Make contribution to environmental protection

G-SHANK

G-SHANK Enterprise Co., Ltd.

2025 Sustainability Report



G-SHANK

Design and manufacturing of precision progressive die,
improvement of tooling manufacturing technology, and provision of high-quality parts and components.

Notice to readers
This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

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Introduction

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1.1 About the Report

This report has been prepared in accordance with the guidelines and framework of the GRI Sustainability Reporting Standards (GRI Standards) issued by the Global Reporting Initiative (GRI). It provides a detailed introduction to the specific measures actively undertaken by G-SHANK Enterprise Co., Ltd. (hereinafter referred to as "G-SHANK," "the Company," or "we") in fulfilling its corporate citizenship responsibilities in the areas of sustainable management practices, corporate governance and ethical business practices, operational performance, customer service and product quality, sustainable supply chain management, green production for a sustainable environment, and a healthy and safe working environment in an employee-friendly workplace. This is the Company's second Sustainability Report. It provides the public with reliable and transparent information on issues of concern to investors, promotes two-way communication with internal and external stakeholders, and comprehensively presents the transparency and credibility of the Company's management approaches and data relating to various corporate sustainability development issues.

The Report can be read and downloaded from our official website at

www.gshank.info

Period

2025 (from January 1, 2025, to December 31, 2025). The Report discloses G-SHANK's performance information in ESG sustainability management guidelines, risk evaluation, analysis of material topics, and response & action. Some content is to enhance readers' understanding of the data reported. We will revise ESG Report every year for continuous publication.

Boundary

The scope of the Report follows the organizational boundary set by G-SHANK.

Reporting boundary: The entire G-SHANK Enterprise Group (excluding the Guanyin Factory and the Philippines Factory)

***For the addresses of each factory, please refer to the Company's annual report or official website.**

The information contained herein primarily covers G-SHANK Enterprise Co., Ltd. Relevant material topics are disclosed with respect to internal employees and external customers, suppliers, and investors. The financial statements are calculated on a consolidated basis with the subsidiaries and companies in Mainland China and are presented in New Taiwan dollars or thousands of New Taiwan dollars. Other information is disclosed using commonly used text and numerical values.

Contact information

Contact person	General Affairs Department, G-SHANK Enterprise Co., Ltd. Yu-Hsiang Chen
Tel	03-4775141 ext. 228
Fax	03-2728088
Email	second@mail.gs.com.tw

Principle and guidance

To continuously strengthen comparability of performance and materiality of report, all information published in the Report is adopted international common standards, like GRI, SDGs, TCFD and SASB, and presented in accordance with Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies. The standards are as follows:

- **Global Reporting Initiative (GRI Standards)**
- **TCFD: Risks and opportunities related to climate change and its financial impacts**
- **Sustainability Accounting Standards for the Resource Transformation published by SASB: Hardware Manufacturing Industry: Sustainability-linked topics and accounting metrics**
- **Hardware Manufacturing Industry: Sustainability-linked topics and accounting metrics**
- **Rules Governing the Preparation and Filing of Corporate. Social Responsibility Reports by TWSE Listed Companies**
- **Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies revised on September 2, 2025**
- **Guarantee accuracy of information published**

Disclosure of ESG-related information will cause significant impacts to stakeholders. Therefore, we must make the greatest efforts to each detail to guarantee the correctness and completeness of the information published.

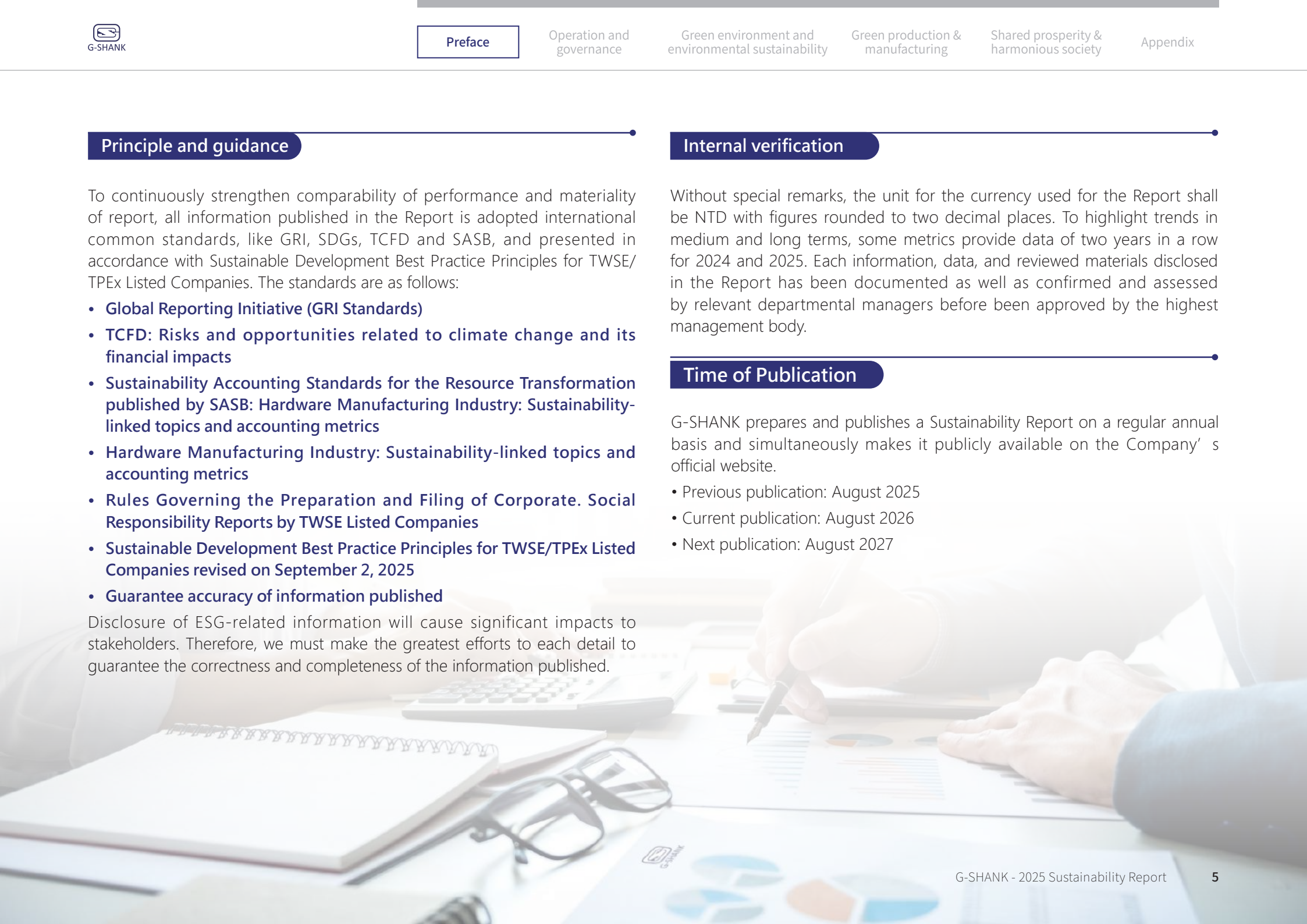
Internal verification

Without special remarks, the unit for the currency used for the Report shall be NTD with figures rounded to two decimal places. To highlight trends in medium and long terms, some metrics provide data of two years in a row for 2024 and 2025. Each information, data, and reviewed materials disclosed in the Report has been documented as well as confirmed and assessed by relevant departmental managers before been approved by the highest management body.

Time of Publication

G-SHANK prepares and publishes a Sustainability Report on a regular annual basis and simultaneously makes it publicly available on the Company' s official website.

- Previous publication: August 2025
- Current publication: August 2026
- Next publication: August 2027



1.2 Message from the Chairman

Unity as Our Foundation, Deepening Our Roots in Precision Manufacturing

In the face of the severe challenges posed by global exchange rate fluctuations and trade tariff wars, G-SHANK has not only demonstrated outstanding operational resilience, but has also continued to achieve record-high Group revenue. These achievements are attributable to the wholehearted dedication of all employees and also reflect the effectiveness of the Group's product portfolio optimization. This year, with "unity" as our foundation, we will complete the Group-wide greenhouse gas inventory and take bolder and steadier steps forward on the path of environmental, social, and corporate governance (ESG).

Driving Technological Innovation through Environmental Sustainability Thinking

Green manufacturing stems from the pursuit of excellence in manufacturing processes and technologies. We integrate sustainability thinking into product research and development and leverage the advantages of our integrated precision manufacturing processes to continuously reduce the carbon footprint of our operations through the development of highly efficient, low-loss technologies. At the same time, we actively introduce green electricity and install rooftop solar power generation facilities, which have been connected to the grid for power generation and have achieved tangible energy-saving results.

Building a Safe Workplace with a People-Centered Approach

People have always been G-SHANK's most valuable asset. Only by enabling every member of G-SHANK to achieve their full potential can we secure a sustainable future. To strengthen our technical foundation, we continue to promote the "mentorship system" to pass down core technologies and collaborate with multiple universities through industry–academia cooperation to cultivate a team that embodies the values of "kindness, integrity, courage, and responsibility." Regarding the workplace environment, we continue to implement the ISO 45001 Occupational Health and Safety Management System and are committed to providing employees with a safe, healthy, and dignified workplace.

Corporate Governance Grounded in Integrity and Pragmatism

In the face of a rapidly changing geopolitical landscape, we adhere to the principle of "prudent management" and enhance the resilience of our global supply chain through "flexible responsiveness," such as expanding overseas production bases in the Philippines and other locations. In terms of internal governance, we continue to strengthen risk management and internal audit and control mechanisms. Through transparent and efficient operations, we strive to earn the long-term trust of shareholders and stakeholders.

Facing Challenges with Courage and Becoming a Pioneer in Technological Advancement

We will continue to uphold the core values of "kindness, integrity, courage, and responsibility" and embody the spirit of "unity." By following the sequence of collaborating first and then dividing responsibilities, we will face unknown challenges. By not avoiding challenges, but instead confronting them pragmatically and solving problems, we can transform them into a driving force for continuous growth.

G-SHANK Enterprise Co. Ltd.
Chairman Yu-Huang Lin

1.3 Company profile

G-SHANK Enterprise Co., Ltd. was established in 1973 and is dedicated to the production of precision metal and plastic components, carrying management philosophy of "quality first & customer foremost". To respond to the global demand in sustainable development, G-SHANK Group proactively fulfills concepts of ESG and obtained certificate of ISO 14001 Environmental Management Systems to prove our commitments to environmental protection.

