suppliers first, consider the efficiency of communication with local suppliers, and help reduce carbon emissions generated during long-distance transportation. If local suppliers are unable to provide products or services, only overseas suppliers will be considered for supply. The 2023 procurement expenditures and procurement descriptions of Global Tek's Taiwan, Wuxi, and Xi'an factories were described in the article below.

### | Taiwan Plant |

The Company's Taiwan Plant has contracted 407 suppliers for labor services, finance, and engineering, and most of the foreign procurement parts are from Europe and the United States. Regarding labor procurement, the primary focus is on outsourcing parts processing and surface treatments. Materials include raw materials, finished products, and consumable hardware used in the manufacturing process. Engineering mainly involves machinery, inspection equipment, and plant infrastructure. Due to the increased number of projects in 2023 related to machinery, mold fixtures, inspection equipment, and improvement projects, the number of suppliers showed an upward trend. The table on the right shows the number of suppliers and the proportion of procurement amount of Taiwan Plant in the past three years.

Type of contract	Region of purchase	2021		2022		2023	
		Number of households	Percentage of procurement amount (%)	Number of households	Percentage of procurement amount (%)	Number of households	Percentage of procurement amount (%)
Labor services (contracting and service)	Domestic	90	25.47	90	12.87	102	34.52
	Overseas	4	0.33	3	0.01	5	0.58
Property (raw materials)	Domestic	184	65.52	180	38.05	182	49.74
	Overseas	36	3.03	28	0.09	25	10.93
Engineering (construction and equipment)	Domestic	39	3.95	50	45.63	92	3.76
	Overseas	2	1.70	3	3.35	1	0.47
Total		355	100	354	100	407	100

Note: Domestic refers to Taiwan; foreign refers to regions outside Taiwan (suppliers in Europe and the United States).

### | Wuxi Plant |

For Wuxi Plant, foreign procurement is handled through Taiwan, primarily for China Steel Corporation's raw materials, billets, and a small number of Taiwan-made tools. Labor costs mainly cover processing fees and surface treatment costs from subcontractors, as well as pure procurement items<sup>Note 1</sup>. Materials include raw materials, tools, chemicals, hardware, and packaging materials. Engineering involves in-plant machinery and equipment, and infrastructure facilities such as air conditioning installation and plant maintenance. The table on the right shows the number and procurement amount of Wuxi Plant in the past three years.

Type of contract	Region of purchase	2021		2022		2023	
		Number of households	Percentage of procurement amount (%)	Number of households	Percentage of procurement amount (%)	Number of households	Percentage of procurement amount (%)
Labor services (contracting and service)	Domestic	36	22.98	35	19.45	43	27.74
	Overseas	0	0	0	0	0	0
Property (raw materials)	Domestic	185	46.20	209	45.57	185	49.23
	Overseas	1	29.46	1	25.15	1	7.13
Engineering (construction and equipment)	Domestic	19	1.36	36	9.83	31	15.90
	Overseas	0	0	0	0	0	0
Total		241	100	281	100	260	100

Note: Domestic refers to within China; foreign refers to regions outside China (Taiwan).

Note 1: Purely purchased parts refer to the purchase of finished or semi-finished products from the supplier.



| Xi'an Plant |

The construction of Xi'an Plant area mainly focuses on equipment procurement, equipment maintenance contractors, and plant building construction. In terms of labor services, we have no cooperation with external processing companies, and the raw materials are mainly imported from mainland China.

In terms of procurement policy, we will continue to strengthen cooperation with domestic enterprises in mainland China in order to promote local economic development and reduce the carbon footprint generated by long-distance procurement. The table on the right shows the number of suppliers and the amount of purchases for Xi'an Plant in the past three years.

Type of contract	Region of purchase	2021		2022		2023	
		Number of households	Percentage of procurement amount (%)	Number of households	Percentage of procurement amount (%)	Number of households	Percentage of procurement amount (%)
Labor services (contracting and service)	Domestic	3	4.79	5	3.65	3	3.82
	Overseas	0	0	0	0	0	0.00
Property (raw materials)	Domestic	8	1.74	11	1.44	64	94.22
	Overseas	0	0	0	0	1	1.89
Engineering (construction and equipment)	Domestic	58	84.47	56	90.81	8	0.06
	Overseas	2	9.00	2	4.1	0	0
Total		71	100	74	100	76	100

Note: Domestic refers to within China; foreign refers to regions outside China (the United States).





## 4.3 Supplier Evaluation Management

### I. Human rights policy

Regarding the protection of human rights of suppliers, through the "Supplier Management Procedures" and "Supplier Performance Evaluation Guidelines", we carefully select suppliers that meet the quality standards for cooperation, and regularly audit the supply chain status to prevent, handle, remedy, or control potential and adverse sustainability impacts. Qualified suppliers are required to sign the "Supplier Code of Conduct", which explicitly outlines Global Tek's expectations regarding the protection of fundamental labor rights and basic human rights. These include prohibitions on child labor, discrimination, and all forms of forced labor, as well as standards for working hours, wages, work environment, privacy rights, and anti-corruption measures. The code also promotes ethical standards and integrity in business operations.

The Company continues to focus on and require suppliers to reject the use of minerals sourced from conflict regions, ensuring that suppliers sign a declaration stating they do not use conflict minerals. Global Tek takes responsibility for thoroughly investigating and continuously monitoring its supply chain to avoid the direct or indirect procurement of conflict minerals. The Supplier Code of Conduct also includes human rights requirements, such as ensuring that minerals used in the manufacturing of products do not directly or indirectly fund violence, human rights violations, or criminal activities by individuals or groups. It requires that labor rights be upheld, employment be freely chosen, child labor be prohibited, working hours not exceed the maximum limits set by local laws, and that humane treatment and anti-discrimination policies be enforced.

The Company uses "Supplier Selection Form" to evaluate new suppliers, and when establishing a new supplier, a supplier handbook must be signed before trading. Currently, the percentage of new suppliers that are screened is 100%.

Taiwan Plant has conducted audits on 104 suppliers. After on-site supplier evaluation, if there are any unqualified suppliers or suppliers who do not agree to improve, they will not be used. In 2023, there were no suppliers that failed the evaluation or were terminated after evaluation.

Neither the Company nor the supplier employ child laborers; no young workers engage in hazardous work; and no employees are forced to work overtime. According to the supplier handbook, the Company opposes the hiring of full-time workers under the age of 15, below the legal working age, or younger than the age for completing compulsory education in the local area. It also prohibits suppliers from engaging in forced or involuntary labor. Suppliers are required to sign contracts to endorse these principles, and in case of any issues, further clarification of the terms is provided throughout the process until both parties reach a consensus.

The Company strictly prohibits any form of forced or compulsory labor, and requires suppliers to comply with the code of conduct and conduct regular audits to ensure supply chain compliance. If forced labor is found in the supply chain, the following measures will be taken to ensure improvement:

1. Investigate the problems and causes of forced or compulsory labor.
2. Communicate with the supplier's management and collect relevant information.
3. After confirming that the supplier is involved in improper employment of workers through human trafficking, slavery or any form of forced labor, the Company will cooperate with expert organizations and regulatory agencies to ensure the safety of workers and provide financial assistance.
4. The head of the value creation and supply chain collaboration team of the Company's Sustainability Management Promotion Committee shall immediately notify the top executive of each relevant business department and discuss countermeasures.
5. The Company has included clauses on the joint promotion of corporate social responsibility in the procurement contract or business contract, which includes workers' freedom of association and group bargaining rights. If a significant violation is discovered, the Company may terminate or cancel the contract at any time with a written notice to eliminate the risk of forced labor.

## II. Environmental policy

When introducing a new supplier to Taiwan Plant, it is necessary to fill out the "Supplier Quality System Checklist", which includes whether the supplier has passed ISO 14001, and the items having an impact on the environment according to the requirements of the standard are included in the environmental system evaluations and assessments. We also regulate suppliers by signing contracts to reduce the impact of environmental risks. In 2023, Taiwan Plant added 10 suppliers that can be contracted, and all of them completed the evaluation before signing the contract. In addition, the existing suppliers are evaluated according to environmental standards, and no suppliers failed the evaluation in 2023.

In 2023, Taiwan Plant had a total of 366 suppliers, and the number of new suppliers was 10. The evaluation statistics are summarized in the table below:

Suppliers	Number of households	Number of qualified suppliers	Number of unqualified suppliers
Existing suppliers	356	356	0
New suppliers in 2023	10	10	0
Total	366	366	0

Wuxi Plant uses "New Supplier Evaluation Form" to evaluate new suppliers. The 10th item is ESG evaluation, which includes aspects such as environmental protection, social responsibility, and corporate governance. Meanwhile, ESG-related requirements and contents have been added to the Supplier Management Manual. We look forward to choosing and cooperating with suppliers that meet ESG standards and working with them to contribute to corporate sustainability. In 2023, the plant completed the evaluation of 5 new suppliers, with all of them passing. Among existing suppliers, 44 have signed "Guarantee for Non-use of Environmental Substance" and "Conflict Metals Declaration" stating that they do not use conflict minerals. The existing suppliers have been evaluated according to environmental standards and no suppliers failed the assessment in 2023.

In 2023, Wuxi Plant had a total of 260 suppliers, and the number of new suppliers was 73. The evaluation statistics are summarized in the table below:

Suppliers	Number of households	Number of qualified suppliers	Number of unqualified suppliers
Existing suppliers	187	187	0
New suppliers in 2023	73	73	0
Total	260	260	0

Xi'an Plant has used "Social Responsibility, Environment, and Safety Evaluation Form" to evaluate 5 raw material suppliers, accounting for 62.5%. In 2023, no suppliers failed the evaluation.

If the supplier does not pass the assessment, Global Tek will confirm whether the supplier has defined the relevant human rights and environmental requirements in the employee handbook or refer to the labor standards laws and regulations and the action measures taken, and guide the supplier to understand the requirements in order to meet the ESG expectations and requirements.

In 2023, Xi'an Plant had a total of 57 suppliers, and the number of new suppliers was 0. The evaluation statistics are summarized in the table below:

Suppliers	Number of households	Number of qualified suppliers	Number of unqualified suppliers
Existing suppliers	57	57	0
New suppliers in 2023	0	0	0
Total	57	57	0



# 5 Environment Management



- 5.1 Risks and Opportunities of Climate Change and Responsive Measures
- 5.2 Raw Material Usage Management
- 5.3 Energy Resource Management
- 5.4 Greenhouse Gas Emissions
- 5.5 Pollution Prevention



## Material Topic: Green Manufacturing

<p><b>Sustainability issues</b></p>	<p>Energy management Water resource management Greenhouse gas emissions Waste management Non-toxic low-carbon products &amp; quality assurance standards Prohibition of conflict minerals &amp; due diligence</p>
<p><b>Importance to Global Tek</b></p>	<p>As a metal processing plant, Global Tek recognizes that the primary factors influencing carbon emissions and greenhouse gas effects are energy, water resources, and waste. The Company should actively implement energy-saving measures, manage water resources, recycle and manage waste, and enforce greenhouse gas reduction control measures. By proactively identifying improvement points in the production process, Global Tek can reduce costs, enhance competitiveness, and fulfill its corporate social responsibility.</p>
<p><b>Influence and impact</b></p>	<p><b>Economic aspect:</b> Actively responding to the Group's call and seeking improvement points in the production process not only reduces costs and enhances competitiveness, but also intuitively reflects the fulfillment of corporate social responsibility. Without relevant process improvement and carbon emission reduction strategies, the carbon tax issue will inevitably reduce the overall competitiveness of enterprises in the future.</p> <p><b>Environmental aspect:</b> Responsible carbon emissions management can reduce the Company's cost risks and improve the competitiveness of products on sustainability issues. Failure to implement greenhouse gas and carbon emissions management will result in the risk of penalties from relevant laws and regulations.</p> <p><b>Human rights aspect:</b> Emphasize corporate social responsibility, enhance human rights protection, and reduce harm to the human body caused by products or processes. If the management is not implemented, it may affect the perception of employees, neighbors, customers and other stakeholders.</p>
<p><b>Policy/Strategy</b></p>	<p>Through continuous improvement and innovation in manufacturing processes, products, and service activities, we can prevent pollution and improve the environment from a sustainable perspective. In addition to complying with environmental laws and regulations, we can also contribute to the global environment and society. The Company's emission policy is "Social Responsibility, Sustainable Development, and Going Global"</p> <ul style="list-style-type: none"> <li>• Implement energy-saving plans for shared facilities.</li> <li>• Water resource management and wastewater recycling program.</li> <li>• Waste management and related operating processes are paperless.</li> </ul>



Goals and targets

The Company uses 2022 as the base year.

**Short-term goals (2-3 years):**

- Take inventory of energy consumption.
- In 2024, we will complete the electronic energy management, realize smart meter reading, and refine statistical control.
- The compressed air system has completed online monitoring and AI energy-saving control.
- Entrust a qualified inspection company to conduct water quality inspection.
- Introduce high energy efficiency equipment on the production line to reduce energy consumption.
- Take inventory of current water consumption, install water meters in different areas, and monitor water consumption.
- Hazardous waste is classified, stored, disposed of, and counted.
- Non-hazardous waste is recycled and reused: On-site documents are paperless, and packaging is recycled and delivered to the manufacturer.
- Adjust product packaging to reduce weight or use materials that are easy to recycle.
- Examine whether there are items in the production process that can be recycled and reused.
- Wuxi Plant developed one or more new energy vehicle products.
- Suppliers sign the REACH/ROHS declaration to collect, integrate, and maintain the chemical SDS list of each plant to ensure all products are safe and non-toxic.
- Compile customer-related green product data according to the Group's regulations to meet the requirements.
- Formulate a unified conflict mineral policy and declaration, and provide relevant promotion to suppliers.
- Take inventory and confirm that conflict minerals from suppliers are in compliance.
- Formulate the Company's quality policy and implement 5S management.
- Introduce and regularly update quality management system certification based on customer needs: Ensure the effectiveness of system certification.
- 19. Arrange for external units to conduct product testing and verification.

**Medium-term goal (3 - 5 years):**

- Take inventory of energy consumption: Wuxi Plant sets energy-saving goals based on the statistical data of different regions.
- Improvement of office energy-saving equipment: Taiwan has saved 10% more electricity than the previous year; Wuxi Plant office saves 2% of annual electricity; Xi'an Plant office saves electricity by more than 2%.
- Develop an energy management system to control the energy consumption of major equipment.
- Introduce energy-efficient equipment for production lines to reduce energy consumption.
- Take inventory of water consumption and plan the water-saving for manufacturing process.
- All hazardous waste is classified in compliance with regulations.
- Complete the REACH/ROHS declaration signed by strategic suppliers.
- Take inventory of high-performance, non-toxic products, recyclable products, and explain their environmental protection and energy saving benefits and applications.
- Ensure suppliers of Wuxi Plant have signed the conflict mineral-free declaration.
- Formulate the Company's quality policy and implement 5S management: There are no less than 5 cases per year of lean production implementation in each department in Wuxi Plant.

**Long-term goals (over 5 years):**

- Take inventory of energy consumption.
- Improvement of office energy-saving equipment.
- Develop an energy management system to control energy consumption of all major equipment.
- Purchase renewable energy or purchase green energy certificates.





Management evaluation mechanism

1. Arrange for external units to conduct product testing and verification

**Taiwan Plant:** Relevant inspection instruments and equipment are regularly tested and verified by a third party to meet the standards. In accordance with the internal management review procedures of ISO 14001 and ISO 14064-1, the Company conducts PDCA effectiveness evaluations every year.

**Wuxi Plant:** The Company conducts PDCA effectiveness evaluations in accordance with internal management review procedures of ISO 14001 and ISO 14064-1.

**Xi'an Plant:** In 2023, product testing and verification (intergranular corrosion test) by an external unit arranged by Xi'an Plant showed no abnormal results.

2. Conduct due diligence on conflict-free mineral suppliers

**Taiwan Plant:** All strategic suppliers have signed up.

**Wuxi Plant:** All strategic suppliers have signed.

**Xi'an Plant:** All strategic suppliers are conflict-free mineral suppliers.

3. Entrust qualified inspection firms to conduct water quality inspections.

**Taiwan Plant:** Regular implementation in accordance with the ISO 14001 standard, and all inspection results in 2023 were in compliance.

**Wuxi Plant:** All tests were passed. Testing unit: Wuxi Xinhua Chemical Industry Environmental Monitoring Station, Report No.: Tai He Lan (Huan) Zhi (2023) No. 150, testing time: February 15, 2023 to February 17, 2023.

**Xi'an Plant:** The test results are in compliance with the emission standards stipulated by the government.

4. Install water meters and monitor water consumption

**Taiwan Plant:** Install water meters for the use of process water, change to the type of IoT, and connect to SCADA for management.

**Wuxi Plant:** Install sub-meters in relevant areas, and take the water meter readings every month.

**Xi'an Plant:** No abnormal water consumption in all monitoring areas.

5. Regularly conduct customer satisfaction and opinion surveys on product quality.

**Taiwan Plant:** Conduct customer satisfaction and opinion surveys every year, and make improvements based on feedback.

**Wuxi Plant:** Conduct monthly customer satisfaction and opinion surveys on product quality, and continue to improve.

**Xi'an Plant:** Conduct monthly customer satisfaction surveys.

Performance and adjustment

Completion progress in 2023:

1. Compared to the base year of 2022, the Company expects to reduce emissions by 5% within five years, which is in line with the Company's short-term goal setting and will continue to manage emissions.

2. Inverter air conditioners are used as planned, and LED lights and inverter air compressors are all used for lighting.

3. Conduct internal training to enhance ESG awareness and build consensus on important ESG issues.

**Taiwan Plant:** In March 2023, education and training on greenhouse gases and internal audits were launched to enhance the concept and importance of ESG.

**Wuxi Plant:** In 2023, we conducted ISO 14067 product carbon footprint training, and conducted annual ESG training and promotion for suppliers.

4. Compared to the base year of 2022, the Company's greenhouse gas emissions in 2023 have been reduced by 1%, in line with the short-term goal setting. In the future, we will continue to manage emissions issues.

Preventive or remedial measures

**Preventive measures:**

- Include indicators such as energy efficiency ratio, fuel consumption ratio, consumables ratio, and hazardous waste generation into the Company or department KPI indicators, and conduct monthly testing. If the target is not met, the cause must be analyzed and preventive improvement measures are formulated. Continue to test and promote the use of new fuels, consumables, knives, and packaging materials in the manufacturing process that are more efficient and produce fewer emissions.

**Remedial measures:**

- The Company reviews the overall carbon reduction performance every year, formulates emissions reduction strategies, and continues to build green factories that meet the green building certification. We also actively seek renewable energy and seek joint communication and cooperation with relevant units.



# 5.1 Risks and Opportunities of Climate Change and Response Measures

In response to the challenges of climate change, Global Tek actively aligns with global sustainable development efforts. Referring to the Task Force on Climate-related Financial Disclosures (TCFD) framework, the Company discloses its climate change management mechanisms in four key areas: "Governance", "Strategy", "Risk Management", and "Metrics and Targets". This includes identifying the financial impacts of short, medium, and long-term climate risks and opportunities.

## Governance

Based on the considerations of sound operation and sustainable development, the Company established the "Sustainable Development and Risk Management Committee" at the Board level on November 8, 2022 as the highest committee to supervise the Company's sustainable development. The Risk Management Promotion Committee has been established to formulate "Risk Management Policies and Procedures" as the guiding principle of risk management, which clearly defines various risks, including: operational risk, financial risk, legal compliance risk, environmental and climate change risk, human resource risks (including human rights). The general manager of the Group serves as the top executive. Regarding the financial impact of climate change, the Company reviews the Company's climate change strategies and goals, manages climate change risks and opportunities, reviews the implementation status, and discusses future plans every year in accordance with the TCFD guidelines.

In 2023, the risk management promotion team convened a total of 3 risk management promotion committee meetings in May, June, and December to identify various risk items and formulate countermeasures. The Executive Secretariat of the Sustainable Development and Risk Management Committee reported to the Board of Directors on December 28.

## Strategy and Goals

Based on climate-related risks and opportunities, Global Tek sets the Company's short-term, medium-term, and long-term strategic actions and goals, hoping to slow down global warming and enable economic growth through such actions. The following table shows the response strategies and goals.

Category	Countermeasures
Short and medium-term strategies	<ul style="list-style-type: none"> <li>In response to global climate change and the trend of carbon fee and carbon tariff collection at home and abroad, Global Tek completed the greenhouse gas inventory and third-party verification for the base year of 2022 in 2023.</li> <li>With 2022 as the base year, we will continue to implement ISO 14064-1 every year to promote greenhouse gas inventory and third-party verification.</li> </ul>
Long-term strategy	<ul style="list-style-type: none"> <li>Continue to invest resources in the promotion of greenhouse gas reduction, ISO 14067 product carbon footprint, ISO 50001 energy management system, and water resource and waste management to effectively manage greenhouse gas emission sources.</li> <li>Global Tek's carbon reduction target is based on the carbon reduction roadmap announced by the Executive Yuan at the end of 2022. Compared with Global Tek's base year of 2022, the target carbon reduction in 2025 is 10%, which will be reduced by another 15% by 2030. The cumulative carbon reduction is 25%.</li> </ul>

## Risk and Opportunity Management

### (1) Climate change risk and opportunity identification process

The Group's general manager serves as the top executive of the Risk Management Committee. The Committee is responsible for integrating, communicating, and coordinating the risk management matters of all units. It reviews risk items every year and refines countermeasures as necessary to meet the needs of the operating environment.

Perform risk identification, assessment, and judgment on various risk topics that may be faced within the scope of operations to clearly grasp the risk level of each risk item, and develop solutions or prevention methods, control, supervise, and prepare risk management reports.

During risk assessment, the likelihood of risk events and the severity of their impact are analyzed to determine risk values and levels. The Company evaluates the potential impact of these risks within the expected time frame, and the management team develops mitigation measures for significant and high-risk scenarios.

Regarding climate change opportunities, the Company also adopts the same methodology and refers to the above framework to identify climate change opportunities based on the likelihood of occurrence and level of impact. Then, we formulate action plans and continue to track the progress of implementation.



Risk Assessment Aspect

Level (P)	Classification of the likelihood of occurrence	Percentage of occurrence	Description
3	Almost certain	61-100%	Happens in most cases
2	Possible	41-60%	Happens in some cases
1	Almost impossible	0-40%	Happens only in special circumstances or is unlikely to occur

Level (I)	Level of impact	Corporate image aspect (Example)	Description
3	Very severe	Negative corporate image	Each unit can define different aspects based on the actual operational characteristics or needs (such as damage to corporate image, amount of financial loss, specific financial ratio, procurement cycle, defect rate, number of customer complaints, number of industrial safety cases, etc.)
2	Severe	Negative image across departments	
1	Minor	Negative image of a single department	

Risk Analysis

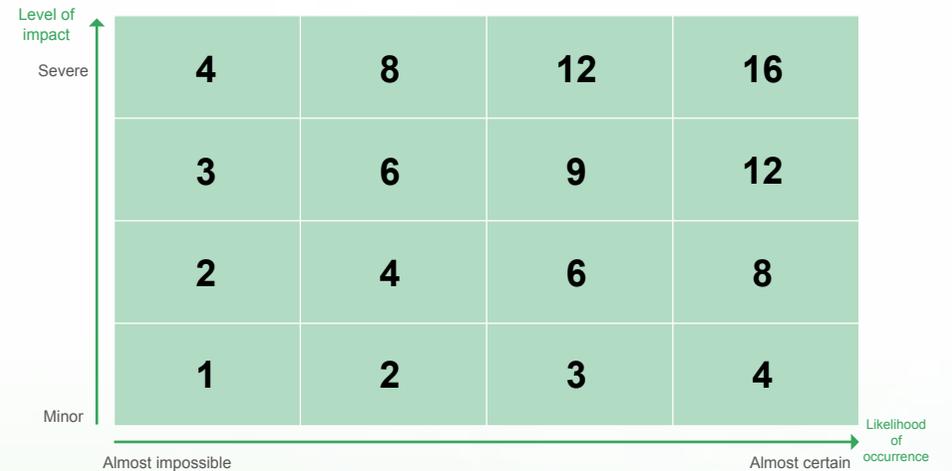
Level of impact	Possibility	Almost impossible (1)	Possible (2)	Almost certain (3)
	Very severe (3)		3	6
Major (2)		2	4	6
Minor (1)		1	2	3

\*Value at risk = P x I

Risk Level

Level	Location	Control planning
6~9 - Significant risks	12~16	Risk reduction measures must be taken immediately, and operations should not be started or continued until the risk is reduced.
4 - High risk	6~9	Risk control and response measures must be taken as soon as possible within a certain period of time, and operations must not be started until the risk has been reduced.
3 - Medium risk		The Company must focus on risk reduction. For example, due to cost or financial considerations, risk reduction measures should be gradually adopted to reduce the risk.
2 - Low risk	1~4	No risk reduction measures are required for the time being, but the effectiveness of existing protective measures must be ensured.
1 - Minor risk		Risk reduction measures are not required, but the effectiveness of existing protective measures must be ensured.