ESG vision: Establishing core value of sustainable enterprise in resource recycling, social co-prosperity, and transparent governance as well as focusing on kindness, integrity, courage, and responsibility to create value to customers, opportunities to employees, and benefits to the society. These core values are demonstrated in the manufacturing process and supply chain management and carried through in each manufacturing process from procurement of raw materials to disposal of waste materials with the goal of reducing impacts to the environment to ensure each detail meeting the highest standard of sustainable development.

Main achievement

- **ISO 14001 certification:** Established a complete environmental management system to continuously reduce impacts to the environment.
- **ISO 45001 certification:** Established a transparent and effective process to achieve high-standard workplace health and safety.
- **ISO 14064-1 certification:** Established capabilities in carbon verification and reduction to comprehensively identify impacts of greenhouse gases.
- **Sustainable Supply Chain Management:** Require suppliers to jointly commit to sustainable development and establish a green supply chain.
- **Solar Power Generation:** Since 2018, solar power generation systems have been installed progressively at certain overseas factories, including the Shanghai Factory, Malaysia Factory, Suzhou Factory, and G-Long Factory, with annual power generation reaching 3,869,774 kWh. The actual benefits following project completion include reducing indoor building temperatures by 2–3 °C and generating electricity through solar panels. The generated "green electricity" is then sold back to Taiwan Power Company. Green power generation not only reduces CO_2 emissions but also contributes to environmental protection.
- **Resource Recycling and Reuse:** The Company actively promotes resource recycling and reuse by recovering and reusing copper, plastic, and other materials generated during the production process.

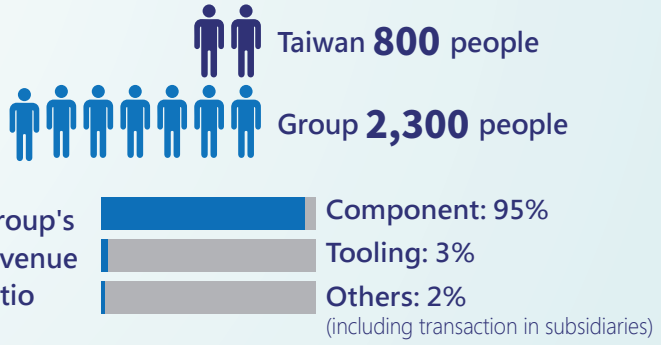
- **Type of ownership:** Listed Company (2476)
- **Date of establishment:** 1973
- **Amount of capital:** NT$ 2,180,810,000
- **Main products:** Progressive die precision metal component and tooling
- **General Manager :** Yu-Huang Lin/ Ying-Shuo Lin
- **HQ (Xinwu Factory):** No. 1, Jiuzhou Rd., Jiudou Vil., Xinwu Dist., Taoyuan City
- **Total employees(Excluding the Philippines Factory and the Guanyin Factory):** 800 people in Taiwan and 2300 people in the Group
- **Tel:** (03) 477-5141

Chairman : Yu-Huang Lin

General Manager : Ying-Shuo Lin

Established in 1973

Paid-in capital : NTD 2.180 billion



1.4 Global layout

G-SHANK Group possesses 19 sites all over the world, including 2 offices, to create a close global production network. Through local production, it not only reduces supply chain but also responds to customer demands promptly as well as reduces cost of transportation, provides more competitive services, and satisfies local market demands effectively.



Advantages of localization

- **Shortening supply chain, reducing transportation cost, and enhancing delivery lead time.**
- **Understanding local market demands and providing customized services.**
- **Engaging with local society to perform corporate social responsibility.**

Global location

We have 19 sites all over the world, including:

- 1 HQ
- 2 offices
- 16 subsidiaries/ factories

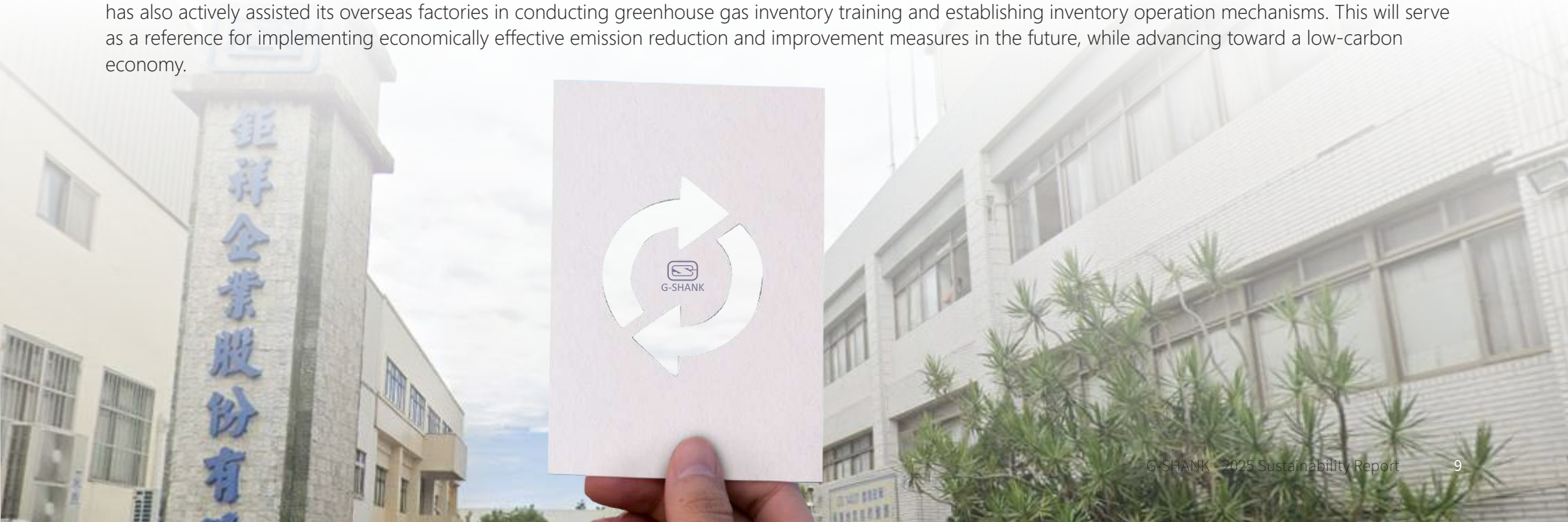


1.5 Sustainability performance in 2025



United Nations passed "Paris Agreement" in 2015 and set a clear global goal on carbon reduction to limit the global warming within 2˚C compared to that in the pre-industrial era as well as work hard to control it within 1.5˚C. Based on this, governments and enterprises in each country proposed their goal for carbon reduction one after another. Our government has modified "Greenhouse Gas Reduction and Management Act" to "Climate Change Response Act" and included the goal of 2050 net zero emission in legal regulations. Therefore, global transformation towards low carbon is an irreversible trend.

In alignment with the United Nations and national policies, the Company actively promotes carbon reduction initiatives. Before undertaking carbon reduction efforts, the primary task is to understand the amount of its own greenhouse gas emissions so that appropriate carbon reduction initiatives can be identified and the benefits of carbon reduction can be maximized. Therefore, G-SHANK has adopted the international standard ISO 14064-1:2018. In addition to completing the greenhouse gas emissions inventory and verification for its Taiwan operations (the Xinwu Factory and Bade Factory), since 2025, The Company has also actively assisted its overseas factories in conducting greenhouse gas inventory training and establishing inventory operation mechanisms. This will serve as a reference for implementing economically effective emission reduction and improvement measures in the future, while advancing toward a low-carbon economy.



1.6 Cultural inheritance

Our Chairman always believes that a Group must have its core cultural value. To respond to social development and enrich our corporate culture, we set the following as the central thought and cultural inheritance for the Group.

1 Kindness

Be kind no matter what you do and never hurt others; if necessary, take the responsibility.

2 Integrity

Do your best for what you are committed, see things through to the end, and face the outcome calmly.

3 Courage

Be brave to take the responsibility and challenge for right things and be brave to identify and refuse anything that is wrong.

4 Responsibility

Pursue your job duty to perfection and finish what has been started with no excuses.

With the inheritance of above core culture, the management team in the Group sets a word every year as annual cultural keyword to encourage all employees work hard to achieve it in the year:

2021 年

誠 以待人 以律己 鉅祥

對人誠信，說到做到，才能立足商場
對己誠實，勇於面對，才能解決問題

- Treat people with sincerity and be true to yourself.
- Be sincere to others and keep your word so that you can gain a secure foothold in the market.
- Be true to yourself and brave things out so that you can solve problem.

2022 年

勤

天道酬勤 鉅祥

做正確的事情，多貢獻多得

God rewards the people who always work hard; Earth rewards the people who are kind; Humanity repays sincerity; Honesty makes good business; The way of career rewards skill

Above are the most classic expression in traditional Chinese philosophy. Those who can grasp the essence may maintain personal integrity as well as help others in the world.

2023 年

實 鉅祥

實事求是，精益求精

- Seeking truth from facts and striving for excellence.
- Down-to-earth; focusing on specific and practical work.
- Practice is the sole criterion for testing truth.

2024 年

贏 鉅祥

亡 → 口 → 月 → 貝 → 凡

危機意識➤懂得溝通➤日積月累➤善用金錢➤以平常心
犧牲精神➤口碑相傳➤投入時間➤利用資源➤小事做起
贏得未來➤贏得感動➤贏得先機➤贏出價值➤贏出信心

- Winning by achieving goals; establishing clear goals is the first step to success.
- Knowledge is power; winning by accumulating knowledge.
- Self-improvement for a successful future.

2025 年

人 鉅祥

自動化生產的關鍵在於人

- 人跟機器的協同作業
- 人才的培養、多能工的培訓（選才、育才、留才）

- With right talents, the achievement not only is the success of the enterprise but the future for the talent.
- Talents are the most valuable asset for enterprises.
- It is dreams that make people great, and it is people that help businesses grow.
- Talents x AI creates a smart future.