Risk Matrix





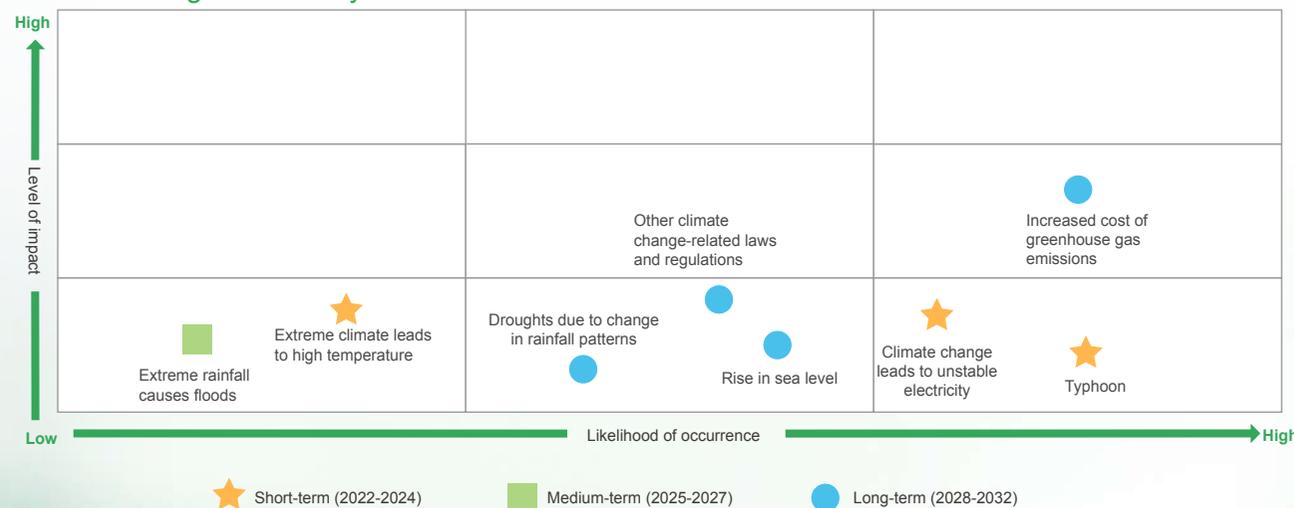
(2) Identification of climate change risks and opportunities

In 2023, the risk management team selected 1 out of 8 possible climate risk issues to be an important climate risk issue of Global Tek; out of the 5 possible climate opportunity issues, 2 issues were determined as important climate opportunity issues. Based on the identified climate risks and opportunities, the management team also holds the response strategy meeting to decide the Company's future climate change-related actions. The identification results and analysis matrix of climate change risks and opportunities are as follows.

Results of Identification of Risk Issues Related to Climate Change

Item	Identified climate risks	Risk type/aspect	Time frame	Likelihood of occurrence	Level of impact	Value at risk	Level
1	Other climate change-related laws and regulations	Transition risks/policies and regulations	Long-term	2	1	2	Low risk
2	Increased cost of greenhouse gas emissions	Transition risks/markets, policies, and regulations	Long-term	3	2	6	Significant risks
3	Climate change leads to unstable electricity	Physical risk/immediateness	Short-term	3	1	3	Medium risk
4	Extreme climate leads to high temperature	Physical risk/immediateness	Short-term	1	1	1	Minor risk
5	Extreme rainfall causes floods	Physical risk/immediateness	Medium-term	1	1	1	Minor risk
6	Droughts due to change in rainfall patterns	Physical risk/immediateness	Long-term	2	1	2	Low risk
7	Typhoon	Physical risk/immediateness	Short-term	3	1	3	Medium risk
8	Rise in sea level	Physical risk/long-term	Long-term	2	1	2	Low risk

Climate Change Risk Analysis Matrix

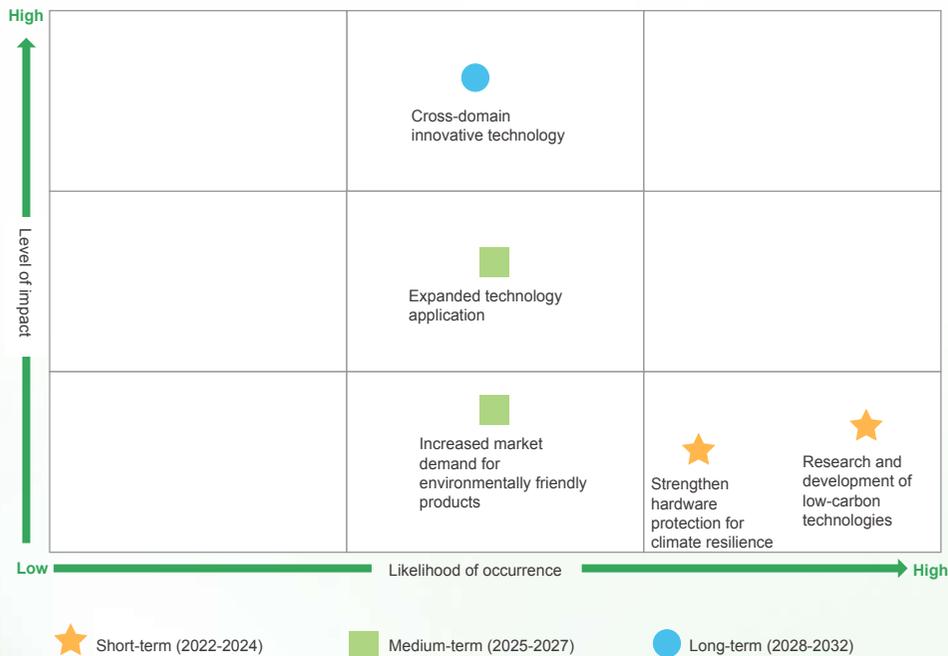




### Identification of Opportunity Issues in Climate Change

Item	Identified climate opportunities	Opportunity type/aspect	Time frame	Likelihood of occurrence	Level of impact	Opportunity value	Level
1	Research and development of low-carbon technologies	Resource efficiency	Short-term	3	1	3	Medium chance
2	Expanded technology application	Products and services	Medium-term	2	2	4	High opportunity
3	Cross-domain innovative technology	Products and services	Long-term	2	3	6	Significant opportunity
4	Strengthen hardware protection for climate resilience	Resilience	Short-term	3	1	3	Medium chance
5	Increased market demand for environmentally friendly products	Market	Medium-term	2	1	2	Mild opportunity

### Climate Change Opportunity Analysis Matrix



### Responses to Climate Change Risks and Opportunities

Category	Item	Countermeasures
Material climate risk issues	Increased cost of greenhouse gas emissions	<ol style="list-style-type: none"> <li>1. Implement continuous improvement for energy conservation and emission reduction.</li> <li>2. Improve production efficiency and make fundamental changes from the perspective of lean production and automated production.</li> </ol>
	Expanded technology application	Understand the development trends of the market, and create stacks and combinations based on metal products to create greater added value.
Key climate opportunity issues	Cross-domain innovative technology	<ol style="list-style-type: none"> <li>1. Strengthen the exchange of engineering and technology within the Group to strengthen the effect of one-stop service.</li> <li>2. Strengthen external industry, government, and academic platforms, especially in the understanding and learning of AI applications.</li> </ol>



## Financial Impact

The climate crisis caused by global warming has become a huge challenge to the sustainable development of the world. Climate-related risks and opportunities will also affect Global Tek's operating strategies and financial plans. Therefore, to cope with climate change-related risks, enterprises need more resources to respond to extreme climate events, adjust energy consumption patterns, and upgrade employee skills. At the same time, enterprises need to review the economic useful life of their assets every year. The current economic useful life of fixed assets may be significantly shortened if the assets are switched to more environmentally friendly assets in response to regulations. As a result, operating costs will increase, asset values will decrease, and capital expenditures will increase. Currently, there is no internal carbon pricing set for the Company. The financial impacts of material and high climate risks and opportunities are as follows.

	Climate risk/opportunity issues	Revenue	Cost/expense	Capital expenditure	Profit/loss	Cash flow
<b>Risk</b>	Increased cost of greenhouse gas emissions	-	Increase	Increase	-	Decrease
<b>Opportunity</b>	Expanded technology application	Increase	-	-	Increase	Increase
<b>Opportunity</b>	Cross-domain innovative technology	Increase	Increase	Increase	Increase	Increase

## Greenhouse Gas Inventory Plan

In 2022, Global Tek began to conduct greenhouse gas inventory in accordance with the ISO 14064-1:2018 international standard. In April, the greenhouse gas emissions from 2023 were verified by a third party, the British Standards Institution (BSI), and an unqualified opinion was issued. In addition, the Company continues to promote and implement energy conservation and emissions reduction actions, such as improving the performance of public equipment, replacing old energy-consuming equipment with newer versions, managing water resources and waste, and enhancing technical capabilities from the perspectives of lean production and automated production to improve production efficiency, etc. The specific plan contents are as follows:

Greenhouse Gas Reduction Strategy

**Energy management**

- A real-time energy management monitoring system has been established to continuously conduct real-time power consumption monitoring, regional electricity consumption statistics and inventory, and regularly produce electricity consumption analysis reports.
- Adopt high-efficiency energy-saving lighting fixtures, and follow this principle for new purchases or replacements.
- When purchasing air compressor systems, we choose inverter models as much as possible, and use the group control system to monitor and generate energy consumption analysis reports in real time to establish the optimal operation mode of the air compressor system.
- Follow-up of the chiller energy-saving improvement plan to continuously maintain energy management goals.

**Water resource management**

- A real-time water management monitoring system has been established to manage and analyze the water consumption of our operations.
- Implement water quality testing in accordance with the law. In 2023, a qualified testing company was commissioned to conduct water quality testing to ensure compliance with discharge standards.
- Properly treat wastewater and collect process wastewater and domestic wastewater separately.
- We have planned to set up a process wastewater treatment and recycling device to reduce waste by vacuum heating the alkaline boiling wastewater from the precision casting process and recovering the distilled water.

**Waste management**

To implement waste inventory, we classify general and hazardous business waste and implement reduction plans. For example:

- Recycle used cotton gloves and rags (not stained with oil), and wipe off any oil stains before discarding them.
- Air compressor wastewater: An oil-water separation device is installed to collect and recycle used oil and wastewater into the septic tank to effectively reduce wastewater treatment costs.
- Product cleaning equipment: Set up individual cleaning tanks for recycling and reuse to eliminate the discharge of overflow water and extend the water change interval.
- The underground waste oil tank has been demolished, and the metal chip compactor and cutting water recycling system have been planned for installation.

## 5.2 Raw Material Usage Management

Raw materials used in the production and packaging of main products in Taiwan Plant are steel, recycled steel, oil products, and packaging materials. The raw materials used for the production and packaging of the main products in Wuxi Plant are metals, aluminum, packaging materials, and oils. The raw materials used in the production and packaging of the main products in Xi'an Plant are semi-finished parts, oil and cleaning agents, and packaging cartons. Among them, steel, metal, and semi-finished parts accounted for the highest proportions. The Company will strive to reduce the consumption of the above raw materials and reduce environmental impacts through strict raw material management measures.

The Company trades the scrap steel from lost wax casting to scrap steel suppliers. In terms of the management of defective castings, after simple treatment, they are returned to the furnace charge area for reuse. In 2023, Xinwu Precision Casting dewaxed lost wax casting, removed the moisture, and returned it to the storage tank of the wax injection system. 28,530 kg of molding wax was recycled and reused throughout the year, with an achievement rate of 66%.

Xinwu Precision Casting's castings undergo machining to become finished components. They are used as parts for assemblies or kits. Unless the product has serious quality defects, batch rejections are typically uncommon.

In addition, the Company currently does not have a policy of recalling products and their packaging materials. Except for products destroyed due to defects, Taiwan, Wuxi, and Xi'an factories do not recall products and their packaging materials.

The following table shows the consumption of raw materials and non-renewable materials used by the Company:

Region	Name of raw material	Unit	Whether it is renewable	2023
Taiwan Plant	Steel	tons	No	4,583.30
	Steel recycling materials	tons	No	127.01
	Packaging materials	tons	No	38.25
	Oil	Kilolitre	No	41.19
Wuxi Plant	Metal	tons	No	8,651.08
	Aluminum	tons	No	13.74
	Packaging materials	tons	No	420.94
	Oil	Kilolitre	No	106.66
Xi'an Plant	Semi-finished parts	tons	No	957.20
	Packaging materials	tons	No	64.30
	Oil and cleaning agent	Kilolitre	No	45.98
<b>Total</b>				<b>15,049.65</b>

Note:  
 1. Non-renewable refers to resources that cannot be replenished in the short term, such as coal, natural gas, metals, minerals, and petroleum; renewable refers to resources that will grow back after harvesting.  
 2. Recycled steel from Taiwan factories are used as raw materials for precision casting.  
 3. The oil products from Taiwan factories include lubricating oil and cutting oil.  
 4. Xi'an Plant is located in the Comprehensive Bonded Zone. The source of data for semi-finished products is the customs auxiliary system, which is unified through unit conversion.  
 5. The oil and cleaning agent data of Xi'an Plant are from the ERP system, which is unified through unit conversion.



## 5.3 Energy Resource Management

Global Tek Group has been committed to energy reduction and environmental protection, and continues to propose energy policies and reduction guidelines, hoping to influence the upstream and downstream supply chains to carry out energy reduction plans together. The following article will describe the energy consumption and energy-saving measures of Global Tek's Taiwan Plant, Wuxi Plant, and Xi'an Plant.

### | Global Tek Group |

The energy resources used by Global Tek Group are mainly electricity, gasoline and diesel. In 2023, the energy intensity of all factories was 20.8534 GJ, which was an increase of 1.2771 GJ per NTD in millions of output value compared to 19.5763 GJ in 2022.

Quantitative indicators	Unit	2022	2023
Electricity consumption	GJ	96,423.9048	86,357.5103
Gasoline consumption	GJ	757.7402	721.1106
Diesel consumption	GJ	426.1895	672.8239
Organization-specific metrics	Annual revenue (NTD in millions)	4,986	4,208
Total energy consumption	GJ	97,607.8345	87,751.4448
Energy intensity	GJ/annual revenue (NTD in millions)	19.5763	20.8534

Description:

1. The calorific value of electricity is converted according to the formula: 1kWh=0.0036GJ.
2. The conversion formula is based on the calorific value of fuel calculated according to the Emission Factor Management Table Version 6.0.4 of the Taiwan Environmental Protection Administration; gasoline is 7,800 kcal/L; diesel is 8,400 kcal/L; natural gas is 8,000 kcal/m<sup>3</sup>; 1kcal=4.184KJ. (1L of gasoline=0.0326GJ; 1L of diesel=0.0351GJ.)



Taiwan Plant

In order to reduce energy use and increase efficiency, Xinwu Plant installed variable frequency control and switched to permanent magnet motors its air compressor group in 2023, saving about 7% throughout the year and reaching 4% of the target. At the same time, in order to reduce paper energy consumption, document transmission process was improved and a paperless process implemented.

In 2024, Xinwu Plant planned an energy-saving solution for the chiller and air conditioning system. Stage 1: Integrate the two independent systems into a shared system, and install a team control device with mechanical frequency conversion operation to save energy. Stage 2: Evaluate the replacement of original independent 50-ton chiller system with water-cooled air conditioning boxes, and split it into laboratories and office areas with different temperature controls to save energy. In 2024, the air compressor system of Youshi Plant will adopt a variable frequency system based on the approach of Xinwu Plant. It is expected that after the improvement is implemented in 2024, 214,008 kWh of energy will be saved every year, or a decrease of about 130.3 metric tons of CO<sub>2</sub> e/year.

In addition, a logistics warehouse is rented in the area near the customer, and products are shipped in batches via sea freight to the warehouse. Customers can conveniently pick up goods from the nearby warehouse, which shortens delivery times and better meets customer needs, thereby improving service quality. Also, this significantly reduces the energy consumption of air freight shipments and decreases carbon emissions. In 2023, for example, Global Tek shipped 395 tons of products to various logistics warehouses in North America, Greater Asia, and Europe by sea, an increase of 4% compared to 2022, to effectively reduce carbon emissions.

Wuxi Plant

In response to company policies and energy-saving trends, we have actively implemented energy-saving initiatives. In 2023, solar panels were installed on the Plant rooftops, aiming to reduce high carbon emissions from electricity usage through renewable energy. The total solar panel power generation for 2023 was 473,955 kWh, aligning with the Company's energy conservation and emission reduction goals.



Quantitative indicators	Unit	2022	2023
Electricity consumption	GJ	41,598.8748	40,784.1239
Gasoline consumption	GJ	433.8486	360.8590
Diesel consumption	GJ	340.0692	478.6657
Organization-specific metrics	Annual revenue (NTD in millions)	4,986	4,208
Total energy consumption	GJ	42,372.7926	41,623.6486
Energy intensity	GJ/annual revenue (NTD in millions)	8.4984	9.8915

Description:  
 1. The calorific value of electricity is converted according to the formula: 1kWh=0.0036GJ.  
 2. The conversion formula is based on the calorific value of fuel calculated according to the Emission Factor Management Table Version 6.0.4 of the Taiwan Environmental Protection Administration; gasoline is 7,800 kcal/L; diesel is 8,400 kcal/L; natural gas is 8,000 kcal/m<sup>3</sup>; 1kcal=4.184KJ.

Quantitative indicators	Unit	2022	2023
Electricity consumption	GJ	46,127.0088	36,883.4004
Gasoline consumption	GJ	197.0748	247.4814
Diesel consumption	GJ	86.1203	194.1582
Organization-specific metrics	Annual revenue (NTD in millions)	4,986	4,208
Total energy consumption	GJ	46,410.2039	37,325.0400
Energy intensity	GJ/annual revenue (NTD in millions)	9.3081	8.8700

Description:  
 1. The calorific value of electricity is converted according to the formula: 1kWh=0.0036GJ.  
 2. The source of this conversion formula is the National Standard of the People's Republic of China GB/T2589-2020 General Principles for Calculation of Comprehensive Energy Consumption, gasoline 10,300 kcal/L; diesel 10,200 kcal/L; 1 kcal=4.184KJ.



| Xi'an Plant |

The specific action plan to reduce energy consumption was to set the conditions for turning on the air conditioners and turning off the lights. This helped reduce electricity consumption by 2,232 kWh in 2023.

Quantitative indicators	Unit	2022	2023
Electricity consumption	GJ	8,698.0212	8,689.9860
Gasoline consumption	GJ	126.8168	112.7702
Organization-specific metrics	Annual revenue (NTD in millions)	4,986	4,208
Total energy consumption	GJ	8,824.8380	8,802.7562
Energy intensity	GJ/annual revenue (NTD in millions)	1.7699	2.0919

Description:

1. The calorific value of electricity is converted according to the formula: 1kWh=0.0036GJ.
2. The source of this conversion formula is the National Standard of the People's Republic of China GBT2589-2020 General Principles for Calculation of Comprehensive Energy Consumption, gasoline 10,300 kcal/L; diesel 10,200 kcal/L; 1 kcal=4.184KJ.





## 5.4 Greenhouse Gas Emissions

In 2023, Global Tek's greenhouse gas emissions were reduced compared to the previous year. However, due to the decrease in operating revenue in 2023, the proportion of energy consumption intensity increased.

Plant area	Item	Unit	2022	2023
Taiwan Plant	Scope 1: Direct greenhouse gas emissions	tonne CO <sub>2</sub> e	124.5109	140.0244
	Scope 2: Indirect greenhouse gas emissions	tonne CO <sub>2</sub> e	5,892.2574	5,607.8170
	Scope 3: Other indirect emission sources	tonne CO <sub>2</sub> e	1,366.5431	1,473.3892
	Total emissions = (Scope 1 + Scope 2 + Scope 3)	tonne CO <sub>2</sub> e	7,383.3114	7,221.2306
	Organization-specific metrics	Annual revenue (NTD in millions)	4,986	4,208
	Greenhouse gas emission intensity (total emissions/ organization-specific metric)	tonne CO <sub>2</sub> e/Annual revenue (NTD in millions)	1.4808	1.7160
Wuxi Plant	Scope 1: Direct greenhouse gas emissions	tonne CO <sub>2</sub> e	286.8032	582.6324
	Scope 2: Indirect greenhouse gas emissions	tonne CO <sub>2</sub> e	7,307.2870	5,842.9453
	Scope 3: Other indirect emission sources	tonne CO <sub>2</sub> e	1,258.8379	1,073.2630
	Total emissions = (Scope 1 + Scope 2 + Scope 3)	tonne CO <sub>2</sub> e	8,852.9281	7,498.8407
	Organization-specific metrics	Annual revenue (NTD in millions)	4,986	4,208
	Greenhouse gas emission intensity (total emissions/ organization-specific metric)	tonne CO <sub>2</sub> e/Annual revenue (NTD in millions)	1.7756	1.7820
Xi'an Plant	Scope 1: Direct greenhouse gas emissions	tonne CO <sub>2</sub> e	33.3970	32.6784
	Scope 2: Indirect greenhouse gas emissions	tonne CO <sub>2</sub> e	1,377.9115	1,376.6386
	Scope 3: Other indirect emission sources	tonne CO <sub>2</sub> e	255.0427	254.2397
	Total emissions = (Scope 1 + Scope 2 + Scope 3)	tonne CO <sub>2</sub> e	1,666.3512	1,663.5567
	Organization-specific metrics	Annual revenue (NTD in millions)	4,986	4,208
	Greenhouse gas emission intensity (total emissions/ organization-specific metric)	tonne CO <sub>2</sub> e/Annual revenue (NTD in millions)	0.3342	0.3953

Note:

- Scope 1 refers to emission sources directly owned or controlled by the Company, including stationary combustion sources, manufacturing process emissions, mobile combustion sources from transportation, and fugitive emission sources. The emission coefficient is subject to the latest announcement from the Bureau of Energy, Ministry of Economic Affairs and calculated using data from version 6.0.4 (IPCC Sixth Assessment Report).
- Scope 2 refers to emissions from energy sources, such as purchased electricity.
- Types of greenhouse gas emissions: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), and hydrofluorocarbons (HFCs).
- The purchased electricity is based on the electricity emission factor announced by the Bureau of Energy, Ministry of Economic Affairs. During the 2023 inventory taking, the electricity emission factor for the year has not yet been announced. Therefore, the electricity emission factor of 0.495 kgCO<sub>2</sub>e/kWh was used in 2022.
- The operational control approach was adopted for the boundary check of the organization.
- The purchased electricity is based on China's product life cycle greenhouse gas emission coefficient database - Average CO<sub>2</sub> emissions from China's power grid in 2022: 0.570300 kgCO<sub>2</sub>e/kWh.
- The operational control approach was adopted for the boundary check of the organization.



## 5.5 Pollution Control

### Water Resource Management

#### | Global Tek Group |

The main water source of Global Tek Group's operating sites is tap water. In 2023, the unit water consumption of all factories was 44,810 metric tons, which was 24.94% less water consumption per NTD in millions of production value compared to 59,706 metric tons in 2022.

Year	Unit	2021	2022	2023
Water withdrawal	Million liters	51.674	59.706	44.81
Water discharge	Million liters	19.016	23.56	15.75
Water consumption (water intake - water discharge)	Million liters	32.658	36.146	29.06
Organization-specific metrics	Annual revenue (NTD in millions)	4,306	4,986	4,208
Water use intensity (water withdrawn/organization-specific metric)	Million liters/annual revenue (NTD in millions)	0.012	0.012	0.011

Note:

1. Complete declaration made in 2021. From the second half of 2022, all wastewater is diverted to waste treatment. Since then, the water discharge volume has been 0.
2. The difference in water consumption is reduced after converting annual revenue into water use intensity. The factor indicating the increase or decrease of water consumption is the operating revenue.



Taiwan Plant

The main water source is tap water, and the water supply source is Shihmen Reservoir. According to the water resource risk assessment tool of the World Resources Institute, it is a medium-low risk area for water resources. In 2023, the unit water consumption was 19,750 metric tons, a reduction of 12.52% per NTD in millions of production value compared to 22,576 metric tons in 2022. In addition, in 2023, all process wastewater was outsourced for transportation and treatment.

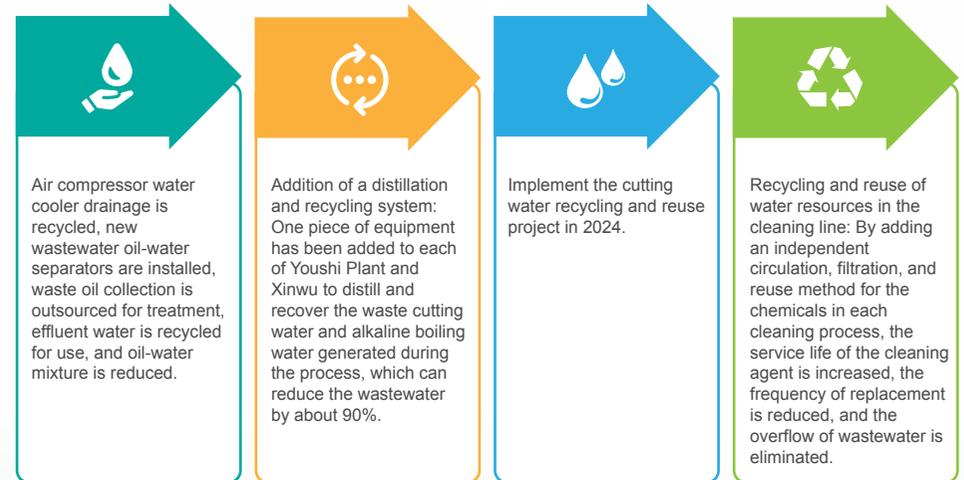
We have been concerned about water conservation issues for many years and are committed to ensuring that water quality meets relevant discharge standards. In terms of water-saving plans, we implement daily water conservation and improve water consumption of the manufacturing process to maximize the benefits of water resources. The following table shows the measures taken to reduce wastewater discharge in 2023.