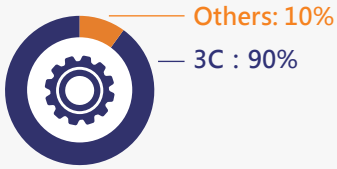
2026 年

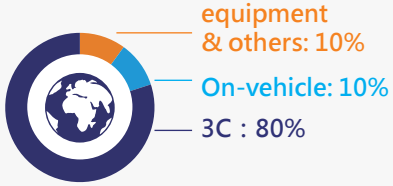
合 鉅祥

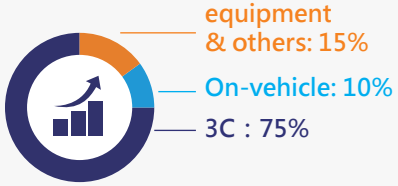
- 「合」不只是一起做事，而是彼此信任、互相補位、共同完成目標。
- 「合」不只是團結，更是透過系統性的協同，讓企業在變局中發揮最強大的集體競爭力。

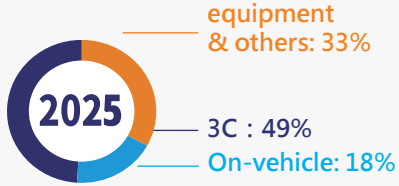
- Cooperation and integration.
- Collaborate first, then divide responsibilities.
- The meaning of “unity” lies in aligned goals and resource optimization.

1.7 History and honor









1973

Establishment of company structure

1973 Started business of professional precision progressive die
1980 Set up the Design Department 1984 Introduced 6S management 1989 Established the Malaysia Factory
1994 Established the Mexico Factory & the subsidiary in USA
1996 IS0 9001 certification
1996 Established the Shanghai Factory
1998 Listed on the Over-the-Counter Market (the first listed company in the stamping industry)
1998 Established the factory in Thailand and the Bade Factory in Taiwan

2000

Over seas expansion

2000 Established Shanghai Metals
2001 Listed on the Stock Market Exchange (TWSE:2476)
2001 Established factories in G-long, Xiamen, Suzhou, and Qingdao
2002 Established the factory in Indonesia
2003 Established the Tianjin Factory
2005 IS0 14001 & IS0/TS16949 certification
2006 Established Shenzhen Factory
2007 Established G-bao Factory

2010

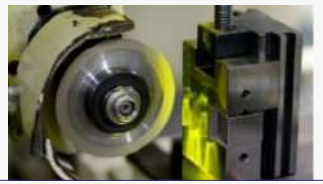
Ex tension of manufactur ing process

2009 Introduced the electroplating process
2010 Introduced the plastic injection molding process
2012 Established G-SHANK Japan Co., Ltd. and the Wuhan Factory
2012 The record of orders for molding received in the Group was 209 sets/ month
2012 Introduced OEM production of automatic machine for stamping, electroplating, plastic injection and assembling
2018 Introduced TPS lean production system
2023 IS0-14064 organizational carbon verification
2024 Established the Guanyin Factory IS0 45001 certification
2025 Establishment of the Philippines Factory

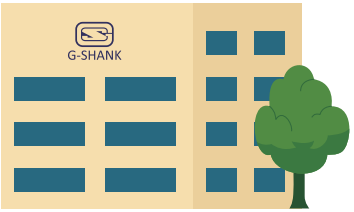
2025











- **1973** **G-SHANK was established** in total capital of NT$1.5 million.
- **1974** **Mass production,** specialized in the R&D of mold and production of precision stamping components.
- **1975** Increased the capital to NT$3.55 million.
- **1977** Increased the capital to NT$4.5 million, focused on recruiting excellent talents, and implemented the stock option plan.
- **1979** Increased the capital to NT$6 million, purchased precision machinery and equipment, and successfully introduced the CAD system.
- **1984** Established R&D and Design Department, implemented 5S movement, and built a machining factory with a total area of 650 square meters.
- **1986** Increased the capital to NT$10 million, expanded organizational structure, and added the business of designing, manufacturing, and selling labor-saving and automation machine to enhance customer services.
- **1987** Increased the capital to NT$20 million, built a company cafeteria, and expanded the machining factory to 1,250 square meters. Successfully developed precision Micro Switch CLIP.
- **1988** Organization structure was based on operations in each department; planned the international management guidelines.
- **1989** Increased the capital to NT$50 million, built the office building and the stamping factory with a total area of 1870 square meters; developed and manufactured VR potentiometer double-layer casing in 16 ø.
- **1990** The use of high-speed stamping achieved 1,000 S.P.M, demonstrating great advancement on production technology capability.
- **1991** Developed and manufactured VR potentiometer double-layer casing in 12 ø.
- **1992** Increased the capital to NT$65 million, built the Stamping Factory II and a warehouse for finished products in a total area of 1800 square meters, and introduced high-precision stamping and 3D measuring machine from Japan. Developed and manufactured 200PIN Computer REC SHELL.
- **1994** Increased the capital to NT$17,000 thousand and invested the factory in Malaysia.
- **1995** Increased the capital to NT$19,900 thousand, invested the factory in Mexico, built the precision machining factory and employee accommodation in a total area of 2,400 square meters, and introduced PG and JG high-precision machine and equipment. Implement on-the-job training to upgrade manpower quality, and promoted ISO 9001 quality assurance system. Developed and manufactured PITCH 0.30 10 PIN VR SLIDER.
- **1996** Increased the capital to NT$25,000 thousand, invested in the Shanghai Factory in China, passed ISO 9001 certification, and worked with Teikoku Tsushin Kogyo Co., Ltd. in Japan for technical collaboration. Developed and manufactured PITCH 0.8 computer connector and terminal.

1997	Increased the capital to NT$32,750 thousand, the Factory in Malaysia passed ISO 9002 certification, and received approval for OTC listing on December 4, 1997 (1887 Cheng Gui Shang Zi No. 25130 issued by Taipei Exchange).
1998	Increased the capital to NT$49,550 thousand; listed in the OTC market on February 24, 1998; invested in Hongyue Investment Co., Ltd., the factory in Thailand, and the Bade Factory; Shanghai Factory passed ISO 9002 certification; awarded top ten excellent automation enterprises by the Industrial Development Bureau, MOEA.
1999	Increased the capital to NT$62,350 thousand; implemented the profit-sharing system, invested Jinde Investment Co., Ltd.; the factory in Mexico passed ISO 9002 certification; expanded phase II plant in the factory in Malaysia; developed and manufactured 0.5PITCH connector terminal for communications; collaborated with Industrial Technology Research Institute to develop connector for laptop with pin of 0.5mm.
2000	Increased the capital to NT$82,300 thousand; the factory in Thailand started mass production; approved by Taipei Exchange to modify as Electronics Sector; G-SHANK ENTERPRISE (M) SDN.BHD reinvested G-SHANK PRECISION (M) SDN.BHD and purchased a land (around 15,355 square meters) to build factory and expand production capacity; expanded Shanghai Factory (3966.96 square meters) for more capacity; expanded the factory in Mexico for 14,223 square meters to expand business scale; successful developed precision stamping components for stepper motor.
2001	Increased the capital to NT$114,000 thousand; moved from the OTC market to the listed market; reinvested five business locations, including Hongjin (Shanghai) Electronics Co., Ltd.; G-long Mold (Dongguan) Co., Ltd., G-SHANK Precision Mold (Xiamen) Co. Ltd.; G-SHANK Precision Mold (Suzhou) Co. Ltd., and G-SHANK Precision Mold (Qingdao) Co., Ltd.; increased an investment of NT$3,769 thousand to G-SHANK ENTERPRISE (M) SDN.BHD and NT$16,330 thousand to Hongyue Investment Company; the factory in Thailand passed ISO 9002 certification; HQ Factory V started construction.
2002	Increased the capital to NT$133,100 thousand; launched the Enterprise Resource Planning (ERP) application system; completed the construction of HQ Factory V; G-SHANK ENTERPRISE (M) SDN.BHD reinvested and established the factory in Indonesia; G-SHANK (USA) INC. passed QS-9000 certification; successfully developed terminals for 25PIN CF card, terminals for SMC memory card, fast-charging connector casing, CD-ROM motor base, and Aluminium-ion battery cover.
2003	Introduced ERP application systems to Shanghai Factory, Qingdao Factory, and Suzhou Factory; invested in the establishment of G-SHANK Precision Mold (Tianjin) Co., Ltd.; successfully developed connector terminal for digital camera, battery clip, mobile phone charger, connector terminal for speakerphone; MMC memory card holder, memory card holder casing and connector terminal for MP3.
2004	Introduced the ERP application system to Factory I and Factory II in Malaysia, G-long Factory, and Bade Factory.
2005	Increased the capital to NT$161,863 thousand; obtained ISO 14001 and ISO/TS 16949 quality certification; completion of new factory in .
2006	Started construction of HQ new factory; invested and established G-SHANK Precision Mold (Shenzhen) Co., Ltd.; the factory in Malaysia obtained certificate of ISO 14001 and passed ISO 9001 certification.
2007	Invested and established G-bao Precision Mold Co., Ltd. In Shenzhen.

2008	Invested and established Juyue Mold Co., Ltd. In Dongguan; re-elected directors and supervisors; obtained Evergreen Enterprise Excellence Award from Taoyuan City Government.
2009	Awarded "Bronze Medal" for quality of educational training from the Bureau of Vocational Training, Council of Labor Affairs, Executive Yuan.
2010	Started construction of the precision machinery building in HQ; awarded "Bronze Medal" for quality of educational training from the Bureau of Vocational Training, Council of Labor Affairs, Executive Yuan.
2011	Completed and launched HQ Manufacturing Factory VI Building; started construction of office and material warehouse buildings; awarded "Bronze Medal" for quality of educational training from the Bureau of Vocational Training, Council of Labor Affairs, Executive Yuan; re-elected directors and supervisors; established the Remuneration Committee; developed the metal and plastic insert molding process.
2012	Invested and established Kyoshin Japan Co., Ltd.; Shanghai Metals re-invested and established Hubei Hanzhe Electronic Technology Co., Ltd.; completed and launched HQ office and material warehouse buildings; passed SONY Green Partner Certification; completed and launched the Plastic Stamping Operational Building in the Qingdao Factory.
2013	The factory in Mexico was awarded "Crystal Award" for the top cooperative manufacturer by the Eaton Corporation; Qingdao Factory was awarded "Excellent Partner Award" by TE Connectivity; HQ participated in EuroMold held in Frankfurt, Germany; HQ was awarded Excellent Manufacturer in the Dual System of Vocational Training Program assessed by Taoyuan-Hsinchu-Miaoli Regional Branch, Workforce Development Agency.
2014	The factory in Indonesia was awarded the "Best Supplier Award" by SCHNEIDER JAKARTA; the factory in Thailand was awarded "J.I.T. Award" by CANON RA HQ; awarded "Bronze Medal" for quality of educational training from the Bureau of Vocational Training, Council of Labor Affairs, Executive Yuan; re-elected directors and supervisors; participated in Taipei International Smart Mold & Die Industry Fair; awarded Excellent Manufacturer in the Dual System of Vocational Training Program assessed by Taoyuan-Hsinchu-Miaoli Regional Branch, Workforce Development Agency.
2015	Participated in Electronica/Productronica Electornic Components and Manufacturing Fair held in India; awarded Excellent Manufacturer in the Dual System of Vocational Training Program assessed by Taoyuan-Hsinchu-Miaoli Regional Branch, Workforce Development Agency; the factory in Thailand was awarded CANON Comprehensive Evaluation Award; Shanghai Factory participated in electronica China held in Munich; the factory in Malaysia was awarded LOJACK Excellent Supplier Award; Shenzhen Factory was awarded TE Quality Supplier Award.
2016	Participated in Electronica/Productronica Electronic Components and Manufacturing Fair held in India and Electronica Fair in Munich; Shanghai Factory was awarded Xinqiao Town People 's Government Excellent Enterprise Award as well as Excellent Quality Award and Sincere Cooperation Award by Panasonic Information Systems (Shanghai) Co., Ltd.; the factory in Mexico was awarded Excellent Manufacturer Award by DECOMA, EATON HQ and EATON Reynosa; G-bao factory was awarded Excellent Manufacturer on Cooperation by SMK ELECTRONICS.
2017	HQ passed ISO 14001:2015 Environmental Management Systems Auditor Transition Certification and was awarded "Bronze Medal" for quality of educational training from the Bureau of Vocational Training, Council of Labor Affairs, Executive Yuan; G-bao Factory received the Excellent Supplier Award awarded by Tyco Electronics (Zhuhai) Ltd. for the first year and obtained National High-tech Enterprise Certificate; the factory in Thailand was awarded Green Excellence Award by CANON.