Year	Unit	2021	2022	2023
Water withdrawal	Million liters	21.914	22.576	19.75
Water discharge	Million liters	0.046	0.01	0.00
Water consumption (water intake - water discharge)	Million liters	21.914	22.576	19.75
Organization-specific metrics	Annual revenue (NTD in millions)	4,306	4,986	4,208
Water use intensity (Water withdrawn/Organization-specific metric)	Million liters/annual revenue (NTD in millions)	0.0051	0.0045	0.0047

Note:

1. Complete declaration made in 2021. From the second half of 2022, all wastewater is diverted to waste treatment. Since then, the water discharge volume has been 0.
2. The difference in water consumption is reduced after converting annual revenue to water use intensity. The factor indicating the increase or decrease of water consumption is operating revenue.

Test item	Unit	2021		2022		2023	
		Emission standards	Annual average monitoring value	Emission standards	Annual average monitoring value	Emission standards	Annual average monitoring value
Hydrogen ion concentration index (pH value)	-	6~9	7.7	6~9	7.8	9	7.55
Chemical oxygen demand (COD)	mg/L	100	34.3	100	39.4	100	52
Suspended solids (SS)	mg/L	30	17.4	30	10.9	30	15.8
Water temperature	°C	38	29.6	38	28.5	38	23.6





| Wuxi Plant |

The main headwater is tap water, and the water supply source is the Yangtze River. The water resources risk in the Plant is medium to high risk. The water resources are mainly domestic water and cutting fluid in the workshop.

We have been concerned about environmental issues such as water conservation for a long time. In terms of water conservation plans, we monitor and maintain tap water supply equipment and pipelines, train employees in water conservation awareness, formulate specifications for the production of waste cutting fluid in the workshop, and conduct related recycling and reuse. In 2023, the water consumption of the Plant area was 14,258 tons/year.

Year	Unit	2021	2022	2023
Water withdrawal	Million liters	22.15	25.43	14.26
Water discharge	Million liters	14.4	16.53	9.27
Water consumption (water intake - water discharge)	Million liters	7.75	8.90	4.99
Organization-specific metrics	Annual revenue (NTD in millions)	4,306	4,986	4,208
Water use intensity (water withdrawn/ organization-specific metric)	Million liters/annual revenue (NTD in millions)	0.0051	0.0051	0.0033

Note: No metering device is installed at the wastewater discharge outlet, and the discharge volume is estimated based on 65% of the water consumption.

Test item	Unit	2021		2022		2023	
		Emission standards	Annual average monitoring value	Emission standards	Annual average monitoring value	Emission standards	Annual average monitoring value
Chemical oxygen demand (COD)	mg/L	500	430	50	357	500	197.1
Total phosphorus (TP)	mg/L	8	0.649	8	5.88	8	2.21
Ammonia nitrogen (NH3 - N)	mg/L	45	13.9	45	41.8	45	22.7



| Xi'an Plant |

The main headwater is tap water, and 70% of the water supply in Xi'an comes from Jinpen Reservoir in Black River. According to the World Resources Institute's water risk assessment tool, this area is a high-risk area for water resources. In order to effectively use water resources and prevent environmental pollution, the Plant conducts monthly monitoring of water consumption, and the general affairs department conducts statistical analysis. All production water must pass through sewage treatment equipment and meet discharge standards before being discharged.

Year	Unit	2021	2022	2023
Water withdrawal	Million liters	7.61	11.70	10.80
Water discharge	Million liters	4.57	7.02	6.48
Water consumption (Water withdrawn - Water discharged)	Million liters	3.04	4.68	4.32
Organization-specific metrics	Annual revenue (NTD in millions)	4,306	4,986	4,208
Water use intensity (Water withdrawn/ Organization-specific metric)	million liters/ Annual revenue (NTD in millions)	0.0017	0.0023	0.025

Note:  
 1. Select the inbound processing value (in millions of dollars) for the organization-specific metric, where inbound processing value = Selling price - Material price.  
 2. Unit water fee: Based on the average water fee in the 2022 report, the value was NT\$ 5.8.  
 3. Wastewater discharge measurement method: Total water consumption x 60% (60% is the estimated ratio).

Test item	Unit	2021		2022		2023	
		Emission standards	Annual average monitoring value	Emission standards	Annual average monitoring value	Emission standards	Annual average monitoring value
Hydrogen ion concentration index (pH value)	-	9	7.3	9	7.2	9	7.6
Suspended solids (SS)	mg/L	400	220	400	155	27	400
Ammonia nitrogen (NH3 - N)	mg/L	45	3.04	45	1.59	45	0.714
Chemical oxygen demand (COD)	mg/L	500	220	500	200	500	242

Reporting and testing items	2023			
	Air pollution emissions (KG/HR)	Emission standard (ppm)	Monitoring (ppm)	Emissions (kg)
Volatile organic compounds (VOCs)	7.17x10 <sup>-3</sup>	*	2	215.19
Particulate pollutants (TSP)	0.05	15	11	373.96
Sulfur oxides (SOx)	0.01	*	1	24.2
Nitrogen oxides (NOx)	0.01(2.88x10 <sup>-3</sup> g/s)	1.53g/s	1	61.16

Note:  
 1. The testing frequency of the Company's fixed pollution source permit regulations is 6 months before renewal, so there is no need to conduct emission concentration testing in 2023, and the data used is the testing value from 2022.  
 2. Major gases such as: nitrogen oxides (NOx), sulfur oxides (SOx), persistent organic pollutants (POP), volatile organic compounds (VOCs), hazardous air pollutants (HAP), particulate matter (PM) and other standard categories of emissions specified in the relevant laws and regulations.



## Waste Management

In the course of its operations, Global Tek Group ensures that any waste requiring disposal by qualified external contractors is managed under the supervision of the Environmental Protection Department. A triplicate waste disposal form is issued when the waste leaves the facility, and the transportation vehicles are tracked via a GPS system to ensure proper disposal. In the subsequent treatment stage, obtain a proper disposal certificate issued by a qualified disposal institution or recycle and reuse resources in accordance with the "Waste Disposal Act". The following is a description of the waste disposal in the plants in Taiwan, Wuxi, and Xi'an.

### | Taiwan Plant |

Among the operations or production processes, the packaging process generated the most waste, and the total output of domestic waste in 2023 was 94.12 tons. General industrial waste is mainly handled by private treatment institutions, while hazardous industrial waste is entrusted to qualified transportation and treatment institutions and disposed of according to the relevant regulations of the Waste Disposal Act. In addition, according to the control regulations of the Environmental Protection Agency (EPA), the waste output status is reported to the EPA website.

In addition, we are also actively promoting the circular economy and concrete action measures to reduce waste, and are committed to reducing the amount of waste generated. By providing suggestions on source reduction and waste reuse technology, we hope to substantially reduce the output of end-of-life waste and increase the amount of waste reused. In 2023, there were no incidents of leakage or environmental pollution.

Waste item	Hazardous/non-hazardous	Departure	
		Weight (tons)	Treatment method
Domestic waste	Non-hazardous	94.12	Incineration (including energy recovery)
Non-hazardous organic waste liquid	Non-hazardous	10.28	Incineration (excluding energy recovery)
Waste oil water mixture	Non-hazardous	99.05	Other recycling operations
Waste ceramics	Non-hazardous	122.72	Recycling and reuse
<b>Total</b>		<b>326.17</b>	

Note:  
 1. "Off-site" means outside the reporting organization's physical boundary or administrative control.  
 2. The Company's non-hazardous waste is not temporarily stored in the Plant. At the end of 2023, all non-hazardous waste was removed from the Plant by a legal waste removal company for disposal.  
 3. Cleaning frequency: 2 times a week.

### | Wuxi Plant |

The proportion of waste generated in the mechanical processing process is the largest. In 2023, the amount of waste emulsion generated was 170.8 tons, accounting for 93.7% of the total waste. Other wastes include waste mineral oil, waste hydrocarbon cleaning agents, waste activated carbon, and mopping wastewater. Due to the special nature of hazardous waste, they must be declared in the "one enterprise, one file" management system for pollution sources of Jiangsu, including transportation vehicles. The government's ecological environment department must track the entire process of waste disposal.

In January 2023, the "Corporate Environmental Emergency Response Plan" was prepared and signed in accordance with the requirements of the local government's environmental protection authority, and environmental emergency drills are conducted every year. In terms of environmental maintenance, there were no leakage incidents in 2023.

Waste item	Hazardous/non-hazardous	Departure	
		Weight (tons)	Treatment method
Waste emulsion	Harmful	170.80	Other disposal operations
Waste mineral oil	Harmful	3.40	Other disposal operations
Waste activated carbon	Harmful	3.00	Other disposal operations
Wastewater from mopping floors	Harmful	5.00	Other disposal operations
Waste filter cotton	Harmful	0.11	Other disposal operations
Scrap iron filings	Non-hazardous	1,193.00	Other disposal operations
<b>Total</b>		<b>1,375.31</b>	

Note:  
 1. "Off-site" means outside the reporting organization's physical boundary or administrative control.  
 2. All hazardous wastes are cleared and transported at the end of the year. Under the general operation, the hazardous waste disposal unit is commissioned to clear and transport the accumulated amount of waste.



| Xi'an Plant |

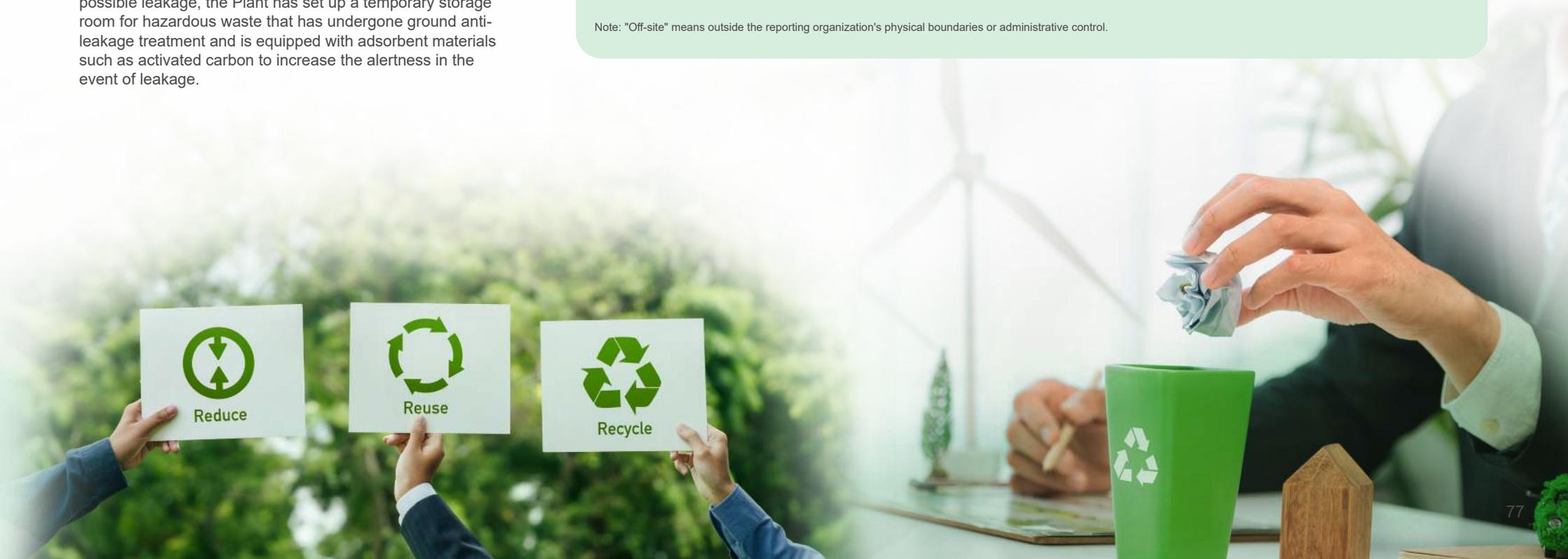
The main waste generated is cutting fluid used in the tool lubrication and cooling process. Cutting fluid will gradually rot and deteriorate over time, resulting in more waste.

In order to slow down the deterioration of cutting fluid, Xi'an Plant has adopted specific measures and methods for circular economy and waste reduction. First of all, the Plant replaced cutting fluid products with higher quality cutting fluids to reduce the generation of waste caused by corruption and deterioration. Secondly, the Company seeks purification treatment suppliers to process the waste cutting fluid so that it can be reused and recycled to reduce the generation of waste and the impact on the environment.

There were no leakage incidents in 2023. If there is any leakage of waste, it will be reported and handled according to the content of the Company's "Hazardous Waste Management Emergency Plan". To cope with possible leakage, the Plant has set up a temporary storage room for hazardous waste that has undergone ground anti-leakage treatment and is equipped with adsorbent materials such as activated carbon to increase the alertness in the event of leakage.

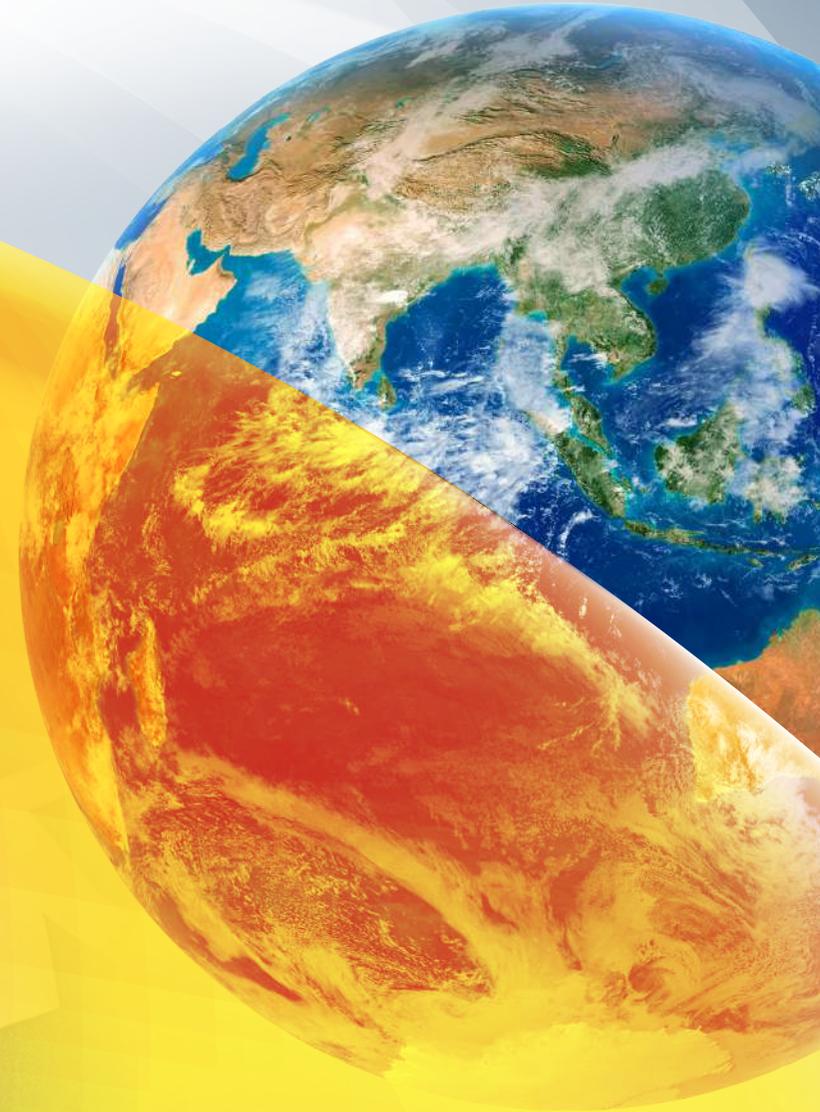
Waste item	Hazardous/non-hazardous	Departure	
		Weight (tons)	Treatment method
Waste mineral oil	Harmful	0.31	Other disposal operations
Waste emulsion	Harmful	3.93	Other disposal operations
Cleaning wastewater	Harmful	2.78	Other disposal operations
Oil rag, oil gloves	Harmful	1.10	Other disposal operations
<b>Total</b>		<b>8.12</b>	

Note: "Off-site" means outside the reporting organization's physical boundaries or administrative control.



# 6 Happy Workplace

- 6.1 Human Rights Management and Protection
- 6.2 Development of the Organization and Selection and Retention of Employees
- 6.3 Employee Benefits and Care
- 6.4 Health and Safety





## Material Topic: Happy Workplace

<p><b>Sustainability issues</b></p>	<p>Talent recruitment and retention Occupational safety and health Diverse learning and talent cultivation</p>
<p><b>Importance to Global Tek</b></p>	<p>Global Tek refers to the United Nations Universal Declaration of Human Rights, International Labor Organization Conventions, and other international norms to formulate human rights policies. Human rights protection is the highest criterion for labor management. All operating sites strictly abide by local laws and regulations to create a fair, safe, and comfortable workplace environment, and ensure that all relevant personnel in the value chain are treated fairly and with respect. Establish harmonious labor-management relations through smooth and diverse communication channels to attract and retain outstanding talents. Enhance employees' knowledge, skills, and core competencies to enhance their work ability and competitive advantage.</p>
<p><b>Influence and impact</b></p>	<p><b>Economic Dimension:</b></p> <ul style="list-style-type: none"> <li>Global Tek fulfills its corporate social responsibility and establishes a good corporate image while maintaining sustainable operations and profitability. Improve the Company's system and management policies to enhance employee cohesion. Providing a comfortable and safe working environment and emphasizing and promoting health is beneficial to the reassurance of employees at work, the production efficiency is more efficient, and the workplace atmosphere is more harmonious.</li> <li>Global Tek belongs to the traditional precision mechanical processing industry, and it is not easy to attract the new generation of young people to join the team based on reputation alone.</li> </ul> <p><b>Environmental Dimension:</b></p> <ul style="list-style-type: none"> <li>Global Tek has established the Hazardous Chemical Management Regulations. We comply with Article 10 Paragraph 3 of the Occupational Safety and Health Regulations and the Regulations on Labeling and Communication of Hazardous Chemicals to implement Occupational Safety and Health Management. We strictly control the dosage of chemicals in the Plant, and add equipment in a timely manner to prevent the risk of leakage.</li> <li>Good education and training can help employees understand the precautions for manufacturing processes and reduce the impact of negligence on the environment.</li> </ul> <p><b>Human rights Dimension:</b></p> <ul style="list-style-type: none"> <li>Effective employee management and promotion of solidarity can effectively slow down labor disputes and prevent human rights-related incidents.</li> <li>Any incident related to labor-management relations, diversity and equality, labor rights, etc., will have a direct or indirect negative impact on the organization. If injuries and occupational diseases occur at work, it may be impossible to continue working during the recovery period, thereby affecting production capacity and increasing costs.</li> </ul>
<p><b>Policy/Strategy</b></p>	<ul style="list-style-type: none"> <li>Referring to international standards, the Company has established various management procedures. On the foundation of strictly complying with all human rights regulations and labor laws in each of its operational locations, Global Tek provides comprehensive compensation and benefits, enhancing talent attraction and retention. Through employee skills training, it creates fair and diverse career development pathways, fostering a learning-oriented corporate culture that promotes continuous improvement and strengthens team's competitiveness. Comply with international regulations and relevant local laws and regulations of business sites to protect the rights and interests of employees.</li> <li>Maintain smooth communication channels with employees to create a harmonious labor-employer workplace environment.</li> <li>Continue to promote various employee care activities to promote the physical and mental balance and health of employees.</li> <li>Provide a friendly and safe working environment and implement occupational safety and health management.</li> <li>Appropriately reflect the business performance or results in the employee remuneration policy to ensure the recruitment, retention and encouragement of talents.</li> <li>Establish systematic digital and physical education and training according to different functional needs to cultivate talents and enhance team competitiveness.</li> <li>Establish an effective career development training program to create a favorable environment for employees' career development.</li> <li>Participate in public welfare activities and care for disadvantaged groups from time to time to fulfill corporate social responsibility.</li> </ul>



Goals and targets

The Company uses 2022 as the base year.

**Short-term goals (2-3 years):**

- Reduce the employee turnover rate by 10% on a yearly basis.
- Improve employees' skills and core competencies through education and training system, with an annual education and training achievement rate of 80%.
- Continue to organize employee health promotion activities.
- Set up and evaluate an online course platform and introduce diverse courses to strengthen the leadership and professional capabilities of the Company's members.
- Define key talents and produce talent cultivation plans.
- Production of the Company's core skill evaluation system.
- Measures for the performance reward system of the Group's output, and production incentive system measures for each Plant.
- Wuxi Plant/Xi'an Plant: We have improved various forms of employee care activities, popularized employee health knowledge, employee social responsibility public welfare activities, and helped the Company's labor union employees when needed.
- Regularly discuss various safety and health matters with the Occupational Safety and Health Committee and make resolutions and improvements: Once a quarter in Taiwan Plant; once a year in Wuxi Plant/Xi'an Plant.
- Taiwan Plant: Continue to conduct health promotion activities, health management, and workplace health certification.
- Occupational safety education, training and promotion: Twice a year in Taiwan Plant; once a year in Wuxi Plant/Xi'an Plant.
- Evaluate the necessity of establishing an occupational safety management system and introducing ISO 45001 certification.

**Medium-term goals (3-5 years):**

- Strengthen the correlation between performance and remuneration to provide a positive driving force for talent development.
- Establish the link between the senior executive compensation system and sustainable performance.

**Long-term goals (over 5 years):**

- Implement talent cultivation and development and establish a blueprint for employee career development.
- We bring the best returns to our shareholders and customers and make our employees happy at work.
- Online courses accounted for 99%.
- The completion rate of key talent training program courses according to the progress is 90%, and the actual work performance in the professional assessment is A or above.
- Evaluation of the Company's core skills: Verification once a year for Taiwan Plant; training once a year for Wuxi Plant/Xi'an Plant.
- Reduce the Group's turnover rate by 30% through the incentive system.
- The Group conducts an inventory survey of employees' health risks and prepares a health risk matrix.

Taiwan Plant	Wuxi Plant/Xi'an Plant
<ul style="list-style-type: none"> <li>· Organize themed health promotion activities once a year</li> <li>· Physician's on-site service once every two months in Xinwu Plant</li> <li>· On-site physician service once a year at Youshi Plant</li> <li>· Health checkup once a year</li> <li>· Workplace' s health promotion certification (every 3 years)</li> </ul>	<p>100% participation rate in health promotion activities.</p>
<ul style="list-style-type: none"> <li>• Establish an occupational safety management system and implement it in accordance with ISO 45001.</li> <li>• Promote various forms of employee care activities to help the Company's employees in labor unions when facing difficulties, with an employee coverage rate of 100%.</li> </ul>	

Management evaluation mechanism

1. Discuss various safety and health matters with the Occupational Safety and Health Committee on a quarterly basis, and make resolutions and improvements.
2. Conduct occupational safety inspections every year, set consistency goals according to the policies, and create a "planning table" according to the goals to implement and supervise the measurement according to the progress of the plan.
3. Formulate and implement education and training plans according to the needs of the department, and conduct training satisfaction surveys.
4. Regularly conduct employee satisfaction surveys.

Performance and adjustment

- 100% of employees are hired in accordance with the Labor Standards Act or the relevant regulations of the Plant site. In 2023, there were no violations, complaints, or major incidents.
- Adjustment mechanism: Regularly review the salary system and welfare measures, and make adjustments at any time in response to the revision of labor laws and regulations.
- The total number of training hours exceeded 14,915 hours, with an average training hours of about 16.2 hours per employee. Under the human resource development system, education and training are divided into physical and online methods, including Global Tek culture, business management, safety and health, quality engineering, etc. The open mobile APP is available for learning at any time.
- The results of employee satisfaction survey in 2023 were as follows.

Taiwan Plant:

- All indicators improved compared to last year.
- For two consecutive years, the employee satisfaction with "remuneration" and "development" was relatively low.



Wuxi Plant:

Item	5 points	3 points	1 points
1. Recognition of the Company	49.19%	40.71%	10.10%
2. Evaluation of the Company's management standards	55.16%	34.93%	9.91%
3. Evaluation of the Company's corporate culture	55.04%	35.04%	9.91%
4. Evaluation of the Company's remuneration and benefits	38.47%	31.92%	29.62%

Xi'an Plant:

Item	5 points	3 points	1 points
1. Promotion and development	51.43%	30.27%	18.30%
2. Recognition of the work itself	69.37%	26.07%	4.56%
3. Employees and work environment	24.23%	64.95%	10.82%
4. Management style recognition	40.20%	56.22%	3.58%

Recognition of the work itself Medium

What is the main difficulty you have encountered at work?	
Supplementary professional knowledge	51.28%
Enhance work experience	17.95%
Enhance reasonable allocation of time	25.64%
Superiors do not pay attention to	5.13%

Management style approval: Medium

Which of the following is a common occurrence in your department?	
Strong sense of punctuality	11.11%
Greater focus on efficiency and results	41.03%
Strong cohesion	11.11%
When the unit encounters major obstacles, the supervisor will provide assistance and coordination.	34.19%
Strong atmosphere for learning and improvement	2.56%



Performance and adjustment

1. Comprehensive reward and promotion system  
 Taiwan Plant: The turnover rate in 2023 was 21.86%.  
 Wuxi Plant: The turnover rate in 2023 was 34.02%.  
 Xi'an Plant: The turnover rate in 2023 was 11.68%.

2. Physical occupational safety and health education and training  
 Taiwan Plant: 185 people participated in the training.  
 Wuxi Plant: 1,272 people participated in the training.  
 Xi'an Plant: 478 people participated in the training.

Preventive or remedial measures

**Preventive measures:**

1. Employees can express their opinions or file complaints through the employee complaint and reporting procedure via written documents, email (electronic mail), in-person, or by phone to their unit supervisor or the management of the Plant. The complaint will be investigated according to the complaint handling process, and recommendations for resolution will be drafted and submitted to the general manager for approval. Once the investigation results are confirmed, a complaint response letter will be provided to the complainant.
2. Education and training regulations can be found on the Group's internal website, and employees can also make improvement suggestions or opinions over the phone or email.
3. Global Tek recruits outstanding talents through various channels, including industry-academia collaborations with colleges and universities. Provide summer work-study internships and government employment promotion programs in Taiwan.
4. In terms of talent retention, Global Tek also encourages business units to formulate more comprehensive project incentive measures and establish a comprehensive welfare system to meet the needs of employees in work and life.
5. In accordance with the law, an Employee Welfare Committee has been established to handle various welfare measures. These include regular on-site physician services, health check-ups, monthly birthday celebrations, distribution of birthday gifts and snacks, complimentary coffee and tea, employee travel, group meals, group insurance, business trip insurance, excellent employee rewards, and subsidies for weddings, funerals, celebrations, and childbirth.
6. We prioritize talent development and diverse learning opportunities. Each year, we organize systematic training programs tailored to various professional, managerial, and general competency needs. This helps both new and current employees adapt to the overall company environment, respond to changing conditions, enhance their job skills, and expand innovative thinking.
7. In terms of occupational safety, Global Tek regularly evaluates performance indicators such as the number of occupational incidents and fines. If there are any signs of losing control or failing to meet performance targets, the hazard risk assessment will be re-evaluated. For high-risk hazard items, immediate risk-reduction measures will be taken to prevent the ongoing occurrence of such hazards. At the same time, we strictly adhere to the operational control measures SOP to effectively implement the occupational safety and health management system. We rigorously control the usage of chemicals within the Plant and promptly act to prevent leakage risks. Change management is enforced during any changes in technology, equipment, personnel, or raw materials, focusing on strengthening risk management during the planning, design, and installation stages. We enhance education and training to increase safety awareness and involve employees in hazard identification and risk assessment, continuously comply with safety and health regulations for contracting operations, and regularly organize sports and recreational activities to maintain the physical and mental well-being of our employees.

**Remedial measures:**

If an employee needs to be laid off due to operational changes, Global Tek is completely transparent with the employee. In the event of a negative incident, a remedial plan is established for each individual incident to minimize negative harm.

## 6.1 Human Rights Management and Protection

The Company respects labor rights, such as freedom of association, collective bargaining, care for vulnerable groups, prohibition of child labor, elimination of all forms of forced labor, and eradication of employment and workplace discrimination. We ensure that our human resources policies are free from discrimination based on gender, race, socioeconomic status, age, marital or family status, ensuring equality and fairness in employment, working conditions, compensation, benefits, training, evaluations, and promotion opportunities. In 2023, there was no incident of discrimination.

### I. Human Rights Management

Global Tek strictly adheres to the labor laws of each operating location and supports the principles and spirit outlined in international human rights conventions, such as “the Universal Declaration of Human Rights”, “the United Nations Global Compact”, and the International Labor Organization’s “Declaration on Fundamental Principles and Rights at Work”. The Company respects human rights and safeguards the dignity of current employees and supply chain partners by fostering a dignified work environment.

The Company has formulated "Human Rights and Employee Policies" to convey the importance that Global Tek places on global human rights. The scope of the policy includes all employees, subsidiaries, business partners, suppliers, and contractors of Global Tek Group. We also continuously enhance and improve the management of human rights-related issues. The issues of particular importance are as follows:

1. Provide a fair work environment, eliminate unlawful discrimination, and ensure equal work opportunities.
2. Provide a safe and healthy work environment, reduce the risk of occupational accidents and workplace abuse, and protect the physical and mental health of employees.
3. No child labor or forced labor.

The human rights due diligence process is as follows:



### II. Human Rights Investigation

In 2023, Global Tek investigated all human rights-related issues that arose and listed the relevant remedial measures and investigation results. In addition, to enhance the effectiveness of risk management, the Company's risk management mechanism involves procedures such as risk identification, evaluation, determination, proposing solutions or preventive measures, control, supervision, and the preparation of risk management reports. This process ensures a clear understanding of the risk level for each item, with corresponding solutions or preventive measures developed. The Company's risk management operations shall be reported to the Sustainable Development and Risk Management Committee at least twice a year by the top risk management officer or his/her designated authorized agent. The Sustainable Development and Risk Management Committee reports to the Board of Directors in a timely manner.



<p><b>Elimination of unlawful discrimination</b> Ensure equal job opportunities</p> <p>In 2023, the Company's employees were investigated and no internal or external complaints or government penalties were received.</p>	<p><b>No child labor</b></p> <p>Candidates are required to compare their identity information during the application, interview, and reporting stages.</p>	<p><b>No forced labor</b></p> <ul style="list-style-type: none"> <li>Control working hours through a system in accordance with government regulations.</li> <li>Encourage employees to take time off during off-peak hours to adjust their body and mind.</li> <li>Hold at least one labor-management meeting every quarter to provide a two-way communication channel.</li> </ul>	<p><b>Personal data protection</b></p> <p>Establish a secure information management mechanism and regularly check personal data to control data access and prevent leakage.</p>	<p><b>Freedom of employment and association</b></p> <p>Employees have the right to resign or terminate the employment relationship at will, and we respect the freedom of association of all employees; they are not subject to punishment, retaliation or any adverse consequences based on association.</p>	<p><b>Employee development</b></p> <ul style="list-style-type: none"> <li>Introduce online courses on corporate culture, business management, and engineering quality, which can be learned in a timely manner using mobile phones.</li> <li>In 2023, the Group introduced 30 Harvard Business Administration online courses for middle-level executives and above, and matched them with reading clubs to improve their management skills.</li> </ul>
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**Smooth complaint channel**

- Employees who encounter various problems within the Company may file a complaint with the human resources or occupational safety department through the Company's complaint channel. In addition, there is a dedicated complaint mailbox and email specifically for cases of sexual harassment.
- During the complaint investigation, the Company adopts a confidential approach, and does not disclose the name or other relevant information that can be used to identify the complainant.
- In 2023, we received two suspected cases of verbal bullying from the same person. To this end, the Company adjusted the works to avoid contact opportunities. The case was closed without punishment because it did not violate the work rules and there was a willingness by this employee to improve.

**Human rights risks**

Risk items	Risk content
<b>Operational hazard risks</b>	Risk factors include issues related to occupational safety, health management (such as improper operation of machinery and equipment, inadequate safety protection, etc.), improper chemical management, the occurrence of major hazard events (such as earthquakes, fires, or pandemics), and other risks arising from poor or improper human management or errors.
<b>Human resource risk</b>	Risks caused by issues such as strikes, failed labor agreements, labor disputes, and inadvertent violations of relevant labor laws and regulations.

### III. Human Rights Training

Through the Happy Workplace Task Force of the Sustainable Development Committee, the Company has formulated human rights and employee policies with reference to relevant laws and human rights development trends, and clearly regulates working hours, breaks, vacations, leave of absence, overtime and other measures. We also review the content of the policy on a yearly basis and update it as necessary. Through the efforts of all partners, we continue to improve the management of human rights-related issues and contribute to international human rights.

Global Tek Group ensures that the human rights of employees and suppliers are protected through the following measures:

1. Comply with the labor laws and regulations of the operation site, do not use child labor or forced labor, and manage the attendance of employees.
2. Regularly hold labor-management meetings to maintain smooth communication channels with employees to ensure the rights and interests of both parties, and stay committed to building a workplace environment with a harmonious labor relationship.
3. All work shall be done voluntarily. If employees have given reasonable notice to Global Tek according to the laws and regulations of the place of operation, they are free to resign or terminate their employment relationship and will not be subject to unreasonable penalties.
4. The Company provides a complaint mechanism for suspected labor rights violations or harassment. All cases are handled in a confidential manner without fear of retaliation.

In response to human rights issues and policies, Global Tek Group provides employees with a fair, safe and healthy work environment and respects workplace human rights, personal data protection, implementation of information security, freedom of employment and association, employee development, and smooth complaint channels.

Each year, Global Tek Group evaluates human rights-related risks through awareness-raising, education and training, as well as the human rights due diligence process using tools such as self-assessment forms, audits, and regular assessments. In May and November 2023, the Company invited external experts and lawyers to speak to all employees on topics including workplace abuse, personal information law, ethical corporate management and ethical behavior. In 2023, the Group conducted educational initiatives, reaching a total of 1,123 participants with a cumulative 2,136 hours of training. An insider trading prevention seminar was held, involving 21 participants over 14 hours.

- 

Provide a safe and healthy work environment
- 

Eliminate unlawful discrimination to ensure equal job opportunities
- 

Prohibition of child labor
- 

Prohibition of forced labor
- 

Help employees maintain physical and mental health and work-life balance

### IV. Smooth Complaint Channels

For situations that endanger labor rights, the Company provides an effective and appropriate complaint mechanism to ensure the fairness and transparency of the complaint process. The complaint channel is simple, convenient, and unobstructed, and employees' complaints are responded to appropriately.

Employees who encounter various problems within the Company may file a complaint with the human resources department through the Company's complaint channel. In addition, to maintain gender equality at work and provide employees and job seekers with a work environment free from sexual harassment, we have set up an exclusive complaint mailbox and email for sexual harassment prevention. During the complaint investigation period, the Company adopts a confidential approach, and does not disclose names or other relevant information that can be used to identify the complainant(s).

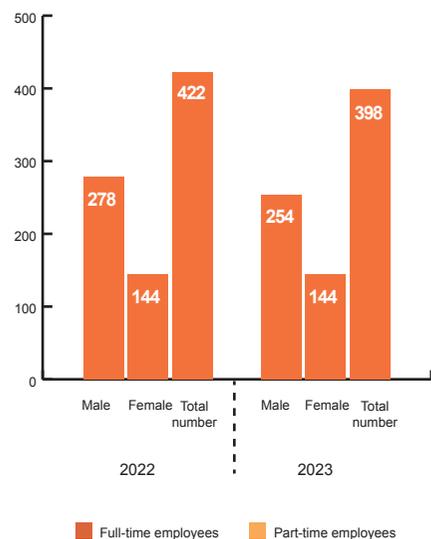


## 6.2 Organizational Development and Personnel Selection, Training, and Retention

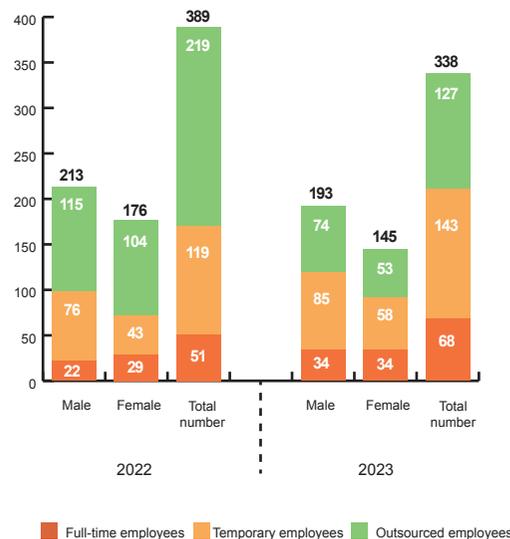
### I. Development of the Organization

#### Global Tek Group - Number of Employees

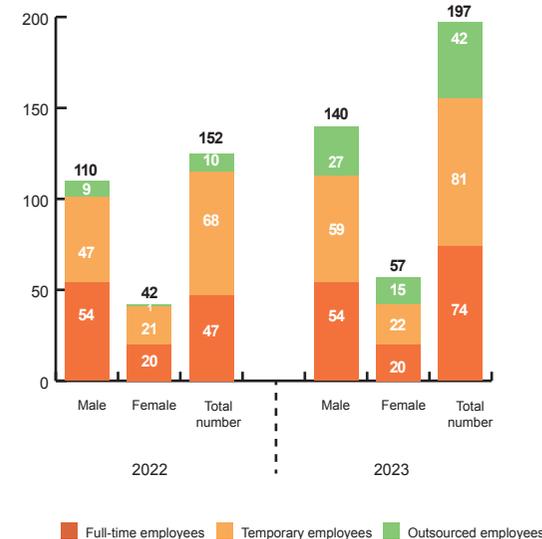
Taiwan Plant (Note 1-3)



Wuxi Plant (Note 4-8)



Xi'an Plant (Note 4-6)



Note:

- Employee: An individual who has an employment relationship with the organization in accordance with national laws or its applicable requirements (in Taiwan, it is an employee with labor insurance).
- Full-time: An individual to whom the definition of working hours under the Labor Standards Act applies. In Taiwan, the working hours shall not exceed 8 hours per day and 40 hours per week. Full-time employees in Taiwan Plant include foreign migrant workers (covered by labor and health insurance). Employees without guaranteed hours.
- Part-time employees: Excluding full-time employees. (The number of part-time employees in Taiwan Plant in 2022 and 2023 was 0)
- Regular employees: Individuals who have signed an indefinite employment contract.
- Temporary employees: Individuals who have signed a fixed-term employment contract.

- Within one month of an employee's commencement, a fixed-term labor contract is signed. The initial contract term is three years, and any renewal is also for a three-year term. After two consecutive renewals or upon completing ten years of continuous employment, unless the employee requests a fixed-term contract, an indefinite labor contract will be established.
- Wuxi Plant: Number of employees = Wage/Special agreement for collective bargaining on labor protection (full-time + temporary) + Number of contracted contractors.
- Wuxi Plant: Female employees included in the special collective bargaining agreement on wage/labor protection have also signed a special collective bargaining agreement on the protection of special rights and interests of female employees.
- This table uses the headcount/full-time equivalent method.

## Workers Who Are Not Employees



Note:  
 1. Xi'an Plant: Non-employee workers are outsourced labor personnel. There were 12 people in 2021, 22 in 2022, and 42 in 2023. The difference is due to the construction of Tongchuan Plant in 2023.  
 2. Taiwan Plant: The cleaning personnel include Xinwu Plant and Youshi Plant.

In 2023, Taiwan Plant complied with Article 38-2 of the "Persons with Disabilities Rights Protection Act" and hired a total of 6 people with disabilities; Wuxi Plant joined the local government's poverty policy and hired a total of 4 people; Xi'an Plant hired a total of 1 person.





The employment status of each plant in 2023 is shown in the table below:

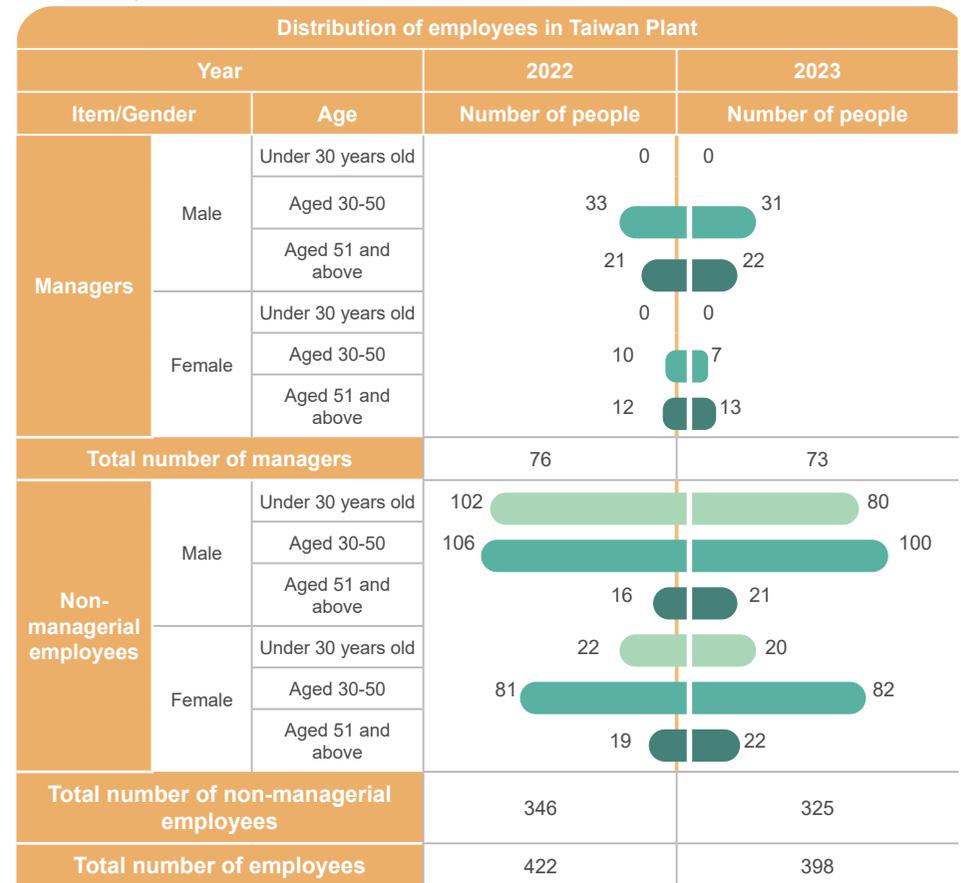
Employment of minorities or disadvantaged groups				
Year			2022	2023
Region	Gender	Number of people	Number of people	Number of people
Taiwan Plant	Male	Under 30 years old	1	1
		Aged 30-50	2	2
		Aged 51 and above		
	Female	Under 30 years old		
		Aged 30-50	3	3
		Aged 51 and above		
<b>Total</b>			6	6
Wuxi Plant	Male	Under 30 years old		4
		Aged 30-50		
		Aged 51 and above		
	Female	Under 30 years old		
		Aged 30-50		
		Aged 51 and above		
<b>Total</b>			0	4
Xi'an Plant	Male	Under 30 years old		
		Aged 30-50		
		Aged 51 and above		1
	Female	Under 30 years old		
		Aged 30-50		
		Aged 51 and above		
<b>Total</b>			0	1

Note:  
1. Minorities or disadvantaged groups: Groups with certain specific conditions or characteristics (e.g., economic, physiological, political, and social) who may be more negatively impacted by organizational activities than the general workforce.

Taiwan Plant

All managers at the Company, from department heads to senior management, are 100% residents of Taiwan. In terms of remuneration, in order to ensure market competitiveness and equal pay for equal work, the Company conducts annual salary surveys and adjusts salaries based on operations, the government's salary adjustment policy, inflation, the market conditions of each position, and individual performance. The standard salary of entry-level male and female employees is 1.2 times higher than the legal minimum wage. Employees' salaries do not vary based on their gender, race, religion, political stance, marital status, labor union or club. However, salary is given based on their seniority and work performance.

The distribution of supervisors and non-supervisors in Taiwan Plant in the past two years is shown in the table below:



Note: Personnel above the division level are considered managers of the Company.



Wuxi Plant

Wuxi Plant is managed by personnel at the section head level and above, and 100% of them are local residents of China. Among them, 5.62% were local Chinese residents. In terms of remuneration, in order to enhance market competitiveness, the Company conducts industry-specific market remuneration surveys every year, and makes remuneration adjustments based on individual performance evaluations of various authoritative websites and relevant job information. The average salary of entry-level male and female employees is more than twice the local minimum salary. Salary is not dependent on gender, race, religion, political stance, marital status, etc., but only based on considerations such as seniority and personal work performance.

The distribution of supervisors and non-supervisors in Wuxi Plant in the past two years is shown in the table below:

Distribution of employees in Wuxi Plant				
Year		2022	2023	
Item/Gender	Age	Number of people	Number of people	
Managers	Male	Under 30 years old	0	0
		Aged 30-50	19	20
		Aged 51 and above	4	2
	Female	Under 30 years old	0	0
		Aged 30-50	13	11
		Aged 51 and above	1	4
Total number of managers		37	37	
Non-manual employees	Male	Under 30 years old	70	77
		Aged 30-50	133	86
		Aged 51 and above	7	8
	Female	Under 30 years old	28	27
		Aged 30-50	115	88
		Aged 51 and above	19	15
Total number of non-manual employees		352	301	
Total number of employees		389	338	

Note: Personnel above the division level are considered managers of the Company.

Xi'an Plant

Xi'an Plant is managed by personnel at the section head level and above, and 100% of them are local residents of China. In terms of remuneration, the salaries of entry-level employees include basic salary and production bonuses, and are based on the employee's job grade, rank and work capacity, and there is no difference due to gender. In 2023, the average salary of both male and female employees was three times the local minimum wage.

The distribution of supervisors and non-supervisors in Xi'an Plant in the past two years is shown in the table below:

Employee distribution in Xi'an Plant				
Year		2022	2023	
Item/Gender	Age	Number of people	Number of people	
Managers	Male	Under 30 years old	0	0
		Aged 30-50	7	7
		Aged 51 and above	1	1
	Female	Under 30 years old	0	0
		Aged 30-50	6	6
		Aged 51 and above	0	0
Total number of managers		14	14	
Non-manual employees	Male	Under 30 years old	30	29
		Aged 30-50	67	95
		Aged 51 and above	5	8
	Female	Under 30 years old	4	5
		Aged 30-50	31	44
		Aged 51 and above	1	2
Total number of non-manual employees		138	183	
Total number of employees		152	197	

Note: Personnel above the division level are considered managers of the Company.

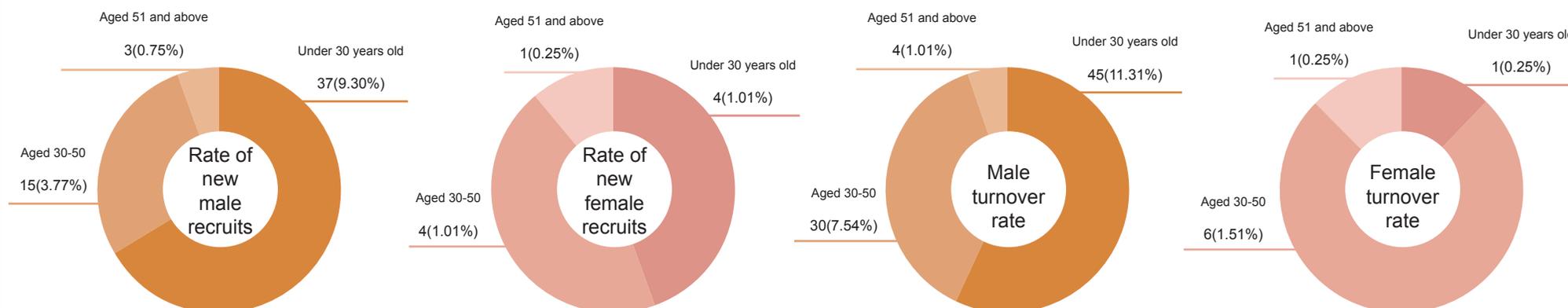
## II. Selection, training, and retention of employees

### Talent Recruitment and Mobility

In 2023, the resignation rate of Taiwan Plant and Wuxi Plant increased compared to the new recruitment rate. In order to improve this situation, the Company has strengthened the development of talent for key positions, stabilized core talents and provided comprehensive care from work to life. We also provide new employees with mentors in order to enhance employee satisfaction and effectively solve the issues that employees care about.