2018	HQ was awarded Excellent Manufacturer in the Dual System of Vocational Training Program by Ministry of Labor; the factory in Mexico was awarded Excellent Service Award by LITTELFUSE; the factory in Indonesia was awarded the Best Quality Manufacturer Award by ABB; G-bao Factory was awarded Excellent Supplier Award-Asia by SMK.
2019	The factory in Indonesia was awarded the 28th Model of Entrepreneurs Awards; Qingdao Factory passed the assessment of "Qingdao Ministry of Industry and Information Technology New Product"; Shenzhen Factory obtained National High-tech Enterprise Certificate.
2020	HQ was awarded the honor of first prize of "Machinery Industry Lean Management/TPS Subsidy Plan by Industrial Development Bureau, MOEA; Shanghai Factory was awarded Xinqiao Town People 's Government Excellent Enterprise Award; Suzhou Factory was awarded Wujiang District Harmonious Labor Relationship Enterprise Award; G-bao Factory was awarded Gold Medal of the Best Quality Supplier by TE; Qingdao Factory was awarded "Specialized and Innovative" Enterprise Award by the Economic Development Bureau.
2021	HQ was assigned as the manufacturer for demonstration and observation of TPS launched by Industrial Development Bureau, MOEA, in Taiwan and was selected by Industrial Development Bureau, MOEA, for the yearly award of the 6th Potential Mittelstand Enterprise; G-bao Precision Mold (Shenzhen) Co., Ltd. invested and established G-bao Precision Mold (Huizhou); Shanghai Factory was awarded High-tech Enterprise and Xinqiao Town Excellent Enterprise.
2022	HQ was awarded Green Procurement Performance Excellence Manufacturer by Taoyuan City Government; awarded the 10th Model Award of Enthusiastic Members by Taiwan Association of Machinery Industry; Shanghai Factory was awarded 2022 Xinqiao Outstanding Enterprise Award and 2022 Xinqiao Party-building Demonstration Award; Qingdao Factory passed the re-reviewing for high-tech enterprises, items of technology innovation center and small and micro enterprise innovation and transformation item; Shenzhen G-bao was award TE22 Excellent Quality Gold Award.
2023	Completed ISO 14064-1 verification; HQ was awarded "Silver Medal" for TTQS educational training system by Bureau of Vocational Training, Council of Labor Affairs; purchased real estate in Guanyin District, Taoyuan City. Shanghai Factory was awarded 2023 Xinqiao Town Outstanding Enterprise Award; Suzhou Factory was awarded Jiangsu Province Specialized Small and Medium-sized Enterprise (provincial level) and Enterprise Engineering Technology Research Center (city level); the 6th Batch of Registered Technology-based Small and Medium Enterprise (national level) Award; Qingdao Factory was awarded 2023 Qingdao City Specialized and Innovative Small and Medium Enterprises and obtained the high-tech certificate
2024	Guanyin Factory started mass production. Awarded Manufacturer in Business More than 50 years by Ministry of Economic Affairs. HQ passed ISO 45001:2018 international standard verification in occupational safety and health management systems.
2025	The Philippines Factory commenced operations. HQ received the Outstanding Training Organization Award under the Ministry of Labor's 2025 Employment Program for Colleges and Universities. HQ received the "Silver Medal" following the TTQS training system assessment conducted by the Bureau of Employment and Vocational Training, Council of Labor Affairs.

G-SHANK

Honors


感謝狀

茲感謝 鉅祥企業股份有限公司
參加「智慧機械應用產學合作計畫」
致力推動產學合作，提供獎學金及培育人才，
嘉惠學子，貢獻良多，謹致此狀，以茲感謝。

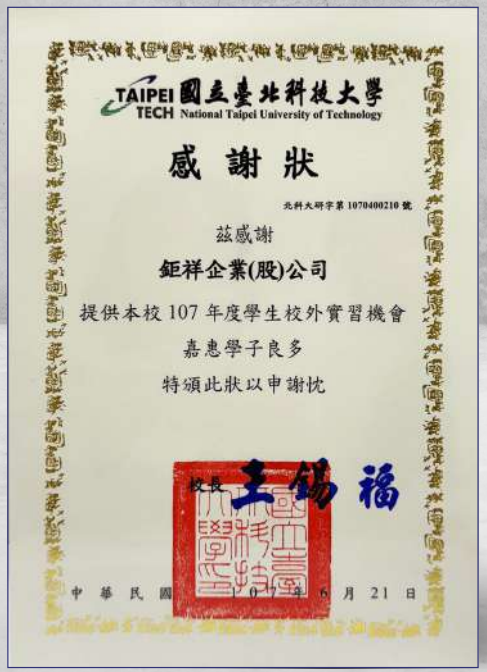
經濟部工業局智慧機械產學接軌計畫

中華民國 109 年 11 月 30 日

Certificate of Appreciation- Intelligent Machinery Industry-Academia Cooperation Program


勞動部
雙軌訓練機制計畫
鉅祥企業股份有限公司
評鑑優良
部長 許銘春
中華民國107年6月6日

Excellence Medal- 2018 Dual System of Vocational Training Program


TAIPEI TECH 國立臺北科技大學 National Taipei University of Technology

感謝狀

北科大研字第1070400210號

茲感謝

鉅祥企業(股)公司

提供本校107年度學生校外實習機會

嘉惠學子良多

特頒此狀以申謝忱

校長 王錫福

中華民國 107 年 6 月 21 日

Certificate of Appreciation- Taipei Tech Internship


經濟部感謝狀

CERTIFICATE OF APPRECIATION

鉅祥企業股份有限公司

創業五十年以上歷史悠久，促進工商發展及
就業貢獻良多，特頒贈此狀以資感謝。

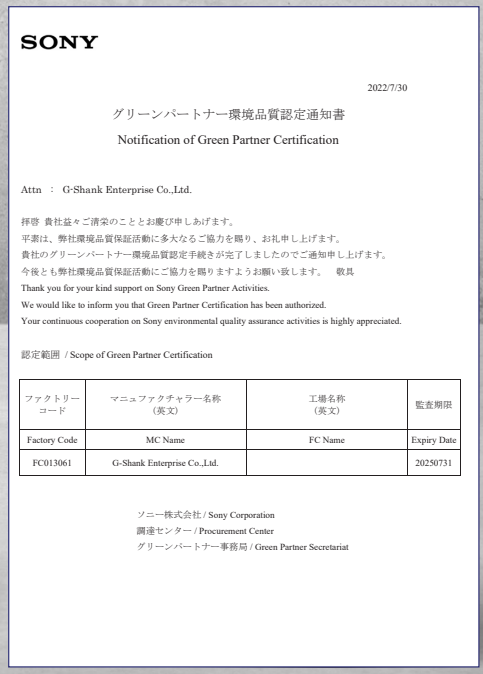
部長 郭智輝

中華民國 113 年 11 月 11 日

Certificate of Appreciation- 50 Years in Business awarded by Ministry of Economic Affairs



Medal of Appreciation- 50 Years in Business Awarded by Ministry of Economic Affairs


SONY

2022/7/30

グリーンパートナー環境品質認定通知書

Notification of Green Partner Certification

Attn ： G-Shank Enterprise Co.,Ltd.

拝啓 貴社益々ご清栄のこととお慶び申しあげます。
平素は、弊社環境品質保証活動に多大なるご協力を賜り、お礼申し上げます。
貴社のグリーンパートナー環境品質認定手続きが完了しましたのでご通知申し上げます。
今後とも弊社環境品質保証活動にご協力を賜りますようお願い致します。 敬具
Thank you for your kind support on Sony Green Partner Activities.
We would like to inform you that Green Partner Certification has been authorized.
Your continuous cooperation on Sony environmental quality assurance activities is highly appreciated.

認定範囲 / Scope of Green Partner Certification

ファクトリーコード	マニュファクチャラー名称（英文）	工場名称（英文）	監査期限
Factory Code	MC Name	FC Name	Expiry Date
FC013061	G-Shank Enterprise Co.,Ltd.		20250731

ソニー株式会社 / Sony Corporation
調達センター / Procurement Center
グリーンパートナー事務局 / Green Partner Secretariat

Sony Green Partner (2025)

Reporting

1 2026 "CommonWealth Magazine" Top 2000 survey; G-SHANK was listed top 500 enterprises in the manufacturing industry

According to the 2026 CommonWealth Magazine Top 2000 Enterprises Survey, 1,350 companies were included in the manufacturing industry rankings. Based on its performance in 2025, G-SHANK ranked among the top 500 manufacturing enterprises.

By manufacturing industry category, a total of 107 companies were listed under the fabricated metal products sector, with G-SHANK ranking 29th.