The number of employees in Taiwan Plant is stable. The total new recruitment rate and turnover rate of Wuxi Plant and Xi'an Plant are still within the reasonable range due to overall economic factors. The table below shows the hiring and turnover rates for Taiwan, Wuxi, and Xi'an factories in 2023:

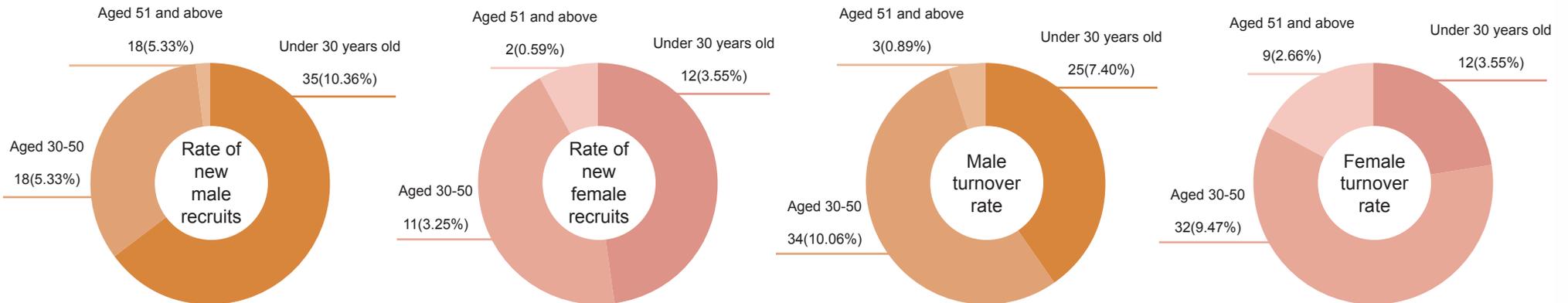
#### Taiwan Plant



2023

Total number of new employees	64	Total number of resigned employees	87
Total number of employees	398	Total number of employees	398
Rate of new recruits (%)	16.08	Total turnover rate (%)	21.86
Description	<ol style="list-style-type: none"> <li>The number of new employees excludes those who leave the Company within the first three months.</li> <li>Rate of new male (female) employees in the age group = Number of new male (female) employees in the age group in the current year / (Total number of employees at operating sites at the end of the current year + Number of new employees in the current year).</li> <li>Total new employee hiring rate = Number of new employees in the current year / (Operating data at the end of the current year total number of employees + Number of new recruits in the current year).</li> </ol>	Description	<ol style="list-style-type: none"> <li>Define the categories of employees leaving the company, for example, resignation, dismissal, retirement, or death on the job.</li> <li>Turnover rate of male (female) employees in an age group = Number of resigned male (female) employees in that age group in the year / (Total number of employees at operating locations at the end of the current year + Number of resigned employees in the year).</li> <li>Hiring rate of total resigned employees = Number of resignations in the year / (Total number of employees at operating locations at the end of the current year + Number of resigned employees in the year).</li> </ol>

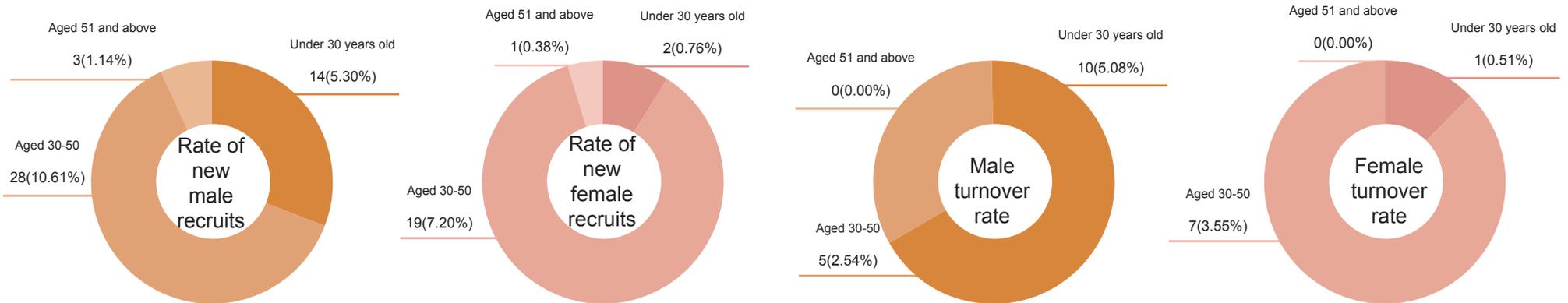
| Wuxi Plant |



2023			
Total number of new employees	79	Total number of resigned employees	115
Total number of employees	338	Total number of employees	338
Rate of new recruits (%)	23.37	Total turnover rate (%)	34.02
Description	<ol style="list-style-type: none"> <li>The number of new employees excludes those who leave the Company within the first three months.</li> <li>Rate of new male (female) employees in the age group = Number of new male (female) employees in the age group in the current year / (Total number of employees at operating sites at the end of the current year + Number of new employees in the current year).</li> <li>Total new employee hiring rate = Number of new employees in the current year / (Total number of employees at operational sites at year-end + Number of new employees in the current year).</li> </ol>	Description	<ol style="list-style-type: none"> <li>Define the categories of employees leaving the company, for example, resignation, dismissal, retirement, or death on the job.</li> <li>Turnover rate of male (female) employees in an age group = Number of resigned male (female) employees in that age group in the year / (Total number of employees at operating locations at the end of the current year + Number of resigned employees in the year).</li> <li>Hiring rate of total resigned employees = Number of resignations in the year / (Total number of employees at operating locations at the end of the current year + Number of resigned employees in the year).</li> </ol>



Xi'an Plant



2023

Total number of new employees	67	Total number of resigned employees	23
Total number of employees	197	Total number of employees	197
Rate of new recruits (%)	25.38	Total turnover rate (%)	11.68
Description	<ol style="list-style-type: none"> <li>The number of new employees excludes those who leave the Company within the first three months.</li> <li>Rate of new male (female) employees in the age group = Number of new male (female) employees in the age group in the current year / (Total number of employees at operating sites at the end of the current year + Number of new employees in the current year).</li> <li>Total new employee hiring rate = Number of new employees in the current year / (Total number of employees at operational sites at year-end + Number of new employees in the current year).</li> </ol>	Description	<ol style="list-style-type: none"> <li>Define the categories of employees leaving the company, for example, resignation, dismissal, retirement, or death on the job.</li> <li>Turnover rate of male (female) employees in an age group = Number of resigned male (female) employees in that age group in the year / (Total number of employees at operating locations at the end of the current year + Number of resigned employees in the year).</li> <li>Hiring rate of total resigned employees = Number of resignations in the year / (Total number of employees at operating locations at the end of the current year + Number of resigned employees in the year).</li> </ol>

## Remuneration Ratio

In terms of remuneration, the difference in remuneration ratio is mainly due to the difference between different positions. The salary standard is distributed based on employees' work, not gender or other factors. However, due to the different physiological attributes of males and females, the nature of the duties they are engaged in is different, resulting in a certain salary difference. This difference is reasonable.

The annual remuneration ratio of the Company during the reporting period was shown in the table below:

Region	Remuneration ratio by job category	Number of people		Remuneration ratio	
		Female	Male	Female	Male
Taiwan Plant	Managerial position	20	53	1	1.32
	Non-management positions	124	201	1	0.85
	Direct employees	38	145	1	0.81
	Indirect employees	106	109	1	1.62
Wuxi Plant	Managerial position	15	22	1	1.19
	Non-management positions	130	171	1	1.21
	Direct employees	65	108	1	1.17
	Indirect employees	80	85	1	1.22
Xi'an Plant	Managerial position	6	8	1	1.56
	Non-management positions	51	132	1	1.22
	Direct employees	26	103	1	1.70
	Indirect employees	31	37	1	1.38

Note:  
 1. Remuneration ratio of female to male (annual salary ratio): "Average annual salary of females in the corresponding category/ Average annual salary of males in the category".  
 2. Currency conversion in China: The conversion exchange rate is based on the information of financial announcement in December 2023.

Salary percentage by job category	Number of people		Salary ratio		
	Female	Male	Female	Male	
Taiwan Plant	Managerial position	20	53	1	0.93
	Non-management positions	124	201	1	1.03
	Direct employees	38	145	1	0.89
	Indirect employees	106	109	1	0.94
Wuxi Plant	Managerial position	15	22	1	1.23
	Non-management positions	130	171	1	1.58
	Direct employees	65	108	1	1.58
	Indirect employees	80	85	1	1.02
Xi'an Plant	Managerial position	6	8	1	1.09
	Non-management positions	51	132	1	1.12
	Direct employees	26	103	1	1.22
	Indirect employees	31	37	1	0.63

Note:  
 1. Based on the minimum monthly salaries of female and male



## Performance Evaluation

At the beginning and end of each year, the Company undertakes the "Education Performance Evaluation System (Human Resources Development System)" to set and evaluate its performance. The evaluation model for "Evaluation for the Second Half of 2023" is modeled on the "Simplified Evaluation for the Second Half of 2023". A total of 933 employees were evaluated.

Region	Item	Managerial position	Non-management positions	Direct employees	Indirect employees
Taiwan Plant	Percentage of male employees evaluated (%)	92.45	94.53	95.86	91.07
	Percentage of female employees evaluated (%)	95	97.58	100	96.51
Wuxi Plant	Percentage of male employees evaluated (%)	100	100	100	100
	Percentage of female employees evaluated (%)	100	100	100	100
Wuxi Plant	Percentage of male employees evaluated (%)	100	100	100	100
	Percentage of female employees evaluated (%)	100	100	100	100

Note:

1. Direct personnel are evaluated based on the sum and average of their monthly evaluation results.
2. Direct personnel refers to those who have worked for less than 3 months and did not start work before September 1, 2023 (inclusive)
3. Indirect employees are employees who have worked for less than 3 months and did not start work before September 1, 2023 (inclusive)

## Talent Cultivation

The Company adheres to the philosophy that "talent is the most important asset of the Company" and places great importance on employee skill development and lifelong learning. At the end of each year, based on the Group's vision, business philosophy, future development strategies, regulatory requirements, client specifications, quality systems, and the needs for professional skill development, we plan the annual education and training program, which is compiled by the human resources department and submitted to the general manager for approval. To cultivate the capabilities and expertise required for employees' career development, each department reviews the implementation status of training on a quarterly basis to confirm the status of training implementation in each department. If it is inconsistent with the annual training plan or falls behind, improvements must be proposed to fully implement the plan.

Training courses are categorized according to the target audience and include new employee training, core cultural values training, leadership and management training, growth and development training, as well as compliance and integrity training. For various professional fields, employees are also arranged to participate in training sessions or seminars organized by external professional organizations, and sometimes internal colleagues with specialized expertise are invited as instructors. Digital courses on the Company's human development platform are also available, with the aim of enhancing employees' personal abilities and increasing both individual and organizational competitiveness.

The content of the following article describes talent training situation of each plant of Global Tek in 2023.

### | Taiwan Plant |

Global Tek's new employee education and training integrates digital and physical courses, and on the job training to provide all new employees with professional integration and diversity, and course planning with core purposes. In addition to understanding Global Tek's culture and specific professional courses, the content also includes fire safety and occupational safety and health, ethics, and prevention of insider trading, in order to encourage the participation and compliance of all employees and to promote the development of cohesion and centripetal force in the organization. Each new employee will receive new employee training (including general training courses, introduction to work rules, and labor occupational safety and health training) on the day they report for work. The course lasts about 10 hours. In 2023, a total of about 23 new employees completed the training courses, with a total of 230 training hours.

The Company actively innovates the talent cultivation model. After introducing the talent development system platform, it provides colleagues with more diverse and flexible learning opportunities that are not limited by time and place. In 2023, the total number of participants of the training courses (including internal and external training) organized by the Company was 3,079, for a total of 209 sessions, and the total training hours were 7,738 hours, with an average of 20 hours of training per employee. The annual training cost was approximately NT\$18.8 million.

Education and training classification									
Item/Category		Managerial position		Non-management positions		Direct employees		Indirect employees	
Unit/Gender		Male	Female	Male	Female	Male	Female	Male	Female
Total number of people	Person-time	45	16	201	124	146	38	100	102
Total training hours	Hours	1,874	808	2,170	2,886	404	297.50	3,639.91	3,396.59
Average total training hours	Hour/person	41.64	50.5	10.8	23.27	2.77	7.83	36.4	33.3
Training fee (NT\$)		520,224	169,465	590,455	600,340	46,878	32,245	1,063,801	737,560

Note:  
 1. (Number of managerial staff + Number of non-managerial staff) = Total number of employees at operating sites.  
 2. (Total number of direct employees + Total number of indirect employees) = Total number of employees at operating sites.

| Wuxi Plant |

At Wuxi Plant, new employees undergo orientation and safety training upon joining. The orientation covers topics such as corporate culture, business policies, quality goals and policies, development strategies, an introduction to the Company, product descriptions, and employee guidelines. The safety training includes key points for safe production, the correct use of protective equipment, fire safety precautions, etc. Through training and communication, new employees can quickly integrate into the team and enhance their work contribution.

For non-management personnel, such as incoming technical personnel and administrative personnel, basic training within the scope of business is provided, and offline courses are also implemented in the annual training plan. In 2023, the Group introduced a Human Development System, where instructors create online training courses and post-training exercises. Instructors and participants can interact through the course discussion forum via messages. The Human Development System effectively overcomes the limitations of time and location for learning, enhancing the Company's diverse training initiatives.

In addition, to improve the leadership and decision-making abilities of middle and senior managers, the Chairman explains and discusses topics for middle and senior managers, such as team-based training series, and organizes reading, learning and experience presentations for the management every year.

Education and training classification

Item/Category		Managerial position		Non-management positions		Direct employees		Indirect employees	
		Male	Female	Male	Female	Male	Female	Male	Female
Total number of people	Person-time	28	17	171	130	108	65	91	82
Total training hours	Hours	765.30	611.45	1,745.32	1514.54	549.14	300.20	1,961.48	1,825.78
Average total training hours	Hour/person	27.33	35.97	10.21	11.65	5.08	4.62	21.55	22.27
Training fee (RMB)		17,838.64	66,854.55	11,685	98,281.82	4,320	0	25,203.64	165,136.4

Note:  
 1. (Number of managerial staff + Number of non-managerial staff) = Total number of employees at operating sites.  
 2. (Total number of direct employees + Total number of indirect employees) = Total number of employees at operating sites.



| Xi'an Plant |

The training plan for new employees in Xi'an Plant includes company-level, department-level and team-level training, as well as annual education and training after joining the Company. This comprehensive series of training programs aims to ensure that employees receive sufficient training and development at all levels to enhance their technical capabilities and professionalism. Through relevant training, new employees can understand the Company's operations, department functions, and team work requirements. After joining the Company, they continue to receive annual education and training to meet the development of professional functions and the needs of their duties.

Education and training classification

Item/Category		Managerial position		Non-management positions		Direct employees		Indirect employees	
		Male	Female	Male	Female	Male	Female	Male	Female
Total number of people	Person-time	8	6	132	51	103	26	37	31
Total training hours	Hours	60.23	36.30	72.75	72.75	72.75	72.75	132.98	109.05
Average total training hours	Hour/person	7.53	6.05	0.55	1.43	0.71	2.8	3.59	3.52
Training fee (RMB)		680	1,228.5	0	2,107.5	0	0	680	3,336

Note:  
 1. (Number of managerial staff + Number of non-managerial staff) = Total number of employees at operating sites.  
 2. (Total number of direct employees + Total number of indirect employees) = Total number of employees at operating sites.  
 3. Those with zero training expenses are internal trainings and there are no related expenses.

Education and Training



## Career Development

### | Taiwan Plant |

The Company provides a variety of in-person and online courses and a wealth of learning resources to allow employees to freely choose learning contents and learning methods according to their personal needs, so as to help improve their competence and improve their self-worth. This includes the digital learning transformation initiated in August 2022, utilizing technology to make learning more efficient. In May 2023, the internal learning platform was upgraded to a mobile APP, allowing learning to break free from time and space constraints, which enables employees to flexibly use their free time for learning. Combining internal and external resources, a total of 83 courses were offered. By integrating the Company's philosophy into the competencies and knowledge required for different duties and positions, we provide online courses on quality, occupational safety, and information security to enable employees to better allocate their study and work time to help them achieve professional career growth.

In addition, through the sharing of personal knowledge and experience, the Company can operate stably in the long term. In order to encourage employees to continue investing in themselves, Global Tek has established "Internal Lecturer Policy" to recognize and demonstrate the contribution of internal lecturers to the Company's knowledge inheritance through incentive measures. Serving as an internal lecturer not only helps to effectively transfer knowledge within the Company, but also helps individuals improve their workplace skills and increase their sense of self-worth.

At the same time, the Company provides career development consulting services to employees who are about to retire to understand their retirement preparations and needs, and to help them find a suitable lifestyle after retirement. We also provide volunteer opportunities to enrich the life of our employees after retirement.

### | Wuxi Plant |

Wuxi Plant attaches great importance to training, and cultivating high-performance talents is one of the human resource strategies. Establish a comprehensive training mechanism and adopt diversified training methods, including offline course lectures, group discussion methods, online live courses, and online recorded courses. The training content is rich, covering basic lectures, technical courses, quality requirement training, business ability topics, literacy topics, etc., and specific training plans are formulated based on training needs.

In 2022, we introduced digital training for the human resource development system. From the establishment of standardized courses, teaching materials, and procedures, to class opening announcements, homework issuance and retrieval, class hours statistics, and homework correction score statistics, we use an integrated system to improve training efficiency. Through online training, we break the limitations of training time and space and realize the sharing of resources. At the same time, an area for discussion period between the students and lecturer is provided to enhance the interaction between students and lecturers.

In 2023, in response to the recent trend, and in order to satisfy the diverse interests of employees and improve their practical skills, Wuxi Plant has added video editing courses and also provided employees to participate in the Group's AI series-related training.

In addition, through the training of internal lecturers, personal knowledge and experience are shared within the Company and passed on to employees. For long-term and stable operation, the Company has added internal lecturer management process to the Education and Training Management Regulations, which describes the lecturer qualifications, responsibilities, labor cost standards, and the growth and improvement of lecturers. For example, internal lecturers are given priority to participate in external training opportunities to motivate lecturers' participation.

### Video Editing Course



### | Xi'an Plant |

Xi'an Plant provides employee competency management and lifelong learning programs to help employees improve competencies and maintain their ability to continue to be employed. In-person and online training is conducted according to the annual education and training plan.



## 6.3 Employee Welfare and Care

### Labor-Management Communication

Although there is no labor union in the Company's Taiwan Plant, we hold quarterly labor-management meetings to establish a good communication channel between labor and management. A total of four meetings were held in 2023. However, since no request for a collective agreement has been submitted to the Company so far, no collective agreement has been signed.

Wuxi Plant signs "collective contracts" with employees, including the "Special Agreement for Collective Negotiation of Wages" and "Special Agreement for Collective Negotiation of Labor Protection". In addition, all 95 female employees who have signed "Special Collective Agreement for the Special Protection of Female Employees in Enterprises", a coverage rate of 100%. The Company and the labor union hold a symposium once a year to report and negotiate with each other on the protection of the rights and interests of female employees. The content of the agreement covers issues such as salary, rewards and punishments, promotion, health and safety, which is in line with the requirements of national laws and regulations, and also reflects our determination to care for our employees and protect their basic rights and interests.

The labor union of Wuxi Plant is explained as follows:

Labor union of Wuxi Plant	
Frequency	The labor union holds regular meetings, and a total of 12 meetings were held in 2023.
Signing date	The labor union of Wuxi Plant was renewed on January 5, 2023 (the new agreement is effective from January 1, 2023 to December 31, 2023)
Agreement content	The contracts contain agreements about matters such as wages, female employees, and labor safety to ensure the consensus between labor and management and avoid potential conflicts.
Group agreement coverage rate	Includes 201 of the plant's full-time and temporary employees, accounting for 100% (not including outsourced employees)

The labor union committee of Xi'an Plant was established in 2009, and as of the end of 2023, there were a total of 155 union members. The labor union holds meetings once every quarter. The management unit of Economic and Technological Development Zone does not require mandatory collective agreements, so the labor union at Xi'an Plant primarily focuses on organizing activities to promote employees' physical and mental well-being and welfare, such as assistance for employees in difficult situations, distribution of holiday benefits, support for special groups, Women's Day, Children's Day, and participation in social welfare activities. The management unit of Economic and Technological Development Zone shall audit the accounts of the labor unions in the zone every two years to ensure that all labor unions strictly follow "Union Accounting System".



## Employee Benefits

### | Taiwan Plant |

To ensure employees' well-being and secure their living conditions, the Company either provides or sponsors various welfare programs. In accordance with the law, it has established an "Employee Welfare Committee". Each year, a welfare budget and plan are formulated to ensure the reasonable and effective use of employee welfare funds. The current welfare items include birthday party and birthday gift money, various activities of the Welfare Committee (employee travel/employee gatherings), wedding and funeral allowances, and regular health checkups. In terms of hardware equipment, the Company provides coffee machines, steamers, microwave ovens, parking spaces for cars and motorcycles and other convenient facilities.

In addition, the Company provides employees with a safe and healthy work environment, and has dedicated occupational safety personnel and resident physicians to provide free consultation and health care advice. In addition, to provide a female-friendly workplace, we have set up a comfortable breastfeeding room for female employees to breastfeed after giving birth. At the same time, we care about the health of employees and plan healthy weight loss programs, physical fitness courses, and health seminars to help employees achieve work-life balance. The Company holds an annual all-hands meeting to build solidarity through sharing and communication. The Company held the annual year-end dinner party and lucky draw to celebrate the year with employees. The Company recognized outstanding employees of the year with bonuses and honorary leave, and senior employees were presented with medals and souvenir gifts.

In 2023, the Company obtained "Healthy Workplace Certification - Health Promotion Label" from the Health Promotion Administration of the Ministry of Health and Welfare. The certification period is from January 1, 2023 to December 31, 2025.

Group recreational competition



Networking activities for foreign employees



Employee trip to Thailand



Employee travel - Hualien and Taitung





| Wuxi Plant |

In accordance with national regulations, Wuxi Plant contributes to various social security funds such as endowment insurance, unemployment insurance, medical insurance, work-related injury insurance, maternity insurance, and the provident fund for eligible employees. In terms of healthcare, we provide free work meals and employees who have worked for more than two years are entitled to one health checkup every two years. In addition, we have invested in the purchase of commercial medical insurance for our employees to provide them with additional protections for medical treatments such as critical illness, accidental injury, and hospitalization. In terms of competency development, when employees enter the Company, they receive general training and job skill training. We also provide dormitory and free Plant car so that colleagues working in other places do not have to worry about it.

In 2023, Wuxi Plant will follow the Group's progress and hold a reading club for executive courses. In the second half of the year, a total of three reading clubs were held for the Group and Wuxi Plant. Through reading clubs, the employees come to understand the current progress of the Group and work more closely together.

Group recreational competition



In addition, to enrich the lives of employees, the Company often organizes various recreational, cultural, and tourism activities that are beneficial to the body and mind to add color to the lives of employees. In addition to regular reading clubs, Wuxi Plant also actively organizes various activities, such as employee birthday parties, sports meetings, badminton competitions, and activities held on International Women's Day, to take care of the physical and mental health of employees and strengthen team cohesion. Provide an opportunity and a platform for employees to communicate through diverse activities.

We value the hard work of our employees, and give gifts to express our gratitude for their efforts. For senior employees, the Company selects gifts more carefully to show respect for their long-term contributions. Through this, a warm and caring work atmosphere has been established, so that every employee can feel the Company's support and importance.

Club activities



Birthday party



Women's Day



Wuxi Corporate Games Badminton Competition



Wuxi Corporate Sports Three-person Basketball Tournament



Festivals and gift distribution to senior employees





| Xi'an Plant |

Xi'an Plant provides basic social insurance (pension, work injury, medical care, unemployment, maternity) and housing provident fund for employees in accordance with laws and regulations. In addition to the benefits stipulated by the government, the Company also provides various benefits, including free lunches, dinners, wedding and maternity gifts, supplementary commercial insurance, health checkups, travel and birthday celebrations, and cultural and sports activities.

Salary and benefits

<b>Health checkup</b>	Employees who have worked for more than two years are entitled to a health examination every two years.
<b>Recreational and sports activities</b>	The Company advocates a happy work and happy life. Every year, we organize various recreational activities to enrich the life of employees.
<b>Paid annual leave</b>	Employees who have worked continuously for one year are entitled to paid annual leave.
<b>Free work meal</b>	The Company's canteen provides free meals to employees on weekdays.
<b>Employee training</b>	Induction training, on-the-job training, and professional skill training.

Condolences on Women's Day



Condolences on Children's Day



Condolences to employees in need



Special employee condolences



Spring sports games



Autumn sports games



Health management camp



Annual Total Compensation Ratio

The ratio of the Company's highest paid individual's annual total compensation to the median annual total remuneration of employees (excluding the high-paid individual) in Taiwan was 7.25:1. The ratio of percentage increase in the annual total compensation of the highest paid individual to the median percentage increase in the annual total compensation of employees (excluding the highest paid individual) was 1.69:1.

Country/Region	The ratio of annual total compensation of the highest paid individual to the median annual total compensation of employees (excluding the highest paid individual) in the Company	The ratio of annual total compensation of the highest paid individual to the annual total compensation of employees (excluding the highest paid individual) in the Company
Taiwan	7.25	1.69

Note:

- The formula for calculating the median annual compensation ratio: The annual salary of individual with the highest annual salary for the year/The annual salary of individual with the median annual salary for the year.
- The formula for calculating the annual salary increase ratio: The percentage increase in annual salary of the individual with the highest annual salary in the year/The percentage increase in annual salary of the individual with the median annual salary in the year.

## Unpaid Parental Leave Status

In 2023, a total of 18 employees in the Company's Taiwan Plant were eligible to apply for parental leave without pay. Two of them actually applied for leave without pay and the reinstatement rate was 50%. In addition, a total of 3 employees were reinstated after leave without pay during the previous year. All of them continued to work for one year after reinstatement, so the retention rate of parental leave without pay was 100%.

### Parental Leave Without Pay in the Past Two Years

Year	2022			2023		
	Male	Female	Total	Male	Female	Total
Number of employees qualified for parental leave without pay A	11	14	25	7	11	18
Number of unpaid parental leave applications in the current year B	0	3	3	1	1	2
Number of employees requiring reinstatement after parental leave without pay in the current year C	0	3	3	1	1	2
Number of employees actually reinstated from unpaid parental leave in the year D	0	3	3	0	1	1
Number of employees actually reinstated from unpaid parental leave in the previous year E	0	2	2	0	3	3
Number of employees reinstated from parental leave without pay who continued working for one year F	0	2	2	0	3	3
Percentage of reinstatement after parental leave in the current year (D/C)	0	100	100	0	100	50
Retention rate with childcare leave in the current year % (F/E)	0	100	100	0	100	100

Note:  
 1. Number of employees due for reinstatement = Number of employees expected to be reinstated from unpaid parental leave in the current year.  
 2. Number of employees retained in 2023 = Number of employees who were actually reinstated in 2022 and remained in service as of December 31, 2023.  
 3. Rate of reinstatement after parental leave (%) = Number of employees actually reinstated from parental leave in the current year/Number of employees expected to be reinstated from parental leave in the current year (D/C).  
 4. Rate of unpaid parental leave in the current year (%) = Number of employees who have continued to work for one year after reinstatement after unpaid parental leave in the previous year/Number of employees actually reinstated after reinstatement after unpaid parental leave in the previous year (F/E).

Wuxi Plant and Xi'an Plant comply with all maternity leave laws and regulations, and provide maternity leave for female employees and paternity leave for male employees. In 2023, no employee in the two factories applied for maternity leave or paternity leave. The following is a supplementary explanation of the leave regulations for Wuxi and Xi'an factories.

### Supplementary Regulations for Wuxi Plant:

In accordance with the laws and regulations granting 98 days of maternity leave stipulated by the government for families with children that meet the policy requirements, women may apply for an extension of the maternity leave of 60 days up to a maximum of 158 days. National statutory holidays are not included in the calculation of extended maternity leave. In addition, with regard to dystocia, the policy stipulates that maternity leave can be increased by 15 days; for multiple births, the maternity leave will be increased by 15 days for each additional baby. Males are entitled to 15 days of paternity leave. All of the above are paid leaves.

### Supplement to the Relevant Regulations for Xi'an Plant:

#### Special regulations on labor protection for female employees

- Female employees giving birth: 98 days of maternity leave, including 15 days of prenatal leave.
- Dystocia: Increase maternity leave by 15 days.
- Multiple births: 15 days of maternity leave for each additional baby.
- Female employees who miscarried before 4 months of pregnancy are entitled to 15 days of maternity leave.
- 42 days of maternity leave for miscarriage at 4 months of pregnancy.

#### Shaanxi Province Population and Family Planning Act

- 60 days of maternity leave are added to the statutory maternity leave for employees who meet the policy to have children.
- Men are granted 15 days of paternity leave.
- If the spouse lives in another place, the husband is entitled to 20 days of paternity leave.
- Female employees participating in pre-pregnancy checkups are entitled to 10 more days of maternity leave in addition to the national maternity leave.
- Female employees giving birth to their third child are entitled to 15 additional days of maternity leave with 10 additional days of paternity leave granted to male

### Minimum Announcement Period for Operational Changes

The Company respects labor rights, including the right to collective bargaining, prioritizes employee occupational health and safety, cares for disadvantaged groups, prohibits child labor, eliminates all forms of forced labor, and eliminates employment discrimination. It ensures that human resources policies do not discriminate based on gender, race, social class, age, marital or family status, thus upholding fairness and equality in employment terms, remuneration, benefits, evaluations, and promotion opportunities.



| Taiwan Plant |

In order to ensure the rights and interests of employees at work, the Company strictly abides by the relevant laws and regulations of the Labor Standards Act. If the Company undergoes major operational changes or needs to terminate the labor relationship with employees, the labor contract with employees will be terminated in accordance with the regulations of the government. The notice period will be as follows:

- I. An employee who has worked continuously for more than 3 months but less than 1 year shall be given a 10 day notice period.
- II. The employee has worked continuously for more than one year but less than three years shall be given a 20 day notice period.
- III. An employee who has worked for more than 3 years shall be given 30 days notice.

| Wuxi Plant, Xi' an Plant |

To protect employees' rights effectively, the Company adheres to relevant labor laws. When formulating, amending, or deciding on rules and major matters directly affecting employees' interests, such as labor compensation, work hours, rest and leave, occupational safety and health, insurance benefits, employee training, labor discipline, and labor quotas, the employer must discuss these matters with the employee representative assembly or all employees, and negotiate equally with the labor union or employee representatives. To establish a labor relationship, a written labor contract shall be signed within one month from the date of employment. Regarding contract renewal, the Human Resources department will send a letter to employees and department heads one month before contract expiration to solicit their opinions. If both parties agree, the contract renewal procedures will be completed.

Aim to establish a harmonious and stable labor relationship, safeguard employees' legitimate rights, regulate the conduct of both the Company and employees, and jointly promote the development of the enterprise to enhance its cohesion and market competitiveness, Wuxi Plant has signed a collective agreement in accordance with the People's Republic of China's "Labor Law", "Labor Union Law", and "Jiangsu Provincial Collective Contract Regulations" along with other relevant laws and regulations. If the Company experiences major operational changes or needs to terminate employment relationships, the Company shall explain the situation to the labor union or all employees 30 days in advance, listen to the opinions of the labor union or employees, and report to the local labor administrative department.

In the event of a major corporate change in Xi'an Plant that requires the termination of labor contracts, they shall be terminated in accordance with Article 40 of the "Labor Contract Law". The HR unit shall notify the employee in writing 30 days in advance or pay additional corresponding economic compensation. After reaching a consensus with the employee during this period, the corresponding procedures for the termination of the employment contract shall be completed.

In accordance with the provisions of collective bargaining, the labor union helps employes manage their employment relationship with the Company, and at the same time coordinates and supervises the workforce of the Company, striving to build a harmonious and win-win relationship between labor and management. When formulating, amending, or deciding on rules and regulations that directly involve the vital interests of employees, enterprises shall fulfill their obligation to disclose Plant affairs in accordance with the law, listen to the opinions of the labor union in advance, and submit them to the workers' representative meeting for discussion and approval. Labor unions are obligated to participate in corporate management to protect the legitimate rights and interests of enterprises, educate employees to conscientiously fulfill their labor contracts; and major business decisions of enterprises must be discussed and approved by workers' representatives.



## Security Personnel Training

### | Taiwan Plant |

The Company's security system is entrusted to Tai Gu Security Co., Ltd., and security personnel are hired in accordance with Article 10-2 of the Security Service Act. All security personnel have completed human rights and procedures training. In accordance with the requirements of the Occupational Safety and Health Act, they receive relevant professional training every year, including disaster prevention and protection and security-related on-duty practice training related to disaster prevention, rescue and security, as well as pre-employment education and training that includes matters such as precautions on duty and personnel entry and exit management.

### | Wuxi Plant |

Wuxi Plant has formulated the "Company Security Personnel Management System", which includes security responsibilities, access control systems, emergency incident handling, and work handover. The 2023 training courses include visitor personnel management and security guard training. Education and training courses are provided to ensure that security personnel have the necessary skills and knowledge to effectively ensure the safety of the Company's employees and visitors in all aspects.

In addition, all six security personnel have completed human rights education and training.



### | Xi'an Plant |

Xi'an Plant is located in Zone A of the Comprehensive Bonding Zone of Xi'an Guanzhong. The daily movement of goods is subject to the supervision of Xi'an Guanzhong Customs, and the daily movement of personnel and security are directly managed by the Urban Management Department of the Xi'an City Administration Bureau. The Urban Management Department and Xi'an Guanzhong Customs perform routine security work in accordance with the corresponding laws and regulations. Urban management personnel receive relevant professional training every year. The course content includes training on disaster prevention and rescue, and related civil and legal law enforcement processes. 100% of the security guards receive training on human rights and procedures.

## Employee Retirement System

Global Tek Group handles employee retirement in accordance with the "Work Rules" approved on December 25, 2017, "Preferential Retirement Policy" approved on November 27, 2020, "Labor Standards Act", "Labor Pension Act", and other regulations.

Since the Company's reinvested subsidiary, Global Tek Co., Ltd., was established in 2000, employees who fall under the provisions of "Labor Standards Act" (i.e., the old pension system) have their retirement funds managed accordingly. The Company contributes 2% of their monthly wages to a designated account at Bank of Taiwan, under the supervision of the Labor Retirement Reserve Supervisory Committee. Employees may choose to continue using the Labor Standards Act (old pension system), in which pension is calculated based on total years of service and the average wage of six months prior to the approved retirement date. As of the end of 2023, the total pension contribution was NT\$17,954,134, covering 31 employees.

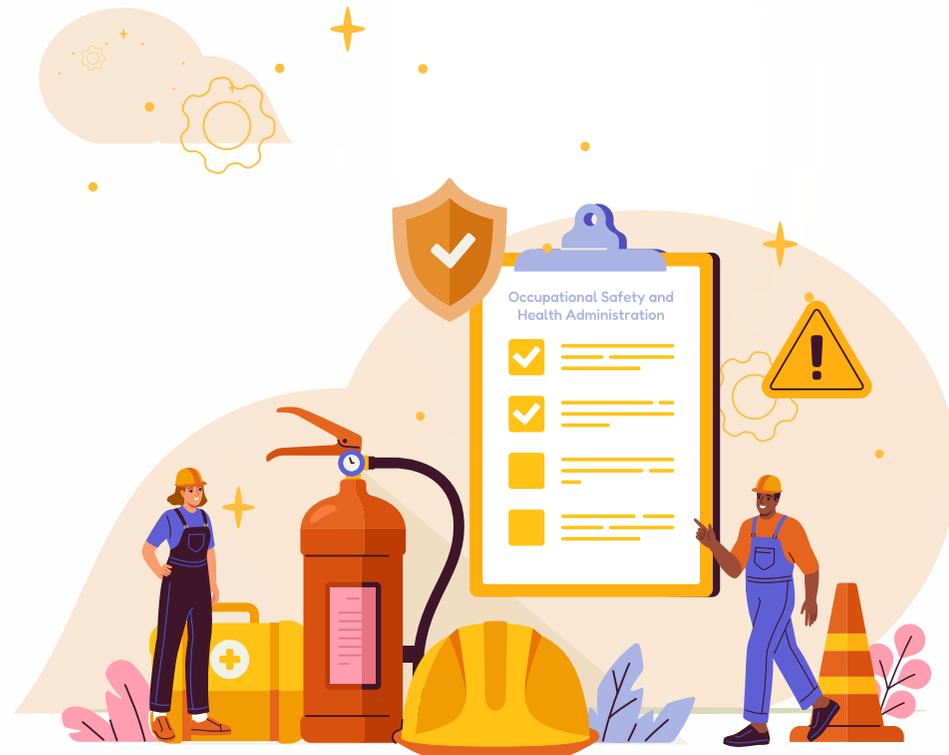
For employees to whom the new pension regulations of the Labor Pension Act apply, the Company contributes 6% of their monthly wages to individual labor pension accounts established with the Ministry of Labor. For employees transferred from the Company to subsidiaries, their years of service will continue to be accumulated to provide them with full protection, while achieving the goal of talent mobility within the Group.

Wuxi and Xi'an factories have the same policy and follow mainland China's laws and regulations. The Company contributes 16% of monthly pension contribution and the employees pay 8% of monthly contribution to the pension insurance. After employees reach the legal retirement age and have completed the retirement procedures, the state will pay the retirement pension.

## 6.4 Health and Safety

### Occupational Safety and Health Management

Although each Plant of Global Tek Group has not yet passed the occupational health and safety management system certification, they have established relevant occupational health and safety management regulations, and regularly implement and evaluate relevant risk operations to prevent the occurrence of emergencies. The relevant regulations for occupational safety and health in each Plant area are described in the following articles.



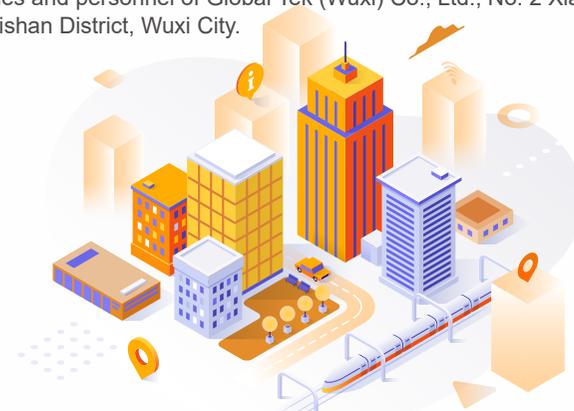
### | Taiwan Plant |

The Company has established "Occupational Health and Safety Committee" in its plants in Taiwan, and established its own management system in accordance with the provisions of Taiwan CNS 45001 (same as ISO 45001) to facilitate the implementation of relevant measures. Committee members include five labor representatives, accounting for more than one-third of the total number of committee members. The frequency of meetings is once every three months to review and propose matters related to health and safety. A total of four meetings were held in 2023, which reported the implementation status of occupational safety-related training, goal achievement, and Plant hazard risks. Currently, it covers 398 workers, activities, and personnel at the workplace. The number of employees is 398, accounting for 100% of the total number of employees. The number of non-staff employees is 10, accounting for 2.5% of the total number of employees.

### | Wuxi Plant |

Wuxi Plant has established a "Safety Production Committee", with the general manager as the person responsible for safety production, the Plant operations director as the deputy responsible person, and the Chairman of the labor union as a committee member. The Safety Committee is organized to hold monthly safety production meetings, and employee representatives are invited to participate. The figure below is a network diagram of the safety production management organization.

In accordance with the safety production standardization requirements for machinery industry, Wuxi Plant has developed a documented occupational safety management system. Any new chemicals, equipment, or processes must undergo a risk evaluation before being introduced. Annual safety risk identification and evaluation are conducted for production positions in the workshops, and effective measures are taken to control safety risks. For high-risk operations such as hot work, working at heights, confined space work, and temporary electrical use, corresponding hazardous work permits must be obtained. Occupational safety covers the activities and personnel of Global Tek (Wuxi) Co., Ltd., No. 2 Xianfeng Middle Road, Anzhen Street, Xishan District, Wuxi City.



Work safety standardization

1	Basic management includes: safety production responsibility system, safety regulations and procedures, annual plans, organization and personnel, safety education, accident management, "Three Simultaneous" management (Note 1), team safety management, safety operating procedures, special equipment personnel, stakeholder safety management, on-site supervision and inspection, and emergency response plans.
2	Safety of equipment and facilities.
3	Environmental safety of factories

Note 1.  
"Three Simultaneous" refers to the legal requirement in mainland China under the "Work Safety Law" that safety facilities for new, renovation, and expansion construction projects (collectively referred to as construction projects) must be designed, constructed, put into production and used simultaneously with the main project.

According to the "National Work Safety Act", all personnel working in the Plant must be included in the Company's unified safety management system, and safety management and control shall be carried out according to the same standards. The number of employees covered is 338, accounting for 100% of the total number of employees. The number of non-employee workers covered is 127, or 37.6%.

| Xi'an Plant |

Xi'an Plant has established an occupational health system in accordance with laws and regulations. It regularly monitors occupational risks and environmental factors, and manages health records of personnel involved in occupational risk positions. Under the Healthy Enterprise Management Regulations, we have established the procurement section, which is fully responsible for the Company's occupational health and safety management, while the Manufacturing Department and Quality Department assist in daily management. There are 8 labor and management representatives, accounting for 4% of the total number of employees, and the meeting is held once every six months.



Responsibilities of each management unit

Human resources section	<ol style="list-style-type: none"> <li>1. Implement the Company's occupational health and safety management work, and impl the occupational health and safety management work plan in the designated year.</li> <li>2. Regular occupational health training for employees.</li> <li>3. Regularly organize and manage employee occupational health examinations.</li> <li>4. Determine the goals of occupational health and health management and regularly i the implementation, and coordinate and solve the problems in the implementation of v departments.</li> <li>5. Regularly organize on-site inspections by relevant personnel, and have the right to adjustments and changes to the occupations found during inspections, and report occupational hazards to the leading group for processing in a timely manner.</li> <li>6. Establish the Company's occupational health and safety management system, wli audited and certified every year.</li> </ol>
Manufacturing Department	<ol style="list-style-type: none"> <li>1. Implement the measures of enterprise's occupational hazard prevention system to specific link.</li> <li>2. Supervise and educate on-site employees on occupational health and supervise th personal protective equipment.</li> <li>3. Make sure employees strictly follow the operating procedures to ensure the correct personal protective equipment. Strictly prevent illegal and risky operations.</li> <li>4. Regularly organize inspections, report problems in production equipment and prof facilities to the leading team in a timely manner, and take measures.</li> <li>5. When an occupational accident occurs, it is reported quickly and organized immediatel</li> <li>6. Take full responsibility for the prevention and control of occupational hazards in proc activities.</li> </ol>
Quality Department	<ol style="list-style-type: none"> <li>1. Comply with national laws and regulations related to occupational health and safety.</li> <li>2. Determine the Company's occupational hazard monitoring points and coordinat professional institutions to conduct regular inspections of the monitoring points.</li> <li>3. Responsible for reporting the data for risk factors related to occupational diseases.</li> </ol>

At present, an occupational health-related system has been established in accordance with the requirements of the Xi'an Municipal Health and Safety Bureau. The occupational health risk factors in the Plant are regularly tested, and occupational health management is implemented for the personnel involved. The total number of employees covered is 155, accounting for 100% of the total number of employees; the total number of non-employee workers is 42, accounting for 100% of the total number of employees.



## Risk Assessment and Accident Investigation

### | Taiwan Plant |

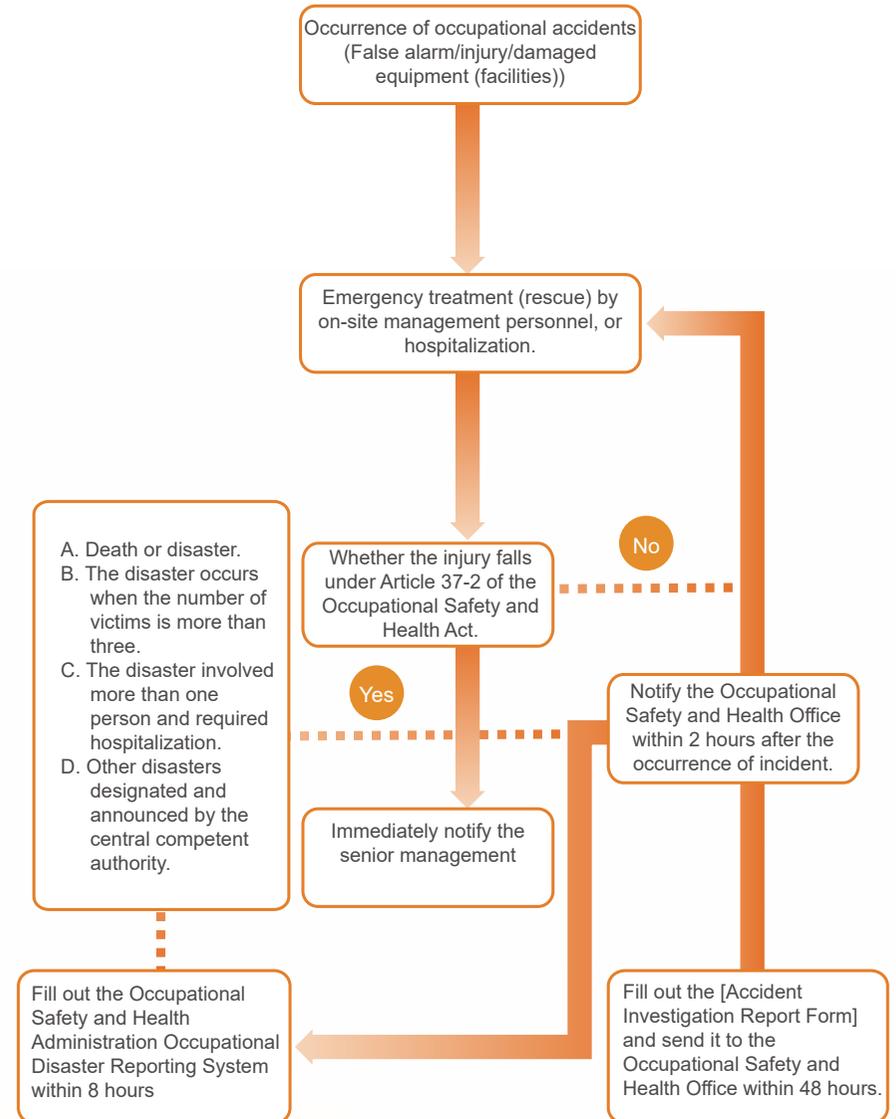
To continuously identify and assess potential hazards related to raw materials, equipment, working environments, and personnel activities in various operations or services at Taiwan Plant, including physical, chemical, biological, and ergonomic risks, and to implement reasonable, effective, and feasible control measures to reduce the impact on the safety and health of company personnel, contractors, and related third parties, we have established "Global Tek Industrial Occupational Safety and Health Hazard Identification and Risk Management Procedures". These procedures ensure ongoing risk identification, assessment, and control, aiming to minimize risks. The status of safety and health implementation is reported quarterly to the Company's Safety and Health Committee and explained to labor representatives from each internal organization. All activities related to employees, workers, contractors, and visitors within the various factories, as well as the operation of machinery and the use of chemicals, are executed in accordance with the "Global Tek Industrial Occupational Safety and Health Hazard Identification and Risk Management Procedures" and risk identification is conducted annually.

Quantitative risk scores are assigned based on the severity and frequency of accidents that could occur during operational activities, machinery operation, or chemical use. If the risk score is R4 or above, it is classified as "high risk". In such cases, existing protective measures must be reviewed, with priority given to evaluating and implementing improvements. Work must be suspended before improvement to ensure risk reduction. According to the hazard identification and risk assessment of each department in 2023, except for the noise from mechanical processing and precision casting grinding operations which cannot yet be improved through engineering solutions, all other R4 risk items have been improved and reduced to R3 (medium risk) or below.

Based on the Company's philosophy and policies, the Occupational Safety and Health Office sets management goals, draws up an execution plan, tracks and checks the management performance according to the plan, promotes "zero accidents" as the goal, and values the safety and health of each employee, and through the implementation of risk assessment, hazard identification, safety and health education and promotion, and pre-work meetings, employees' risk awareness and safety knowledge are improved. In order to achieve the goal of zero accidents in accordance with the law, in addition to formulating the "Safety and Health Work Rules" and submitting them to the competent occupational safety authority for review, the Company has formulated the "Safety and Health Work Rules" for workers to exercise their right to escape safely.

Statistics and analysis of FR and SR are conducted every month, and they are reported to the Occupational Safety and Health Committee every quarter and then announced. In 2023, there were 3 injuries causing lost work days, and the cumulative lost working hours totaled 7 days from January to December. If problems are discovered during operation, they can be reported through the quarterly occupational safety meeting; they can also be submitted through the 7S audit or improvement proposal form. Proposal incentives will be given to those who actively submit reports and proposals.

## Accident Reporting Process





| Wuxi Plant |

Hazard identification and risk assessment in Wuxi Plant are conducted in accordance with the requirements of "Guidelines for Safety Risk Grading Control". Risk identification and assessment are required for each department every year, and the results of the assessment are recorded in the Hazard Identification and Assessment List. Accident investigations are conducted in accordance with the requirements of "Work Safety Accident Management Guidelines". Once a work safety accident occurs, including first aid accidents and near misses, it must be reported immediately, and all accidents must be investigated to identify the cause of the accident, correct it and establish preventive measures to prevent the recurrence of similar accidents.

For safety risk evaluations at Wuxi Plant that reach a "high risk" level or above, higher-standard risk control measures are required to reduce the safety risks to an acceptable range. The measures taken include engineering controls, management controls, and, as a last resort, the use of personal protective equipment (PPE). We firmly believe that it is the Company's responsibility to create a safe working environment for employees. The above measures apply to all employees and dispatched laborers. Contractors and construction personnel are required to abide by the regulations of "Stakeholder Safety Management Guidelines".

The plants safety management personnel must have a safety management personnel certificate or a registered national safety engineer certificate to ensure their qualifications and capabilities.

Risk assessment is conducted using the Job Conditions Hazard Analysis (LEC) method to determine the level of safety risk. The evaluation results are recorded in the hazard identification and evaluation checklist, which includes: the basic work steps of the position, the risks involved, affected individuals, potential accidents/injuries, existing control measures, and the calculated risk value "D" to evaluate the hazard level. The assessment determines whether the risk level is acceptable, and different levels of risk are subject to graded control. The risks are categorized from high to low as major risk, significant risk, general risk, and low risk. Review and update work hazard identification and risk assessment every year.

Evaluation of the Risk Level of Operating Conditions (LED)

Frequency of exposure to hazardous environments	
D	Risk level
L	Likelihood of accidents
E	Frequency of exposure to hazardous environments
C	Consequences of an accident

Definition of Risk Level

D value	Risk level	Risk level
>320	Impermissible dangers	A
160--320	High risk	B
70--160	Medium risk	C
<70	Minor and tolerable hazards	D

Risk assessment improvement items in 2023	
Risk items	Improvement measures
The waste emulsion pool is about 20 cubic meters, and as a confined space, it is assessed to have a greater risk	1. Establish a dangerous operation review system. When personnel enter a confined space to operate, they must obtain a "confined space operation permit". The operation is allowed only after assessing the existing safety risks and necessary safety measures, and on-site supervision will be continuously monitored.
	2. The waste emulsion tank is locked, and the key is kept by department supervisor.
	3. Hazard warnings are posted on-site.

When an employee discovers an immediate hazard while performing their work, they may stop or leave the facility. If there are concerns about work safety and health, they can be reported to the department head or the Company's safety management personnel, or they can be expressed at safety meetings. Managers at all levels are required to investigate the problem, take necessary measures, and report the results to employees. At the same time, the safety management procedures explicitly state that employees have the right to refuse orders for non-compliant operations and the right to dissuade or stop others from engaging in non-compliant operations. The safety production responsibilities for all levels of personnel also clearly outline the safety production responsibilities and rights of employees to ensure these actions are protected.

| Xi'an Plant |

To strengthen risk management and position-specific risk control following national regulations, Xi'an Plant has introduced "Safety Risk Grading Control System" to day-to-day operations. This system classifies and controls hazards encountered during work, identifies risk crises, and establishes corresponding response measures and implementation units. Through monthly plant-wide environmental safety inspections and analysis and statistics, we continue to improve the analysis results and anomalies. The Company also encourages employees to raise any and all safety and health issues to ensure overall workplace safety.