G-SHANK's business performance and ranking:



Revenue was NT$7.446 billion



Net profit after tax was NT$929 million



Net profit margin was 12.48%



chapter

02

Operation a nd governance

2.1 Corporate governance
2.2 Functional committee
2.3 Sustainable Development Committee
2.4 Ethical management
2.5 Communication with stakeholders
2.6 Material topics and materiality assessment



2.1 Corporate governance

2.1.1 Governance policy

Our Company carries the core principle of "doing the main business well", which is the development/ production of precision mold. It was what we have done in the past, and we will be doing the same in the future. However, market information is changing rapidly and technology is advancing along with the passing of time. In the future, our strategy of development will be implemented in a diversity of dimensions:

- **Based on market demands, we increase international locations one after another; we always go where business opportunities are.**
- **We implement vertical integration and provide one-stop solution to satisfy customer demand.**
- **We diversify market risk and aim to achieve 3C/ in-vehicle/ industrial equipment in one third each.**
- **We collaborate with the business in the same trade in Japan for complementary skill/ market to create win-win situation.**
- **We participate in customers' R&D and provide key molding technology to shorten development lead time.**

In addition, we are continuously promoting innovation internally and strengthening quality control. At the moment, we established a delivery date management platform and a price management platform. From the management of material price to the control of manufacturing process, the information is made in real time and visible through systems so that managers can be updated the latest information at any time. With combination of various demands from customers, G-SHANK plans to build a platform for process integration in the future to keep improving and optimizing operating procedures. Other than satisfying customers, we also strengthen our structure to face challenges in the future.

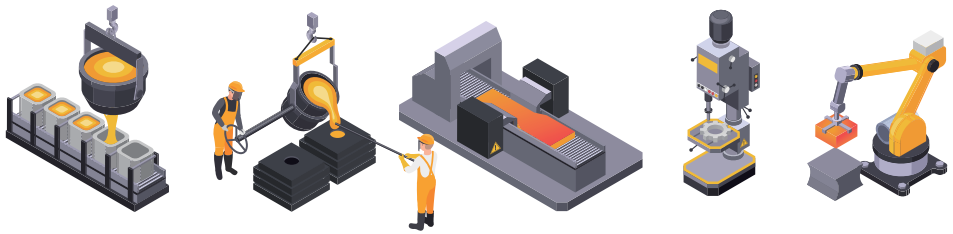
G-SHANK always carries a corporate culture of kindness, integrity, courage, and responsibility. We follow the management policy in "stable, solid, simple, and practical" to provide customers special, fast, diverse, and large services and aim to achieve the management goal of benefiting ourselves, others, and society.

Three aspects for management: quality, cost, and effectiveness :

- **Decentralized market, diversification, and revenue generation.**
- **Strengthening the control on product quality.**
- **Reducing costs to enhance profitability.**
- **Requesting fair and reasonable internal management and rewarding based on contribution.**
- **6S: continuously pursuing excellence.**
- **Implementing TPS lean production system.**

Main business content

Manufacturing and selling molds and stamping articles	Manufacturing and selling jigs and special machine for automation
Assembling and processing components and finished products of electrical appliances	Assembling and processing mechanical components and finished products
Business operation of import and export trading as well as agency business for domestic and overseas manufacturers	All business items that are not prohibited or restricted by law, except those that are subject to special approval.



Overview of the Group revenue in the past two years

Unit: NT$ thousand

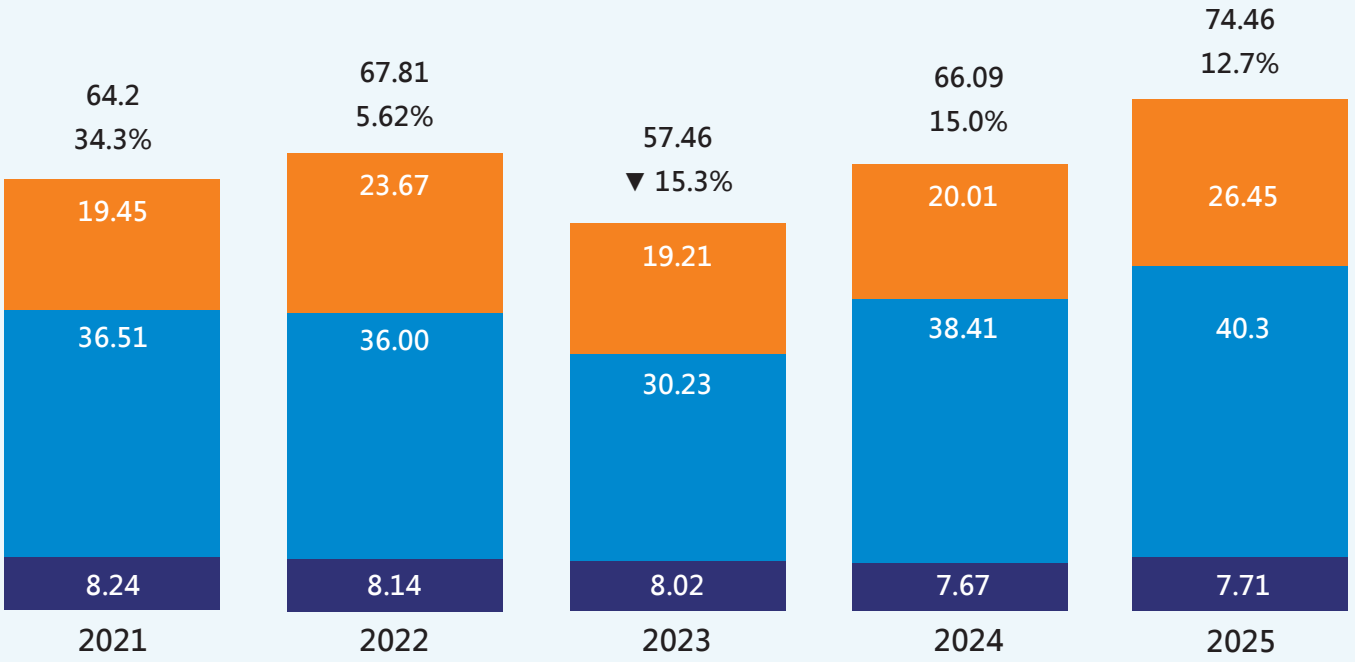
Item \ Year	Performance in 2024	Performance in 2025	Growth rate
Parts	6,287,999	7,076,196	12.53%
Mold	204,034	246,799	20.96%
Fixture	49,538	47,082	-4.96%
Goods	67,898	75,935	11.84%
Total	**6,609,469**	**7,446,012**	**12.66%**

Group revenue (consolidated)



Other oversea areas
China
Taiwan

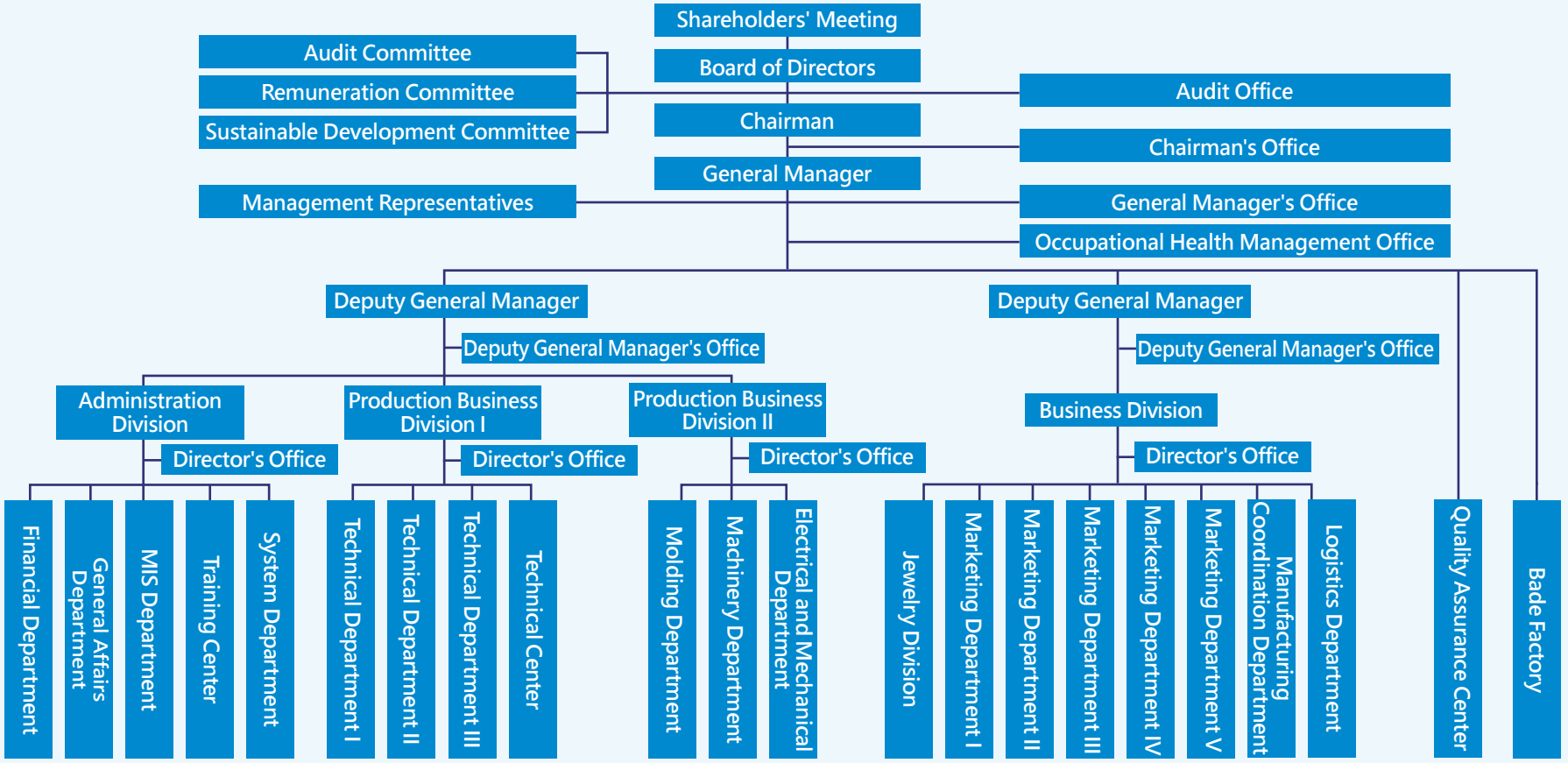
Unit: NT$100 million %: Growth rate



2.1.2 Governance structure

The highest authority in G-SHANK is the Shareholders' Meeting. Shareholders elect directors to form a Board of Directors. The Board of Directors is the highest governing body in the Company, responsible for the overall business decision for the Company. Functional committees, including Remuneration Committee, Audit Committee, and Sustainable Development Committee, are under the direct management of the Board to oversee the compensation to directors, financial statements, and key performance indicators for sustainable development respectively. In addition, an Audit Office has been established to oversee the effectiveness of the internal control system. Each committee must report its implementation results and resolutions to the Board of Directors regularly to maintain the rights and interests of the Company's and stakeholders.

Organizational Chart



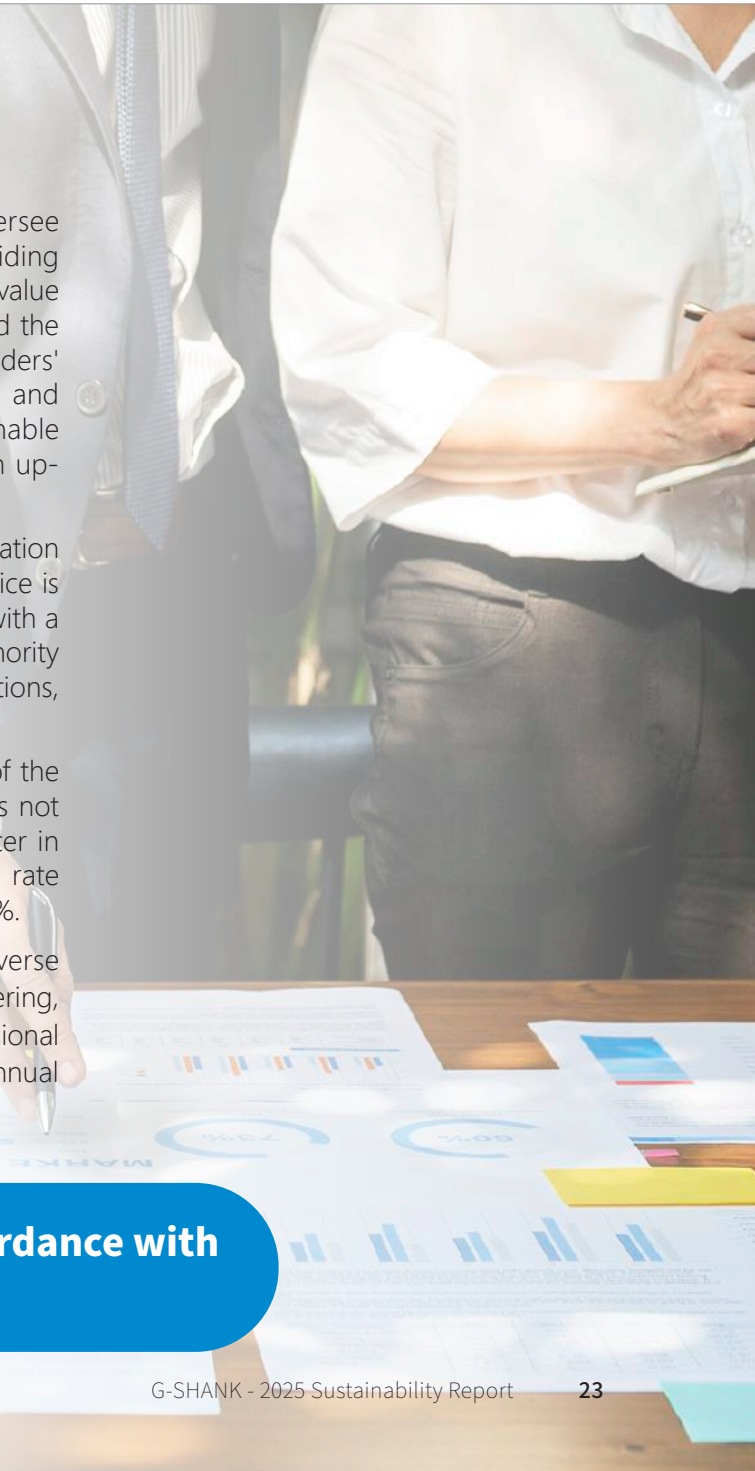
2.1.3 Composition of the Board of Directors/ Diversity

The Board of Directors is the highest governing body in G-SHANK, and all the Board members must oversee the regulatory compliance by the management team and enhance information transparency. Except providing instruction to the management team on important decisions with their own experience to avoid the company value being damaged by wrong decisions, the duty also includes the establishment of good ethics and integrity and the implementation of corporate responsibility to achieve sustainable management and further protect shareholders' rights and interests. To strengthen the disclosure of financial information, managerial officers' performance and stability, and corporate sustainable development, Audit Committee, Remuneration Committee, and Sustainable Development Committee were established under the direct management of the Board of Directors. Through up-down management and supervision, we aim to achieve sound business operation.

According to Article 12 of "Articles of Incorporation", a candidate nomination system is used for the nomination of directors in G-SHANK. The Shareholders' Meeting elect directors from the list of candidates; the term of office is three years and eligible for re-election. The directors above must at least include three independent directors with a ratio no less than one fifth. Please follow the Company Act and the regulations set forth by the competent authority for securities for the independent directors' professional qualification, shareholding, concurrent serving restrictions, nomination and election methods, and other matters to be complied.

The Company has nine directors, including four independent directors. The Chairperson serves as the chair of the Board and is responsible for executing and overseeing the Company's various affairs. The Chairperson does not concurrently serve as the Company's President. The Board of Directors convenes at least once every quarter in accordance with regulations. In 2025, the Company held a total of five Board meetings, and the attendance rate exceeded the Company's requirement that Board members maintain an annual attendance rate of at least 80%.

The average age of the Board members is 61, and there are three female directors. The directors have diverse professional backgrounds encompassing business management, finance and accounting, mechanical engineering, physics, chemistry, and other fields. For detailed information regarding the directors' educational and professional backgrounds, professional expertise, and remuneration disclosures, please refer to the Company's 2025 Annual Report.



The Board of Directors convenes at least once every quarter in accordance with regulations. A total of five Board meetings were convened in 2025.

In 2025, five meetings were held. The attendance/ diverse ability of each director is shown in the table below:

Name/ Title/ Attendance Rate of Members					Diverse Abilities in the Board of Directors											
Title	Name	Attendance in	Attendance by	Actual	Gender	Age (years old)	Nationality	Number of office terms of the independent director	Ability to make operational judgments	Ability to perform accounting and financial analysis	Ability to conduct management administration	Ability to conduct crisis management	Knowledge of the industry	An international market perspective	Ability to lead	Ability to make policy decisions
Chairman	Yu-Huang Lin	5	0	100%	M	71-80	R.O.C.		◉	◉	◉	◉	◉	◉	◉	◉
Director	Hsien-Kuo Lin	4	1	80%	M	81-90	R.O.C.		◉	◉	◉	◉	◉	◉	◉	◉
Director	Chia-Jung Tseng	5	0	100%	M	61-70	R.O.C.		◉	◉	◉	◉	◉	◉	◉	◉
Director	Ying-Shuo Lin	3	0	100%	M	41-50	R.O.C.		◉	◉	◉	◉	◉	◉	◉	◉
Director	Ying-Chih Lin	5	0	100%	M	41-50	R.O.C.		◉	◉	◉	◉	◉	◉	◉	◉
Independent Director	Shu-Chin Ma	5	0	100%	F	51-60	R.O.C.	3	◉	◉	◉	◉	◉	◉	◉	◉
Independent Director	Ya-Ling Liao	5	0	100%	F	41-50	R.O.C.	2	◉	◉	◉	◉	◉	◉	◉	◉
Director	Hung-Yi Chen	5	0	100%	M	71-80	R.O.C.	2	◉	◉	◉	◉	◉	◉	◉	◉
Independent Director	Ssu-Min Liu	5	0	100%	F	41-50	R.O.C.	1	◉	◉	◉	◉	◉	◉	◉	◉

The Board of Directors implemented evaluation according to the "Board of Directors and Functional Committee Performance Evaluation Methods" established on December 30, 2019 and its third edition revised on November 4, 2024. The indicators of performance evaluation on the Board of Directors and functional committees shall be established the content that meets and is applicable to the implementation of performance evaluation based on the company operation and demands. Remuneration Committee shall regularly review it and propose suggestions.

The criteria of evaluation will be modified and adjusted in accordance with company demands. It can also be rated in weight for each dimension evaluated. In 2025, the status of Board of Directors evaluation is as follows:

Frequency	Period	Scope	Method	Content
Once every year	2025.01.01~ 2025.12.31	1. Board of Directors 2. Individual members	Self-evaluation by the Board of Directors and self-evaluation of each director	**1. Board of Directors：** Containing five dimensions broken down into a total of 45 items, this evaluation includes the level of participation to the business operation, enhancement of decision quality by the Board of Directors, composition and structure of the Board of Directors, election of directors and continuous education, and internal control. **2. Individual directors：** Contains six dimensions for a total of 23 items, including understanding company goals and tasks, recognition of duties, the level of participation to the business operation, Internal management and communication, professional expertise and continuous education, and internal control.



2.2 Functional committee

The Audit Committee consists of all the independent directors. The members in the Audit Committee must not be less than three persons. One of them will be the convenor and at least one of them is with background in accounting or finance.

There are three members in the Remuneration Committee, and they are appointed through the resolution of the Board of Directors. Half of them shall be independent directors. The professional qualification and independence of the Committee shall meet Article 5 and Article 6 of the Regulations Governing Exercise of Powers by the Remuneration Committee" .

2.2.1 Audit Committee



In 2025, the Audit Committee held five meetings. The attendance of each member is as follows:

Title	Name	Attendance in person	Attendance by proxy	Actual attendance rate	Remark
Independent Director	Shu-Chin Ma	5	0	100%	
Independent Director	Ya-Ling Liao	5	0	100%	
Independent Director	Hung-Yi Chen	5	0	100%	
Independent Director	Ssu-Min Liu	5	0	100%	112.6.9 Newly appointed

2.2.2 Remuneration Committee



Status of operation of the Remuneration Committee

1. **Originally, there were three members. It was increased to 4 members from this term of office.**
2. **Term:** August 4, 2023, to June 8, 2026.

Two meetings were held in 2025

Title	Name	Attendance in person	Attendance by proxy	Actual attendance rate	Remark
Convenor	Shu-Chin Ma	2	0	100%	
Member	Ya-Ling Liao	2	0	100%	
Member	Hung-Yi Chen	2	0	100%	
Member	Ssu-Min Liu	2	0	100%	112.8.4 Newly appointed

2.3 Sustainable Development Committee

To implement corporate social responsibility and promote economic, environmental and social progress to achieve the goal of sustainable development, G-SHANK followed "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies" and established "Sustainable Development Practice Principles" on December 29, 2015 for the first time. The fourth edition was revised on March 10, 2023.