In order to effectively carry out risk classification, the Company has also formulated "Risk Classification Control Responsibility List", which specifies the implementation content and frequency of risk classification control measures for each department. The specific operation process when a risk is encountered is described as follows:

Risk Reporting Process



Risk Analysis and Control Flowchart

To enhance safety production management, strengthen the safety risk awareness of production and management personnel at all levels, and implement safety responsibilities, a comprehensive assessment of the implementation of safety standardization is conducted to maintain the normal order of safe production operations and protect employees' safety and health. The "Safety Production Reward and Penalty System" has been established to prevent accidents to the greatest extent possible.

Supplier Occupational Health and Safety

| Taiwan Region |

The Company attaches great importance to the safety and health of workers related to the Company's operations, products, or services provided. We also require suppliers to comply with the "Safety and Health System". When entering the Plant, they must fill in a hazard notification form and submit the information to the Occupational Safety Office for reference, and to ensure a safe working environment for suppliers. At the same time, suppliers are encouraged to require their downstream suppliers, contractors and service providers to accept and comply with the same regulations. In addition, all suppliers, business partners, and contractors are required to comply with the Company's environmental protection, safety, and health requirements.

| Wuxi Plant |

Wuxi Plant has developed a "Supplier Management Handbook", which specifies the code of conduct for suppliers, including evaluation criteria. Each year, suppliers undergo audits in areas such as environmental protection, safety, social responsibility, and corporate governance. Suppliers are also required to provide commitments related to "environmentally related substances" and the "non-use of conflict minerals" to ensure compliance with social responsibilities concerning environmental protection, safety, and occupational health. For external contractors, we have also formulated the "Stakeholder Safety Management Guidelines" to regulate the safety management of contractors, and signed a "Safety and Environmental Protection Agreement" to clarify the rights and obligations and the safety management responsibilities of both parties.

| Xi'an Plant |

Xi'an Plant has established a social responsibility, environment, and safety audit checklist to evaluate suppliers on these aspects. This includes ensuring suppliers have a reasonable and healthy safety management system, that includes how employees identify potential risks/hazards and implement preventive measures, how employees are trained in occupational safety and health, and how accidents and their causes are systematically recorded, with corresponding measures implemented to prevent recurrence. Suppliers are also required to comply with the "Plant Entry Safety Agreement" and "Outsourced Engineering Safety Agreement".



### Occupational Safety and Health Education and Training

In order to improve work safety, the Company cultivates employees' emergency response capabilities and safety awareness through continuous education, training and promotion, and enhances employees' awareness to reduce the occurrence of work safety accidents and the risk of employee occupational injuries.

#### Statistics on Occupational Safety and Health Training Items

Region	Name of training item	Number of trainees	Training fee (NT\$)
Taiwan Plant	Safety and health education and fire safety training for in-service employees	44	0
	Environmental protection training	44	0
	Business supervisors at all levels of management, command and supervision	38	40,000
	Refresher training for first aid personnel	2	1,200
	Refresher training for fire management	1	1,600
	Refresher training for operators of forklifts over one ton	5	3,430
	Refresher training for Class B boiler operators	1	600
	Initial training of aerial work vehicle	2	17,000
	Head of Specific Chemical Substance Operations	1	4,500
	Personnel using cranes for lifting operations	2	1,260
	Operators of fixed cranes with a lifting capacity of more than 3 tons	2	1,330
	Retraining for nurses (labor health service personnel)	2	0
	Occupational safety and health on-the-job training for technician	1	1,200

Region	Name of training item	Number of trainees	Training fee (NT\$)
Taiwan Plant	On-the-job education and training for occupational safety and health executives	1	1,200
	1075th Class A Occupational Safety and Health Service	1	7,000
	Occupational health and safety on-the-job training for supervisors	1	1,300
	Emergency care AED training in 2023	22	2,000
	Youshi Plant emergency rescue course (CPR+AED)	17	2,000
	<b>Total</b>	185	83,790
Wuxi Plant	Forklift driver operation training	10	5,190
	Special equipment safety manager training	1	900
	Training for safety officers and management personnel	4	1,000
	Fire drills	338	0
	Continuing education for hazardous chemicals managers	1	250
	Occupational health training	103	0
	Environmental awareness training	105	0
	"Level 3" safety education for new employees	79	0
	On-the-job hazard identification training	114	0
	Safety training for safety officers and team leaders	43	0

Region	Name of training item	Number of trainees	Training fee (NT\$)
Wuxi Plant	Emergency response training	141	0
	First aid training	4	640
	Retraining for high-voltage electricians	2	455
	Hot work safety risk warning and reminder training	6	0
	Use of forklifts in production safety management	18	0
	Safety standardized training	15	0
	ISO 14001&45001 standard training	23	0
	<b>Total</b>	1,007	8,435
Xi'an Plant	Occupational health training	145	0
	Training and drills on hazardous waste emergency response plan	9	0
	Special equipment emergency plan drill	10	0
	Company safety education	156	0
	Fire escape drill and safety awareness training	158	0
	<b>Total</b>	478	0

Note:  
 1. Including employees and non-employees whose work and/or workplace is controlled by the organization.  
 2. Non-employees whose work and/or workplace is controlled by the organization, such as security guards, cleaning personnel, construction personnel, and other contractors and outsources.  
 3. Occupational safety and health-related education and training includes general training and training for specific occupational hazards and hazardous conditions.  
 4. If the education and training expenses are 0, they are internal education and training and no expenses are incurred.

## Occupational Health and Safety

In addition to focusing on the safety of employees' work environment, Global Tek also pays great attention to their physical and mental health. Through regular health checkups and health promotion activities, employees can stay healthy outside of work. Under these effective measures, neither the Company's employees nor non-employees have suffered from occupational diseases in the past three years.

### | Taiwan Plant |

Taiwan Plant cares about the physical health of all employees and workers under the Company's control, pays attention to a health and safety culture, builds an intrinsically safe working environment, achieves work-life balance, and works with stakeholders to reduce workplace safety and health risks. Plan comprehensive health examinations every year that are better than the regulations, and regularly track the health status of employees. In addition to special statutory operations, environmental monitoring data is also consolidated to identify the risks of possible health hazards. Health checkups are arranged to cover special operations such as noise, dust, n-hexane, ionizing radiation, etc. Keep track of the health status of employees and provide the basis for self-health management. We understand that prevention is just as valuable than the cure so we provide a safe and healthy work environment. The above measures apply to all employees and workers controlled by the Company, such as security guards, cleaning personnel, construction personnel, and other contractors, etc.

The Company continues to implement health promotion activities for all employees to take care of their physical and mental health. This includes the establishment of a staff cafeteria. In terms of meals, we communicated with the nutritionist to adopt "My Plate" to promote the correct order of eating and intake of healthy portions. We also plan nutrition seminars to teach colleagues about a properly balanced diet. In addition, to promote the physical health of employees, the Company implements health checkups, promotes proper posture control, and has smoking cessation contests, with rewards to encourage employees to participate.

In addition to providing employees with a safe and healthy work environment, the Company has dedicated occupational safety personnel and resident physicians to provide free consultation and health care advice for employees. In addition, to provide a female-friendly workplace, we have set up a comfortable breastfeeding room for female employees to breastfeed after giving birth. We also plan healthy weight loss, physical fitness courses, and health seminars for employees to help them achieve work-life balance.

In 2023, the Company obtained "Healthy Workplace Certification - Health Promotion Label" from the Health Promotion Administration of the Ministry of Health and Welfare. The certification period is from January 1, 2023 to December 31, 2025.



Employee health promotion activities are shown in the table below.

Health Promotion Activities

Physical and mental health consultation service	<ol style="list-style-type: none"> <li>To provide employees with physical and mental health consultations, a physician is on-site for 2 hours once every 3 months. Full-time employment of nurses.</li> <li>The Occupational Safety and Health Office uses WECARE, which is developed by the Occupational Safety and Health Administration Southern District Health Service Center, to manage and analyze the health tracking data of employees.</li> </ol>
Health Promotion Activities	<ol style="list-style-type: none"> <li>Healthy posture control and weight loss training courses for 60 people in total.</li> <li>3-5 sessions of physical and mental health lectures.</li> <li>Smoking cessation activities.</li> </ol>
Protection of female and maternal workers	<p>The company has established the "Maternity Health Protection Procedures for Female Workers" and provides a "Maternity Health Hazard Assessment and Job Suitability Arrangement Form" for employees to fill out. After an evaluation by medical personnel, appropriate work arrangements are made.</p>
Protection against abnormal working hours, ergonomic factors, and workplace violence	<p>The "Workload Disease Prevention Procedure" and "Musculoskeletal Disease Prevention Procedure" have been implemented. Through risk assessments and related surveys, a relevant database has been built for comparison, and appropriate actions are taken for workers at risk. Furthermore, workplace violence prevention seminars are organized annually to eliminate illegal assaults in the workplace.</p>

Fat-loss competitions and sports courses



Protective gear for musculoskeletal protection



The first smoking cessation event in 2023



Health checkup



Wuxi Plant

Wuxi Plant has established a maternity leave system for female employees, and breastfeeding employees are given one hour of leave every day. We also conduct regular physical examinations for all employees, including compulsory physical examinations for new employees. In addition, for employees with occupational health risks in the workplace, relevant occupational physical examinations are arranged every year, with Wuxi Jiangnan Orthopedic Hospital is arranged as the designated hospital to provide employees with health care services, including treatment for work-related injuries, illnesses, and health consultations.



Xi'an Plant

Xi'an Plant cares about the physical health of all employees and pays attention to occupational health. Occupational health checkups are conducted for employees in risky positions every year, and the health status of employees is regularly tracked. In addition to specific operations as legally mandated, environmental monitoring data is also combined to identify risks that may cause health hazards. Arrange health inspections for specific operations such as noise, dust, and benzene, etc. Keep track of the health status of employees and provide the basis for self-health management, showing that prevention is just as important as the cure and create a healthy and safe working environment. At the same time, we provide health promotion measures such as a medical corner, breastfeeding room, psychological counseling room, and health seminars. These measures are applicable to all employees.

Medical corner



In accordance with the requirements of a healthy enterprise, the Company has set up a psychological counseling room and a free mental health counseling hotline to provide employees with psychological counseling channels. Every year, experts from Xi'an's No. 3 Hospital are invited to the Plant to conduct health seminars for employees. These seminars promote scientific knowledge and medical awareness, helping workers understand the risks of obesity, and benefits of low-carb diets, the Mediterranean diet, the exercise pyramid, and the psychological impacts caused by work and life pressures, thereby enhancing health awareness.

Health management guidance





Health Checkup Statistics

Employee health checkup number and expenses table		
Taiwan Plant	<b>General health checkup</b>	
	Inspection items	General examination, blood routine examination, full set of urine routine examination, liver function examination, blood glucose examination, kidney function examination, blood lipid examination, cardiovascular examination, X-ray examination, gout screening, tissue inflammation screening, cancer screening, ultrasound examination
	Number of people inspected (person)	350
	Inspection fee (NT\$ thousand)	1,000
	<b>Special health examination</b>	
	Inspection items	Noise, dust, ionizing radiation
	Number of people inspected (person)	100
	Inspection fee (NT\$ thousand)	0
	Wuxi Plant	<b>General health checkup</b>
Inspection items		Routine items (consultation, blood pressure, internal medicine, surgery, ophthalmology and ENT, blood routine, urine routine, 6 liver function tests, 3 kidney function tests, electrocardiogram, upper abdominal ultrasound), audiology test, pulmonary function test
Number of people inspected (person)		79
Inspection fee (NT\$ thousand)		55
<b>Special health examination</b>		
Inspection items		Noise, other dust, accumulated light radiation, power frequency electric field, butoxyethanol, UV radiation
Number of people inspected (person)		48
Inspection fee (NT\$ thousand)	30.49	

Employee health checkup number and expenses table		
Xi'an Plant	<b>Special health examination</b>	
	Inspection items	General examination, internal medical examination, surgery, electrocardiography, ENT, audiometry, abdominal ultrasound, pulmonary function test, DR chest radiograph, urine routine, blood routine, liver function test.
	Number of people inspected (person)	9
	Inspection fee (NT\$ thousand)	0.90

Note:

- For the specific health checkup items (noise/dust/ionizing radiation, etc.) in Taiwan Plant, a health checkup for special occupational diseases is provided by the Bureau of Labor Insurance, so the fee is NT\$0.
- The general physical examination for employees in Wuxi Plant is once every two years. In 2023, a total of 79 new employees received physical examinations. In addition, a total of 48 employees underwent specific occupational health examinations in the workplace.
- Employees who have worked in Xi'an Plant for more than two years are entitled to a physical examination once every two years. The health checkup was completed in 2022, and the next checkup is in 2024. Employees with occupational health risks will be tested for risk factors every year. In 2023, the risk positions include sandblasting, spraying, and cleaning, etc. A total of 9 employees underwent physical examinations.

### Occupational Injury Statistics

Global Tek reduces the incidence of occupational injuries through continuous education and training, promotion, and establishment of preventive measures. In 2023, Global Tek Group recorded a total of 5 occupational injuries (4 in Taiwan Plant and 1 in Wuxi Plant), which have been handled properly. The equipment has been improved to prevent recurrence of the accidents, and the injured employees have been assisted in receiving medical treatment. In addition, to prevent future occupational injuries, the cause of the accident was further explored and improvements were made, such as changing protective equipment, safety operation education, changing seat equipment, etc., which are inspected by the team members every day.

Statistics on occupational injuries and occupational diseases of Global Tek Group' s employees in 2023				
Category	Item	Taiwan Plant	Wuxi Plant	Xi'an Plant
Total working hours	Total working hours of female	237,368	359,716	72,283
	Total working hours of male	463,791	275,071	185,291
	Total working hours	701,159	634,787	257,574
Rate of serious occupational injury (%)		0	0	0
Recordable occupational injury rate %		5.00	1.57	0
Occupational disease rate %		0	0	0

Note:  
 1. Occupational injury fatality rate = (Number of occupational injury deaths/Working hours)\*1,000,000.  
 2. Rate of serious occupational injuries = (Number of serious occupational injuries (excluding fatalities)/Working hours)\*1,000,000.  
 3. Percentage of recordable work-related injuries = (Number of recordable work-related injuries (including the number of deaths and the number of people with serious work-related injuries)/Working hours)\*1,000,000.  
 4. Serious occupational injuries refer to occupational injuries that cause no recovery within 6 months.  
 5. Recordable occupational injuries do not include injuries caused by commuting to and from work.  
 6. Rate of occupational illness = (Total number of occupational illnesses/Total experienced working hours)\*1,000,000.

# 7 Social Care

7.1 Social Care Activities

7.2 External Communication





## 7.1 Social Care Activities

### | Taiwan Plant |

To fulfill its corporate social responsibility and promote economic, environmental, and social progress towards the goal of sustainable development, Global Tek has adopted the "Corporate Sustainability Best Practice Principles for TWSE/TPEX Listed Companies", jointly formulated by the Taiwan Stock Exchange Corporation and the Taipei Exchange. Implement the four principles of corporate governance, development of a sustainable environment, maintenance of social welfare, and strengthening of corporate social responsibility information disclosure. Scope of application includes the overall operating activities of Global Tek and group enterprises. While engaging in business operations, we will actively fulfill our corporate social responsibilities to comply with international development trends. In addition, through corporate citizenship, we contribute to the national economy, improve the quality of life of employees, communities, and society, and promote the competitive advantage of corporate responsibility. While pursuing sustainable operations and profitability, we value the environment, society, corporate governance and the rights and interests of other stakeholders and incorporate them into the Company's management guidelines and operating activities.

In addition, to address concerns from the local community about the project area and to ensure the well-being of local residents, the Company held a communication meeting with local villagers in 2022. The meeting focused on discussing potential impacts related to environmental protection, living quality, and agricultural activities in the former farming area, aiming to alleviate concerns and achieve a consensus on maintaining local environmental quality while fostering community prosperity. Relevant communication channels continued in 2023.

The Company strives to improve resource utilization efficiency and mitigate environmental impacts through long-term investment in digital process optimization, energy conservation, and consumption reduction. In recent years, in response to the trend of environmental protection, we have further planned energy-saving and emissions reduction strategies to seek more active and comprehensive sustainable actions.



### | Wuxi Plant |

Wuxi Plant was established in 2001. In response to the expansion of operations, the Plant was relocated to the new Plant in Xishan District in 2023. The operating revenue reached RMB 350 million, and the economic development of Wuxi Xishan District was enhanced through the Plant expansion and operational performance.

Wuxi Plant has maintained long-term positive communication and interaction with the local government, making efforts to minimize any actual or potential negative impacts on the local community during its operations. In 2023, in coordination with government initiatives and fulfilling the social responsibilities expected of an exemplary corporation, the Company provided employment opportunities for individuals from low-income households, hiring registered low-income employees in 2023. At the same time, we work closely with community police officers to launch an anti-fraud campaign with the slogan "Building Shield Together, Fight Against Anti-Fraud". Through this campaign, we raise the awareness of community residents against fraud and thereby protect the personal and property safety of our employees.

Public welfare activities	Description	Amount (NT\$)
Provide jobs for households that are moving out of poverty	Support the social welfare of local government, hire registered poverty-stricken households to increase the employment rate.	21,552

Note: This fee is directly paid to each account by the local government.

### Build a Shield Together to Fight Against Fraud



| Xi'an Plant |

The production and operation activities of Xian Plant, including the scope and content of business, the laws and regulations of the products produced, and the environmental protection, etc., are in compliance with the legal requirements. As of 2023, there have been no complaints from local communities.

Since 2013, the operational performance of Xi'an Plant has shown steady growth year after year, which nearly tripled its revenue. Since 2009, the accumulated tax burden in Xi'an has reached more than RMB 18 million, and about 160 people have been employed; in Tongchuan, it has provided employment opportunities for 40 people. indirectly solving the employment problem by putting to work more than 1,000 supply chain personnel across the entire supply chain. Achieve win-win situations between employees and the Company and between the Company and other companies, and fulfill corporate social responsibilities and obligations.

In order to expand social influence, we also actively participate in various public welfare activities. Pay attention to the needs of children with limited resources and demonstrate care for society through practical actions. Recently, we provided urgently needed aid to the Shaanxi Returned Children's Relief Center. By participating in public welfare activities, we hope to help children feel the warmth of society and build a better future together.

Public welfare activities	Description	Amount (NTD)
Care for underprivileged children	Pay attention to poor children, donate aid to the Shaanxi Returned Children's Relief Center, contribute love, and hold hope.	25,000



Care for Underprivileged Children



## 7.2 External Communication

### Academic Sponsorship and Exchanges

The Company focuses on external communication and interaction to expand business opportunities and strengthen partnerships with various sectors. Global Tek engages in external communication with various units, including Taiwan External Trade Taoyuan Office, National Central University, Vanung University, and National Taipei University of Business. Relevant exchange activities not only provide opportunities for observation and learning, but also promote cooperation and business opportunities between various units and ourselves.

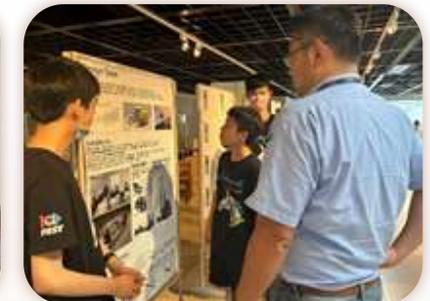
### [Vibrant Campus]

As part of its efforts to give back to local schools in Taiwan and contribute to environmental greening, Global Tek Group participated in a tree planting and afforestation event at six schools across northern, central, and southern Taiwan (Changchun Elementary School in Taipei, Yong'an Elementary School in Taipei, Nantun Elementary School in Taichung, Yongchun Elementary School in Taichung, Wenfu Elementary School in Kaohsiung, and Mingde Elementary School in Kaohsiung) in May 2023. The event was attended by the Company's Chairman, the Chairman's wife, and senior executives, and several supplier partners were also invited to participate. A total of 1,800 native Taiwanese trees were planted, including *Rhaphiolepis indica*, Cape Jasmine, and Taiwan Maesa, with a total investment of NT\$254,100.



### [Taipei Municipal Chien Kuo High School - Mechanical Research Club's 2023 Thanksgiving Tea Party and Achievement Exhibition]

Global Tek was invited to participate in the 2023 Thanksgiving Tea Party and Achievement Exhibition of Chien Kuo High School in Taipei, where Vice President Chan, an alumnus of Chien Kuo High School, represented Global Tek Group. The tea party showcased the outstanding achievements of Chien Kuo High School's Mechanical Research Club in competitions.





[Integration of Academia and Practice]

In line with its philosophy of supporting and nurturing young talents, Global Tek Group provided NT\$20,000 in scholarships to teachers and students of the College of Management at National Taiwan University in 2023. The Company participated in the industry-academia collaboration project for advanced talent development with the Department of Biomedical Engineering at Chung Yuan Christian University, offering NT\$95,000 in scholarships to support student growth. In addition, to promote academic exchange, we participate in the publication of industry-university cooperation results at Central University and share research data and results.

In the past, the Company has actively cooperated with colleges and universities to organize student enterprise visits. In 2023, we invited National Taipei University of Business and Vanung University to visit Global Tek to build a platform for students to interact with the enterprise. To give back to the industry and addressing its specific business needs, Global Tek Group borrowed talented faculty members to serve in certain roles or positions within the Company and donated NT\$121,550 to the National Taipei University of Business as an academic contribution.

In addition to industry-academia collaboration, the Company also provides opportunities for employees to further their education while also providing internship employment channels for young students. Global Tek has invited Vanung University to collaborate on the Industry-Academia Cooperation Class program, aiming to enhance the professional skills of employees while creating career pathways for students.

Plant visit from Vanung University



Announcement of Central University's semester results



Visit by MBA teachers and students of National Taipei University of Business

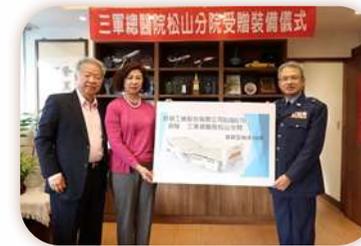


Co-prosperity in Society

[Donation of medical equipment to enhance local welfare]

President Huang of Global Tek Group delivered a special lecture titled "Humanitarian Care and the Wisdom of Our Ancestors - Modern Medicine and Innovation" at the Tri-Service General Hospital Songshan Branch, sharing valuable new knowledge with frontline medical personnel. In recognition of the hard work of healthcare staff and to contribute in his own way, he donated 10 electric hospital beds, totaling NT\$490,000, with the aim of enhancing healthcare quality through this charitable act.

Speech and certificate of appreciation from Tri-Service General Hospital, Songshan Branch





[STP19 Seed Talent Development Program & Beach Cleanup Activity]

Global Tek participated in the STP Seed Talent Development Program in collaboration with the instructors from the Organic Living Environment Education Association of the Republic of China, organizing an eco-friendly lecture titled "Living Toxin-Free". The course content included promoting the collection of lightweight plastics first, ensuring safety by keeping groups close together, using personal carts for easier transport, ensuring reports are made to the command center, setting up clear assembly points, and clarifying task distribution among staff. Through this collaboration, combining academic knowledge, practical application, and environmental sustainability, participants were given more opportunities for exploration and decision-making. In 2023, more than one-third of the people who participated in the project gave feedback, and they all gave a positive evaluation of 100%.

Chairman Huang led over 70 employees from Global Tek's Taiwan Plant, together with participants from the STP Seed Talent Development Program and volunteers from the Organic Living Environment Education Association, in a beach cleanup event at Yong'an Fishing Harbor to help protect the ocean. In 2023, 69 employees participated in the event, and the funding was about NT\$36,000.

Training Courses



STP19 Seed Talent Development Program presents a certificate of appreciation

Student Feedback



Beach Cleanup Activity



[Donation from disadvantaged groups, performance by children with special needs]

Global Tek Group donated NT\$50,000 to the Chensenmei Social Welfare Foundation in Taoyuan City, expressing care for disadvantaged groups and contributing within its capacity. In appreciation, the foundation hosted a performance by children with special needs, adding a warm and heartfelt moment to the event as a gesture of gratitude to Global Tek.

Performance by Children With Special Needs and Certificate of Appreciation



[Mutual Benefit and Co-Prosperity]

In 2023, Global Tek also donated NT\$100,000 to the Taipei Management Institute Foundation, aiming to support operational upgrades, transformation, and talent development initiatives. At the same time, in order to deepen cooperation and interaction with local governments, we exchanged ideas with the Economic Development Bureau, Taoyuan City Government in 2023 to promote local development. In addition, we donated NT\$50,000 to the Taoyuan Police Friends Association to thank the police for their hard work and give back to the community.