The implementation of our sustainable development is based on the following principles:

1. Fulfilling corporate governance.
2. Developing sustainable environment.
3. Maintaining Social welfare.
4. Strengthening disclosure of sustainable development information.

Based on the authorization from the Board of Directors, the Committee shall exercise due diligence to faithfully perform the following duties and report to the Board of Directors:

1. Establishing, promoting, and strengthening corporate development policies and annual plans & strategies.
2. Reviewing, following up and modifying the implementation and effectiveness of sustainable development.
3. Supervising items of sustainability information disclosed and reviewing the Sustainability Report.
4. Supervising matters specified in the Sustainable Development Principles or other tasks related to sustainable development approved by the Board of Directors.

The Sustainability Committee convened one meeting in 2025. The attendance status of the committee members was as follows:

Title	Name	Attendance in person	Attendance by proxy	Actual attendance rate	Remark
Convenor	Ying-Shuo Lin	1	0	100%	
Member	Ying-Chih Lin	1	0	100%	
Member	Ya-Ling Liao	1	0	100%	



2.3.1 Committee Charter

Sustainable Development Committee was established on March 7, 2025. It is a cross-functional communication platform and consists of senior managers and directors through the Board meeting. There are three members in total and one of them is appointed to be convenor and meeting chairperson. At least one meeting shall be held every year. Members of the Committee shall equip with corporate sustainability professional knowledge and ability, and at least one director shall participate in supervision.

Four task forces are assigned under the Committee to manage and control each action plan, integrate & supervise the implementation progress and effectiveness in corporate governance, social, environment, and risk management, and ensure efficiency of lateral and vertical communication in order to carry out sustainable development.

2.3.2 Sustainable development governance structure



Board of Directors

Sustainable Development Committee

Corporate Governance and Risk Management

Head of President's Office

Work items:

1. Engagement with investors
2. Risk management policy
3. Lawsuit for anti-competition behavior
4. Board of Directors
5. Shareholding and controlling power
6. Functional committee
7. Information security

Employee Development and Social Responsibility

Head of General Affairs Department

Work items:

1. Manpower development
2. Employee safety
3. Community relationship

Customer Relationship and Supply Chain Management

Head of Business Division

Work items:

1. Customer relationship
2. Product life cycle
3. Supply chain management
4. Product quality and safety

Environmental Sustainability

Head of General Affairs Department

Work items:

1. Greenhouse gas emissions
2. Management of climate-related topics
3. Energy management
4. Water resource management
5. Waste management
6. Fuel management

Key work items for ESG in each dimension are shown in the table below:

Dimension		Key ESG work items
Corporate Governance	Corporate governance and risk management	1. Engagement with investors 2. Risk management policy 3. Lawsuit for anti-competition behavior 4. Board of Directors 5. Shareholding and controlling power 6. Functional committee 7. Information security
Environment	Environmental sustaina bility	1. Greenhouse gas emissions 2. Management of climate-related topics 3. Energy management 4. Water resource management 5. Waste management 6. Fuel management
Social	Customer relationship and supply chain management	1. Customer relationship 2. Product life cycle 3. Supply chain management 4. Product quality and safety
	Employee development and social responsibility	1. Manpower development 2. Employee safety 3. Community relationship



2.4 Ethical management

G-SHANK carries management philosophy of integrity, transparency and responsibility. For the perfection of ethical management, we conduct business activities in accordance with integrity-based policy and fair & transparent methods, promote the establishment and implementation of relevant prevention measures, and establish good corporate governance and risk control mechanism to create business environment for sustainable development.

To deepen corporate culture and sound development of ethical management as well as establish mode of good business operation, we specifically established "Ethical Management Principles". Directors, supervisors, managerial officers, employees, mandataries or those who are with actual controlling power in the Company as well as the Group subsidiaries and organization (hereinafter referred to as actual controllers) must not directly or indirectly provide, promise, request or accept any improper interest during the process of business behaviors nor conduct any unethical behaviors that violate integrity, is illegal or breach of fiduciary duty in order to obtain or maintain interests.

The prevention measures established must at least cover the following：

1. Paying bribes and accepting bribes.
2. Providing illegal political donations.
3. Improper charity donations or sponsorship.
4. Providing or accepting unreasonable gifts or treat and other improper interests.
5. Violating business secret, trademark right, patent right, copyright, and other intelligent property right.
6. Engaging with unfair competition.
7. Directly or indirectly damaging consumers' or other stakeholders' rights, interests, health and safety when developing, purchasing, manufacturing, providing or selling products or services.

1. We sign "Integrity and Confidentiality Commitment" with suppliers to prohibit all employees and their relatives conducting lending, leasing and investment that is not assigned at work with contractors in direct or indirect contact as well as any activities that are not directly related to work.
2. The General Affairs Department in the Administration Division is assigned as the unit serving concurrently for ethical management. Methods of ethical management is promoted and explained through the factory-wide monthly meeting. In addition, the methods of ethical management will be proposed and reported at the Board meeting.
3. We have formulated "Ethical Management Principles" for internal employees. If found any violation, the General Affairs Department or the Audit Office will collect relevant information before asking the related party to provide statement and explanation.
4. To ensure the implementation of ethical management, we established effective accounting systems and internal control system. Internal auditors will visit subsidiaries in the Group regularly to verify the compliance of above systems.
5. Other than providing training to new employees, we also conduct experiential learning to employees in batch every year to ensure employees understand the importance of integrity.

To deepen the corporate culture and sound development of ethical management as well as establish good mode of business operation, G-SHANK formulated "Ethical Management Principles" and "Ethical Management Operating Procedures and Code of Conduct". The first edition was formulated on December 29, 2015 and the second edition was revised on March 20, 2020.

According to Article 2 of the "Ethical Management Principles", which specifies prohibition of unethical behaviors: Directors, supervisors, managerial officers, employees, mandataries or those who are with actual controlling power in the Company as well as the Group subsidiaries and organization must not directly or indirectly provide, promise, request or accept any improper interest during the process of business behaviors nor conduct any unethical behaviors that violate integrity, is illegal or breach of fiduciary duty in order to obtain or maintain interests.

Objects of above behaviors include public servants, political candidates, members or officials of political parties as well as any enterprises or institutions in public or private sector and their directors, supervisors, managerial officers, mandataries, actual controllers or other stakeholders.

Above principles, including "Ethical Management Principles" and "Ethical Management Procedures and Code of Conduct" are applicable to all directors, high management team, managers, and employees in Taiwan HQ and global subsidiaries.

2.4.1 Dissemination and educational promotion

In 2025, four sessions of educational training related to ethical management topics were held, including protection of intellectual property, authorization of contract signing, insider trading, business secret, anti-corruption promotion, and business ethics.

The competent governing body in the Company promotes information related to ethical management to all employees and directors by email irregularly. Besides, the ethical management policy is linked with employee performance evaluation and human resource policy to establish a clear and effective reward system.

2.4.2 Whistleblowing and protection systems

G-SHANK has internal independent whistleblowing email and hotline in place or entrusts other external independent institutions to providing whistleblowing email and hotline for the use of internal and external personnel.

Dedicated personnel or unit is assigned to deal with whistleblowing. If the matter reported involves a director or a senior management personnel, it shall be submitted to independent directors. Categories of reported matters and standard operating procedures of investigation must be established. When necessary, it shall be reported to the competent authority or transferred to judicial authority for investigation. The acceptance of the report, investigation process, investigation result, and relevant documents are recorded and stored. Besides, we protect the identity of the whistleblower's and the content reported and implement whistleblower reward measures.



2.4.3 Statement of internal control

Please refer to 2025 Annual Report for the statement of internal control.

2.4.4 Regulatory compliance



G-SHANK complies with regulations and observes law. Legal regulations related to management are collected and organized regularly. If there is any addition or revision, the responsible unit will immediately review whether the current operating mode and behavior comply with the regulations and assist to disseminate the policy to each unit.

The following table provides information on whether there was any violation of regulatory compliance against important governing laws, internal methods or procedures related to corporate governance, environment, economy, and social in 2025:

Category	Important governing law in Taiwan	Corresponding methods/ charter/ procedures established	Whether there was violation in 2025
Corporate governance	Company Act, Corporate Governance Best Practice Principles, 、 Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, Audit Committee Charter, Remuneration Committee Charter	Ethical Management Principles	We carried out any activities according to law. Therefore, there was no material monetary fines or other non-monetary punishment.
Employee	Labor Standards Act, Employment Service Act	Work Rules	We followed the Labor Standards Act, and there was no material violation against Labor Standards Act or labor-management dispute and other punishment.
Labor rights and conditions	Act of Gender Equality in Employment, Labor Insurance Act, Labor Pension Act, National Health Insurance Act, Employee Welfare Fund Act, Regulations of Leave-Taking by Workers, Regulations for Implementing Labor-Management Meeting	Management Manual of Educational Training, Educational Training Control Procedures, Personnel Qualification Assessment Control Procedures, Employee Resignation Policy, Regulations Governing Mentoring System	There was no forced labor in any of our operating sites and in our important suppliers.

Category	Important governing law in Taiwan	Corresponding methods/ charter/ procedures established	Whether there was violation in 2025
Economy	Fair Trade Act, Patent Act, Copyright Act, Intellectual Property Right, Trade Secret Protection Act, Computer-Processed Personal Data Protection Act...etc.	Confidentiality Agreement	No records of violation against economic and social regulations and no cases incurring fines.
Social	Civil Code, Communicable Disease Control Act, Sexual Harassment Prevention Act, Regulations for Establishing Measures on Prevention of Sexual Harassment in the Workplace	Sexual Harassment Prevention Measures, Complaints, and Punishment Regulations; Methods for Sexual Harassment Prevention Measures, Complaints, and Investigation	
Health and safety	Occupational Safety and Health Act, Enforcement Rules of the Occupational Safety and Health Act, Regulations for Occupational Health Protection, Regulations for the Occupational Safety and Health Equipment and Measures, 、Occupational Safety and Health Education and Training Rules ...etc.	Approval for Reference of Occupational Safety and Health Work Rules, Approval for Reference of Occupational Safety and Health Organizations and Personnel	We followed Occupational Safety and Health Act and relevant regulations and did not have any occupational incidents nor being fined due to labor health examination.
Environment	Basic Environment Act, Climate Change Response Act, Waste Disposal Act, Resource Recycling Act, Air Pollution Control Act, Noise Control Act, Drinking Water Management Act, Effluent Standards, Water Pollution Control Act and its Implementation Rules ...etc.	Waste Disposal Procedures, Noise Control Procedures, Drinking Water Management Procedures, Waste Water Management Procedures ...etc.	We followed legal regulations related to environment and did not violate environment-related regulations nor being fined due to violation.