# Appendix

Appendix 1: GRI Standards on Sustainability Reporting (GRI Standards) Comparison Table

Appendix 2: Sustainability Accounting Standards Board (SASB) Comparison Table

Appendix 3: Climate-related Information of TWSE/TPEX Listed Companies

Appendix 4: Statement of Verification by AFNOR Asia Ltd., an impartial third-party institution

Appendix 5: International Standards and Quality Certifications





## Appendix 1: GRI Standards on Sustainability Reporting (GRI Standards) Comparison Table

<b>Statement of Use</b>	Global Tek Fabrication Co., Ltd. has reported the information quoted in the GRI content index for the period from January 1, 2023 to December 31, 2023 in accordance with the GRI Standards.
<b>GRI1 Usage</b>	GRI1: Foundation 2021
<b>Applicable GRI Industry Standards</b>	None

GRI Guidelines	Disclosure Item	Chapter of Report	Page	Remarks
<b>GRI 2 General Disclosures 2021</b>				
<b>1. Organization and reporting practices</b>				
2-1	Organizational details	1.4 Company Profile	10	
2-2	Entities Included in the organization's sustainability reporting	1.1 About the Report	5	
2-3	Reporting period, frequency, and contact	1.1 About the Report	5	
2-4	Restated information	1.1 About the Report	5	
2-5	External guarantee/assurance	1.1 About the Report	5	
<b>2. Activities and workers</b>				
2-6	Activities, value chain and other business relationships	1.4 Company Profile	10	
2-7	Employees	6.2 Development of the organization and selection and retention of employees	86	
2-8	Workers who are not employees	6.2 Development of the organization and selection and retention of employees	86	
<b>3. Governance</b>				
2-9	Governance structure and composition	3.1 Governance Structure	33	
2-10	Nomination and selection of the highest governance body	3.1 Governance Structure	33	
2-11	Chairman of the highest governance body	3.1 Governance Structure	33	



GRI Guidelines	Disclosure Item	Chapter of Report	Page	Remarks
2-12	Role of the highest governance body in overseeing impact management	2.1 Sustainability Management and Practice	14	
2-13	Person in charge of impact management	2.1 Sustainability Management and Practice	14	
2-14	Role of the highest governance body in sustainability reporting	2.1 Sustainability Management and Practice	14	
2-15	Conflicts of interest	3.1 Governance Structure	33	
2-16	Communication of key material events	2.1 Sustainability Management and Practice	14	
2-17	The collective knowledge of the highest governance body	3.1 Governance Structure	33	
2-18	Performance evaluation of the highest governance body	3.1 Governance Structure	33	
2-19	Remuneration policy	3.2 Governance Operations	39	
2-20	Remuneration decision process	3.2 Governance Operations	39	
2-21	Annual total compensation ratio	6.3 Employee Welfare and Care	99	
<b>4. Strategies, policies and practices</b>				
2-22	Statement of sustainable development strategy	1.2 Message from the President	6	
2-23	Policy commitments	6.1 Human Rights Management and Protection	83	
2-24	Include policy commitments	6.1 Human Rights Management and Protection	83	
2-25	Procedures for remediating negative impacts	3.3 Ethical Corporate Management	41	
2-26	Mechanisms for seeking advice and raising concerns	3.3 Ethical Corporate Management	41	
2-27	Legal compliance	3.3 Ethical Corporate Management	41	
2-28	Membership in associations	1.4 Company Profile	10	
<b>5. Discussion with stakeholders</b>				
2-29	Stakeholder engagement policy	2.3 Stakeholder Engagement and Communication	19	
2-30	Collective bargaining agreements	6.2 Development of the organization and selection and retention of employees	86	



GRI Guidelines	Disclosure Item	Chapter of Report	Page	Remarks
<b>Topic-specific Standards: Series 200 (Economic Topics)</b>				
<b>GRI 202: Market Presence 2016</b>				
202-1	Ratio of the standard salary for entry-level employees by gender to the local minimum salary	6.2 Development of the Organization and Selection and Retention of Employees	86	
202-2	Proportion of senior management hired from the local community	6.2 Development of the Organization and Selection and Retention of Employees	86	
<b>GRI 203: Indirect Economic Impacts 2016</b>				
203-1	Development and impact of investment in infrastructure and support services	7. Social care	117	
203-2	Significant indirect economic impacts	7. Social care	117	
<b>GRI 205: Anti-corruption 2016</b>				
205-1	Operational sites that have undergone corruption risk assessments	3.3 Ethical Corporate Management	41	
205-2	Communication and training on anti-corruption policies and procedures	3.3 Ethical Corporate Management	41	
205-3	Confirmed incidents of corruption and actions taken	3.3 Ethical Corporate Management	41	
<b>GRI 206: Anti-competitive Behavior 2016</b>				
206-1	Legal actions for anti-competitive practices, anti-trust and monopoly practices	3.3 Ethical Corporate Management	41	
<b>GRI 207: Tax 2019</b>				
207-1	Tax policy	3.3 Ethical Corporate Management	41	
207-2	Tax governance, control and risk management	3.3 Ethical Corporate Management	41	
207-3	Stakeholder communication and management of tax-related issues	3.3 Ethical Corporate Management	41	
207-4	Country-by-country reporting	3.3 Ethical Corporate Management	41	



GRI Guidelines	Disclosure Item	Chapter of Report	Page	Remarks
<b>Topic-specific Standards: Series 300 (Environmental Topics)</b>				
<b>GRI 301: Materials 2016</b>				
301-1	Weight or volume of materials used	5.2 Raw Material Usage Management	67	
301-2	Use of recycled materials	5.2 Raw Material Usage Management	67	
301-3	Recycled products and their packaging materials	5.2 Raw Material Usage Management	67	
<b>GRI 304: Biodiversity 2016</b>				
304-1	Operational sites owned, leased, managed by the organization or their adjacent areas located in environmental protection zones or other areas of high biodiversity value	-		
304-2	Significant impacts of activities, products, and services on biodiversity	-		
304-3	Habitats protected or restored	-		
304-4	Among the habitats affected by the operations, species that have been included in the IUCN Red List and the National Conservation List	-		
<b>GRI 306: Waste 2020</b>				
306-1	Waste generation and significant waste-related impacts	5.5 Pollution Prevention	72	
306-2	Management of significant waste-related impacts	5.5 Pollution Prevention	72	
306-3	Waste generated	5.5 Pollution Prevention	72	
306-4	Waste disposal and transfer	5.5 Pollution Prevention	72	
306-5	Direct disposal of waste	5.5 Pollution Prevention	72	
<b>GRI 306: Effluents and Waste 2016</b>				
306-3	Major leakage	5.5 Pollution Prevention	72	



GRI Guidelines	Disclosure Item	Chapter of Report	Page	Remarks
<b>Topic-specific Standards: Series 400 (Social Topics)</b>				
<b>GRI 405: Diversity and Equal Opportunity 2016</b>				
405-1	Diversity of governance units and employees	6.2 Development of the Organization and Selection and Retention of Employees	86	
405-2	Ratio of basic salary and remuneration of female to male	6.2 Development of the Organization and Selection and Retention of Employees	86	
<b>GRI 406: Non-discrimination 2016</b>				
406-1	Incidents of discrimination and corrective actions taken by the organization	6.2 Development of the Organization and Selection and Retention of Employees	86	
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>				
407-1	Operational sites or suppliers at risk of freedom of association and group bargaining	6.2 Development of the Organization and Selection and Retention of Employees	86	
<b>GRI 408: Child Labor 2016</b>				
408-1	Significant risks of child labor at operational sites and suppliers	4.3 Supplier Evaluation Management	56	
<b>GRI 409: Forced or Compulsory Labor 2016</b>				
409-1	Operational sites and suppliers at significant risk of incidents of forced and compulsory labor	4.3 Supplier Evaluation Management 6.1 Human Rights Management and Protection	56 83	



GRI Guidelines	Disclosure Item	Chapter of Report	Page	Remarks
<b>GRI 410: Security Practices 2016</b>				
410-1	Security personnel trained in human rights policies or procedures	6.3 Employee Benefits and Care	99	
<b>GRI 411: Rights of Indigenous Peoples 2016</b>				
411-1	Incidents involving infringement of the rights of indigenous peoples	-		No such situation
<b>GRI 413: Local Communities 2016</b>				
413-1	Operational activities that have undergone local community engagement, impact assessment, and development plans	7. Social care	117	
413-2	Operational activities with significant actual or potential negative impact on the local community	7. Social care	117	
<b>GRI 415: Public Policy 2016</b>				
415-1	Political contributions	-		No such situation
<b>GRI 416: Customer Health and Safety 2016</b>				
416-1	Assess the impact of product and service categories on health and safety	4.1 Product R&D	52	
416-2	Violation of health and safety regulations related to products and services	4.1 Product R&D	52	
<b>GRI 417: Marketing and Labeling 2016</b>				
417-1	Product and service information and labeling requirements	4.1 Product R&D	52	
417-2	Incidents of non-compliance with laws and regulations related to information and labeling of products and services	4.1 Product R&D	52	
417-3	Incidents of non-compliance with laws and regulations related to marketing communication	4.1 Product R&D	52	



# List of GRI Material Topics

GRI Guidelines	Disclosure Item	Chapter of Report	Page	Remarks
<b>GRI 3: Material Topics 2021</b>				
3-1	Process for determining material topics	2.4 Identification of Material Topics	24	
3-2	List of material topics	2.4 Identification of Material Topics	24	
<b>Material Topic: Value Creation and Supply Chain Mutual Benefits</b>				
<b>GRI 3: Material Topics 2021</b>				
3-3	Material topic management	4. Value creation and mutual benefits with the supply chain	52	
<b>GRI 201: Economic Performance 2016</b>				
201-1	Direct economic value generated and distributed by the organization	1.3 Honors and Sustainable Achievements	7	
201-2	Financial impacts and other risks and opportunities arising from climate change	5.1 Risks and Opportunities of Climate Change and Responsive Measures	62	
201-3	Defined benefit obligations and other retirement plans	6.3 Employee Benefits and Care	99	
201-4	Financial aid received from the government	1.3 Honors and Sustainable Achievements	7	
<b>GRI 204: Procurement Practices 2016</b>				
204-1	Proportion of procurement expenditure from local suppliers	4.2 Procurement Policy	54	
<b>GRI 308: Supplier Environmental Assessment 2016</b>				
308-1	Screen new suppliers using environmental criteria	4.3 Supplier Evaluation Management	56	
308-2	Negative environmental impacts in the supply chain and actions taken	4.3 Supplier Evaluation Management	56	



GRI Guidelines	Disclosure Item	Chapter of Report	Page	Remarks
<b>GRI 414: Supplier Social Assessment 2016</b>				
414-1	Screen new suppliers using social criteria	4.3 Supplier Evaluation Management	56	
414-2	Negative social impacts in the supply chain and actions taken	4.3 Supplier Evaluation Management	56	
<b>Material Topic: Information Security</b>				
<b>GRI 3: Material Topics 2021</b>				
3-3	Material topic management	3. Corporate governance	33	
<b>GRI 418: Customer Privacy 2016</b>				
418-1	Substantiated complaints about breaches of customer privacy or loss of customer data	3.5 Information Security and Privacy Management	47	
<b>Material Topic: Green Process</b>				
<b>GRI 3: Material Topics 2021</b>				
3-3	Material topic management	5. Green process	62	
<b>GRI 302: Energy 2016</b>				
302-1	Energy consumption within the organization	5.3 Energy Resource Management	68	
302-2	Energy consumption outside the organization	5.3 Energy Resource Management	68	
302-3	Energy intensity	5.3 Energy Resource Management	68	
302-4	Reduce energy consumption	5.3 Energy Resource Management	68	
302-5	Reduce the energy demand of products and services	5.3 Energy Resource Management	68	
<b>GRI 303: Water and Effluents 2016</b>				
303-1	Mutual influence of shared water resources	5.5 Pollution Prevention	72	
303-2	Management of water discharge-related impacts	5.5 Pollution Prevention	72	
303-3	Water withdrawal	5.5 Pollution Prevention	72	
303-4	Water discharge	5.5 Pollution Prevention	72	
303-5	Water consumption	5.5 Pollution Prevention	72	



GRI Guidelines	Disclosure Item	Chapter of Report	Page	Remarks
<b>GRI 305: Emissions 2016</b>				
305-1	Direct (Scope 1) greenhouse gas emissions	5.4 Greenhouse Gas Emissions	71	
305-2	Indirect energy (Scope 2) greenhouse gas emissions	5.4 Greenhouse Gas Emissions	71	
305-3	Other indirect (Scope 3) greenhouse gas emissions	5.4 Greenhouse Gas Emissions	71	
305-4	Greenhouse gas emission intensity	5.4 Greenhouse Gas Emissions	71	
305-5	Reduction of greenhouse gas emissions	5.4 Greenhouse Gas Emissions	71	
305-6	Emissions of Ozone Depleting Substances (ODS)	5.5 Pollution Control	72	
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant gas emissions	5.5 Pollution Control	72	
<b>Material Topic: Happy Workplace</b>				
<b>GRI 3: Material Topics 2021</b>				
3-3	Material topic management	6. Happy Workplace	83	
<b>GRI 401: Labor-employer relations 2016</b>				
401-1	New employees and resigned employees	6.2 Development of the organization and selection and retention of employees	86	
401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	6.3 Employee Welfare and Care	99	
401-3	Parental leave	6.3 Employee Welfare and Care	99	
<b>GRI 402: Labor/Management Relations 2016</b>				
402-1	Minimum notice period for operational changes	6.3 Employee Welfare and Care	99	



GRI Guidelines	Disclosure Item	Chapter of Report	Page	Remarks
<b>GRI 403: Occupational Health and Safety 2016</b>				
403-1	Occupational Safety and Health Management System	6.4 Health and Safety	106	
403-2	Hazard identification, risk assessment, and accident investigation	6.4 Health and Safety	106	
403-3	Occupational health service	6.4 Health and Safety	106	
403-4	Worker's participation, consultation, and communication on occupational safety and health	6.4 Health and Safety	106	
403-5	Worker's training on occupational safety and health	6.4 Health and Safety	106	
403-6	Worker's health promotion	6.4 Health and Safety	106	
403-7	Prevention and mitigation of occupational safety and health impacts directly linked to business relationships	6.4 Health and Safety	106	
403-8	Workers covered by the occupational safety and health management system	6.4 Health and Safety	106	
403-9	Occupational injury	6.4 Health and Safety	106	
403-10	Occupational disease	6.4 Health and Safety	106	
<b>GRI 404: Training and Education 2016</b>				
404-1	Annual average hours of training per employee	6.2 Development of the organization and selection and retention of employees	86	
404-2	Employee competency upgrade and transition assistance programs	6.2 Development of the organization and selection and retention of employees	86	
404-3	Percentage of employees receiving regular performance and career development reviews	6.2 Development of the organization and selection and retention of employees	86	
GRI Guidelines	Disclosure Item	Chapter of Report	Page	Remarks
<b>*Customized topic</b>				
<b>GRI 3 Material Topic 2021: Sustainable Governance Management Approach</b>				
3-3	Material topic management	3. Corporate governance	33	
<b>GRI 3 Material Topic 2021: Green Process Management Approach</b>				
3-3	Material topic management	5. Environment Management	62	



## Appendix 2: Sustainability Accounting Standards Board (SASB) Comparison Table

Industry: Transportation\_Automotive parts

Disclosure Topic	Indicator Number	Disclosure Indicator	Nature	Annual Disclosure	Chapter of Report	Page
Energy management	TR-AP-130a.1	(1) Total energy consumption for operations	Quantification	Taiwan Plant: 41,623.65GJ Wuxi Plant: 37,325.0400 GJ Xi'an Plant: 8,802.7562GJ	5.3 Energy Resource Management	68
		(2) Percentage of grid electricity		Taiwan Plant: 97.98% Wuxi Plant: 98.82 % Xi'an Plant: 98.72% *Note: (Proportion of grid electricity consumption = (Electricity/Total energy consumption) x 100%)		68
		(3) Percentage of renewable energy		Taiwan Plant: 0% Wuxi Plant: 4.57 % Xi'an Plant: 0%		68
Waste management	TR-AP-150a.1	(1) Total amount of waste	Quantification	Taiwan Plant: 326.17 tons Wuxi Plant: 1,375.31 tons Xi'an Plant: 8.12 tons	5.5 Pollution Control	72
		(2) Percentage of hazardous waste		Taiwan Plant: 0% Wuxi Plant: 13.26 % Xi'an Plant: 100%		72
		(3) Percentage of non-hazardous waste		Taiwan Plant: 100% Wuxi Plant: 86.74 % Xi'an Plant: 0%		72



Disclosure Topic	Indicator Number	Disclosure Indicator	Nature	Annual Disclosure	Chapter of Report	Page
Product safety	TR-AP-250a.1	Number of recalls and total number of products recalled	Quantification	In 2023, there were no product recalls due to safety reasons. Number of recalls: 0 Total number of recalls: 0	5.2 Raw Material Usage Management	67
Fuel efficient design	TR-AP-410a.1	Products that can help increase fuel efficiency and/or reduce emissions	Quantification	The Company's product attributes cannot increase fuel efficiency/reduce emissions. Fuel efficiency/emission reduction: 0	-	
Procurement of raw materials	TR-AP-440a.1	Description and risk management related to the use of key materials	Qualitative	The Company does not purchase products with key raw materials. For the use and procurement of other raw materials, please refer to 4.2 Procurement Policy and 5.2 Raw Material Usage Management for details.	4.2 Procurement Policy 5.2 Raw Material Usage Management	54 67
Material efficiency	TR-AP-440b.1	Percentage of products sold that can be recycled	Quantification	The Company has no recycling policy for products and their packaging materials. Except for products destroyed due to defects, Taiwan Plant, Wuxi Plant, and Xi'an Plant do not recall products and their packaging materials.	5.2 Raw Material Usage Management	67
	TR-AP-440b.2	Percentage of input materials with recycled or remanufactured components	Quantification	In 2023, Xinwu Casting recycled and reused 28,530kg of molding wax, with a recycling rate of 66%.		
Competitive behavior	TR-AP-520a.1	Total monetary losses as a result of legal proceedings related to anti-competitive practices	Quantification	No anti-competitive, anti-trust, and monopoly violations occurred in 2023. Total monetary loss: NT\$0.	3.3 Ethical Corporate Management	41

Activity Indicator	Indicator Number	Unit of Measurement	Nature	Description	Chapter of Report	Page
Parts production quantity	TR-AP-000.A	Quantity	Quantification	Quantity of parts produced by Global Tek in 2023: Global Tek: 0 Global Tek: 92,930,826 pieces. Global Tek Xi'an: 0 Global Tek Wuxi: 14,755,285 pieces. Total number of parts: 107,686,111 pieces.	-	
Weight of parts produced	TR-AP-000.B	Metric tons (t)	Quantification	Weight of parts produced by Global Tek in 2023: Global Tek: 0 tons. Global Tek: 932 tons. Global Tek Xi'an: 0 tons. Global Tek Wuxi: 5,263 tons. Total weight of parts produced: 6,195 tons.	-	
Area of production plant	TR-AP-000.C	Square meter (m <sup>2</sup> )	Quantification	Area of Global Tek Group's production Plant in 2023: Global Tek: 0m <sup>2</sup> . Global Tek: 3,600m <sup>2</sup> . Global Tek Xi'an: 0m <sup>2</sup> . Global Tek Wuxi: 45,942m <sup>2</sup> .	-	



## Appendix 3: Climate-related Information of TWSE/TPEX Listed Companies

Item	Chapter of Report	Page
1. Describe the supervision and governance of climate-related risks and opportunities by the Board of Directors and management.	5.1 Risks and Opportunities of Climate Change and Response Measures	62
2. Describe how the identified climate risks and opportunities affect the Company's business, strategy, and finances (short-term, medium-term, and long-term).	5.1 Risks and Opportunities of Climate Change and Response Measures	62
3. Describe the financial impact of extreme climate events and transformational actions.	5.1 Risks and Opportunities of Climate Change and Response Measures	62
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	5.1 Risks and Opportunities of Climate Change and Response Measures	62
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be explained.	-	
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical and transition risks.	5.1 Risks and Opportunities of Climate Change and Response Measures	62
7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.	5.1 Risks and Opportunities of Climate Change and Response Measures	62
8. If climate-related goals are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the progress of each year should be explained; if carbon offsets or Renewable Energy Certificates (RECs) are used to achieve the relevant goals, the source and quantity of carbon reduction credits or the quantity of RECs to be offset should be stated.	5.1 Risks and Opportunities of Climate Change and Response Measures	62
9. Greenhouse gas inventory and assurance, as well as reduction targets, strategies, and specific action plans (indicated separately in 1-1 and 1-2).	The greenhouse gas inventory and assurance will be explained on 1-1 and 1-2	136 , 137



1-1 Greenhouse gas inventory and assurance in the last two years

1-1-1 Information on greenhouse gas inventory

Total greenhouse gas emissions in 2022		
Reporting period: January 1, 2022 to December 31, 2022		
Item	Total emissions (Metric tons CO <sub>2</sub> e)	Intensity (Metric tons CO <sub>2</sub> e/NT\$ thousand)
<b>Scope 1</b>		
Global Tek Fabrication	124.5109	0.000025
Global Tek		
Global Tek (Wuxi)	286.8032	0.000058
Global Tek (Xi'an)	33.3970	0.000007
<b>Total</b>	<b>444.7111</b>	<b>0.000089</b>
<b>Scope 2</b>		
Global Tek Fabrication	5,892.2574	0.001182
Global Tek		
Global Tek (Wuxi)	7,307.2870	0.001465
Global Tek (Xi'an)	1,377.9115	0.000276
<b>Total</b>	<b>14,577.4559</b>	<b>0.002923</b>
<b>Scope 3</b>		
Global Tek Group	2,880.4237	0.000578
<b>Total</b>	<b>2,880.4237</b>	<b>0.000578</b>

Total greenhouse gas emissions in 2023		
Reporting period: January 1, 2023 to December 31, 2023		
Item	Total emissions (Metric tons CO <sub>2</sub> e)	Intensity (Metric tons CO <sub>2</sub> e/NT\$ thousand)
<b>Scope 1</b>		
Global Tek Fabrication	140.0244	0.000033
Global Tek		
Global Tek (Wuxi)	582.6324	0.000138
Global Tek (Xi'an)	32.6784	0.000008
<b>Total</b>	<b>755.3352</b>	<b>0.000179</b>
<b>Scope 2</b>		
Global Tek Fabrication	5,607.8170	0.001333
Global Tek		
Global Tek (Wuxi)	5,842.9453	0.001389
Global Tek (Xi'an)	1,376.6386	0.000327
<b>Total</b>	<b>12,827.4009</b>	<b>0.003048</b>
<b>Scope 3</b>		
Global Tek Group	2,800.8919	0.000666
<b>Total</b>	<b>2,800.8919</b>	<b>0.000666</b>

Note 1 Direct emissions (Scope 1: emissions directly from sources owned or controlled by the company), indirect energy emissions (Scope 2: indirect greenhouse gas emissions resulting from imported electricity, heat, or steam), and other indirect emissions (Scope 3: emissions generated by the Company's activities, excluding indirect energy emissions, and coming from sources owned or controlled by other companies).

Note 2 The data coverage of direct and indirect energy emissions shall be determined in accordance with Article 4-1, Paragraph 2 of the "Taiwan Stock Exchange Corporation's Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies" (hereinafter referred to as the "Rules") and other information on indirect emissions may be voluntarily disclosed.

Note 3 Greenhouse gas inventory standard: ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4 The intensity of greenhouse gas emissions can be calculated per unit of product/service or turnover, but at least the data in terms of turnover (NT\$ thousand) should be stated.



### 1-1-2 Information on greenhouse gas assurance

Starting in 2022, Global Tek Group has conducted annual greenhouse gas inventories and assurance audits. The scope of the inventory includes Taiwan factories (Xinwu Plant, Youshi Plant, Youyi Plant, Youer Plant, and Xizhi Office), Wuxi factories (Changjiang South Road Plant, Anzhen Plant), and Xi'an Plant. In 2022, the inventory was verified by the reputable British Standards Institution (BSI), and a verification statement was obtained. Regarding the Global Tek Group's greenhouse gas inventory report and inventory table, it is declared that the results of this greenhouse gas inventory report come with an unqualified opinion, and the disclosure of greenhouse gas information complies with relevant regulations and is appropriately and accurately presented.

The greenhouse gas inventory in 2023 was assured by BSI and will be verified in 2024. The scope of the inventory includes Taiwan factories (Xinwu Plant, Youshi Plant, and Xizhi Office), Wuxi Plant, and Xi'an Plant. Regarding the Global Tek Group's greenhouse gas inventory report and inventory table, it is declared that the results of this greenhouse gas inventory report come with an unqualified opinion, and the disclosure of greenhouse gas information complies with relevant regulations and is appropriately and accurately presented. The greenhouse gas verification statement was obtained in April 2024.

### 1-2 Greenhouse gas reduction goals, strategies, and specific action plans

Based on climate-related risks and opportunities, with 2022 as the base year, Global Tek has formulated short-term, medium-term, and long-term strategic actions and goals, hoping to take actions to work together to slow down global warming and enable the economy to grow at the same time. In terms of short and medium-term strategies, Global Tek has completed the Group's 2023 second greenhouse gas inventory and third-party verification in 2024, and will continue to implement it every year from now on. In terms of long-term strategy, efforts include promoting greenhouse gas reduction, ISO 14067 product carbon footprint, ISO 50001 energy management system, and management of water resources and waste. In line with the carbon reduction pathway plan announced by the Executive Yuan at the end of 2022, the targets are to reduce carbon emissions by 10% by 2025 and further reduce by 15% by 2030, aiming for a cumulative 25% reduction to contribute to the Earth. For the carbon reduction goals, strategies, and actions of Global Tek Group, please refer to 5.1 Climate Change Risks and Opportunities and Response Measures.

## Appendix 4: Statement of Verification by AFNOR Asia Ltd., an impartial third-party institution





# Appendix 5: International Standards and Quality Certifications

## Taiwan Plant - Certification



Nadcap



IATF 16949



ISO 9001



ISO 9001(EU)



ISO 9001(UK)



PED(EU)



PER(UK)



ISO 14001



AS 9100



Wuxi Plant - Certification

Xi'an Plant - Certification



IATF 16949



ISO 9001



Sewage permit



ISO 9001



ISO 14001



ISO 14001



ISO 13485



AS 9100



Global TEK Re-stamping agreement signed



Certificate III in Safety Standardization

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