2.5 Communication with stakeholders

2.5.1 Identification of main stakeholders

Based on the six screening principles, "**responsibility**", "**influence**", "**closeness**", "**dependent**", "**representativeness**", "**policy and strategic intent**", G-SHANK identified four key stakeholders through the meeting of the Sustainable Development Committee, including investors (shareholders), employees, customers, and suppliers as well as two secondary stakeholders, banks and school.

We listen to stakeholders through various communication channels, collect topics concerned by stakeholders, and receive and respond to their expectation. Information related to stakeholders is as follows:



Shareholder/ investor

People who invest in our company or shareholders of our company

Employee

People hired by our company, including full-time personnel and part-time (contracted) personnel, covering duties in business, technology, quality assurance, management ...etc.

Customer

Companies that purchase products or services provided by our company

Supplier

Manufacturers who provide products or services to our company and charge us accordingly

Bank

Financial institutions that provides products or services to our company

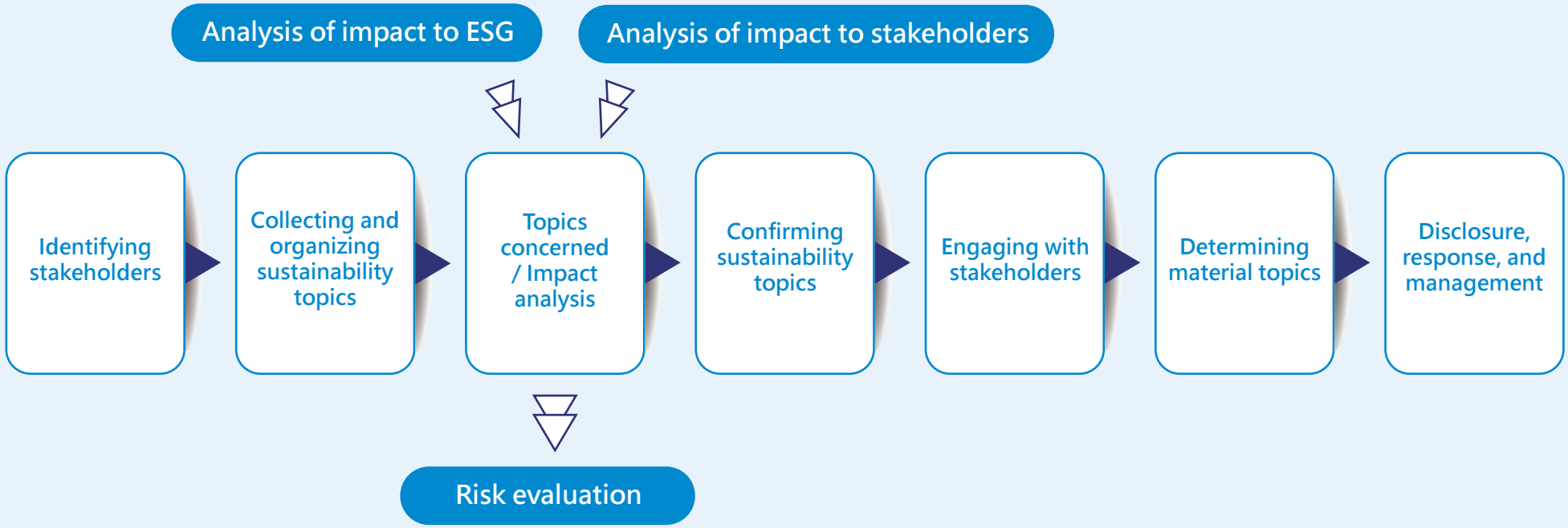
School

Academic units that interact with our company

2.5.2 Collection and evaluation process of sustainability topics

To ensure better understanding and response to topics concerned by stakeholders, G-SHANK refers to impacts generated by our business activities, industry type, and value chain and collects sustainability-related topics through stakeholder engagement and diverse methods like consultation with experts and advisers of sustainable development goals, industrial regulations and standards, and organizational annual goals. Besides, we focus on the inclusiveness, materiality, responsiveness, and impact specified in AA1000 Accountability Principle 2018 as main consideration to analyze topics concerned through identification, sequencing, confirmation, and review to comprehensively examine the effectiveness of sustainable management, disclose impacts , management strategies, and practical situations on each material topic, and ensure G-SHANK's sustainable development goals and strategies remain consistent with stakeholders' expectation as well as meet stakeholders' demands in terms of sustainability information disclosure to strengthen effectiveness of external communication.

There are 7 key steps in the evaluation process of material sustainability topics. Further information is as follows:



Step	Item	Explanation
1	Identifying stakeholders	When drafting the sustainability report, identify stakeholders related to business activities and confirm sustainability topics concerned with stakeholders.
2	Collecting and organizing sustainability topics	Sustainability topics can be collected through internal analysis, corporate policy & goal, risk evaluation, internal stakeholder, external stakeholder investigation, and international standards (such as GRI ESG three key dimensions, SASB, TCFD) to monitor sustainability topics that affect the enterprise.
3	Topics concerned Impact analysis	It can be conducted through double materiality assessment, including ESG impact analysis and stakeholder impact analysis, to consider risks to internal operation and external society.
4	Confirming sustainability topics	We adopt internal & external concern/ impact evaluation and matrix analysis to focus on topics that are with most strategic value.
5	Engaging with stakeholders	We find out stakeholders' demands and concerned topics through systematic engagement process and effective feedback mechanism as well as respond to their expectation to enhance sustainable development performance and reliability and establish sustainability strategies with more impacts.
6	Determining material topics	Materiality analysis is used to review sustainability topics identified to ensure the report focuses on topics with greatest impacts.
7	Disclosure, response, and management	Through direct and transparent disclosure, clear responses, and effective management methods, including policies, action plans, and performance indicators, the reliability and recognition of material topics are enhanced.



Sustainability topics are collected and organized in accordance with GRI200/300/400. Level of concern/ impact is rated between 1-5 (point(s)); 1 point refers to the lowest level of concern while 5 points means highest level of concern. The questionnaire and explanation are as follows :

	201 Economic Tax Performance		202 Market Presence		203 Indirect Economic Impacts		204 Procurement Practices		205 Anti-corruption		206 Anti-competitive Behavior		207 Tax	
	Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact
GRI 200	Company's economic value/ financial risks and opportunities generated by climate change/ financial support from government		Comparison of entry level wage and local wage in gender/ ratio of local residents in our senior management team		Investment to infrastructure/ financial impact to the company		Ratio of local procurement in Taiwan		All operating sites were implemented anti-corruption training/ whether there is any matters related to corruption in the past		Antitrust behavior		Special coping strategies for taxes	
	301 Materials		302 Energy		303 Water and Effluents		304 Biodiversity		305 Emissions		306 Waste		308 Supplier Environmental Assessment	
	Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact
GRI 300	Weight and volume of used materials/ status of recycling materials used/ recycling products and the packing materials		Internal and external energy consumption/ ratio of energy consumption/ how to reduce energy consumption/ specific methods to reduce energy required for products and services		Waste water discharge volume/ withdrawal/ consumption		Impact to ecology under climate change during business operation		Greenhouse gas emissions		Waste generated during the process of business operation/ what type the waste is/ methods of transportation and disposal/ methods of reduction		Method of environmental management selected by suppliers / the way suppliers deal with negative impacts if there is any.	

GRI 400

401 Employment		402 Labor/ Management Relations		403 Occupational Safety and Health		404 Training and Education		405 Diversity and Equal Opportunity		406 Non-discrimination		407 Freedom of Association and Collective Bargaining	
Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact
Status of new employees and resigned employees / status of parental leave		"Labor-Management Meeting" is held every quarter. When necessary, we also hold a special labor-management meeting/ notice for layoff		Occupational safety and health management system/ status of hazard source identification/ employee participation and engagement/ how to implement occupational safety and health measures/ potential risks to occupational injury or disease		Average employee training hours/ training courses that enhance employee competence/ ratio of employee receiving training		Employee diversity/ salary ratio between female and male employees		Cases of discrimination occurred/ improvement actions		Status of after-work clubs permitted during business operation	

408 Child Labor		409 Forced or Compulsory Labor		410 Security Practices		411 Rights of Indigenous Peoples		413 Local Communities		414 Supplier Social Assessment		415 Public Policy	
Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact	Concern	Impact
Status of using child labor		Whether there is any forced labor during business operation		Number of training hours received by security guard		Description of events involving with invasion of indigenous rights		Activities collaborated with local communities / impact to communities during the process of business operation		Supplier selection principles in terms of social topics/ whether suppliers involve with damage to communities		Whether there is political donation	

416 Customer Health and Safety		417 Marketing and Labeling		418 Customer Privacy	
Concern	Impact	Concern	Impact	Concern	Impact
Whether products or services provided causes damage to customers/ whether there is any concern for violation of customer health		Product labelling meets/ violates relevant regulations		Invasion of customer privacy	

Materiality assessment and identification considers above topics concerned significantly. Analysis on the concerned topics is conducted according to the steps of identification, sequencing, confirmation, and review to confirm the scope of material topic disclosure in the report as well as sustainable development challenges of material topics faced internally and externally. **Process of confirming material topics is as follows**:

STEP 1 **Confirming stakeholders**
Six key stakeholders

STEP 2 **Collecting sustainability topics**
Based on GRI 200, GRI 300, and GRI 400 series, 31 items of key sustainability topics were used as the topics of questionnaires

STEP 3 **Investigating level of concern from stakeholders**
A total of 168 questionnaires were issued.
155 valid questionnaires were returned.

STEP 4 **Sequencing analysis**
Based on the analysis result of previous step, the overall level of concern on "external economy, environment, and people (including human rights)" were analyzed and sequenced to draw X-Y Chart for 2025 material topics. A total of six material topics were identified.

STEP 5 **Confirmation**
After identifying the six material topics, the Sustainable Development Committee shall confirm the result and further evaluate internal and external organizational boundaries for the material topics. Through discussion and confirmation with experts and scholars, six material topics for the sustainable development strategy for the report were confirmed.

STEP 6 **Disclosure and Response**

Information on questionnaires returned by stakeholders are as follows:

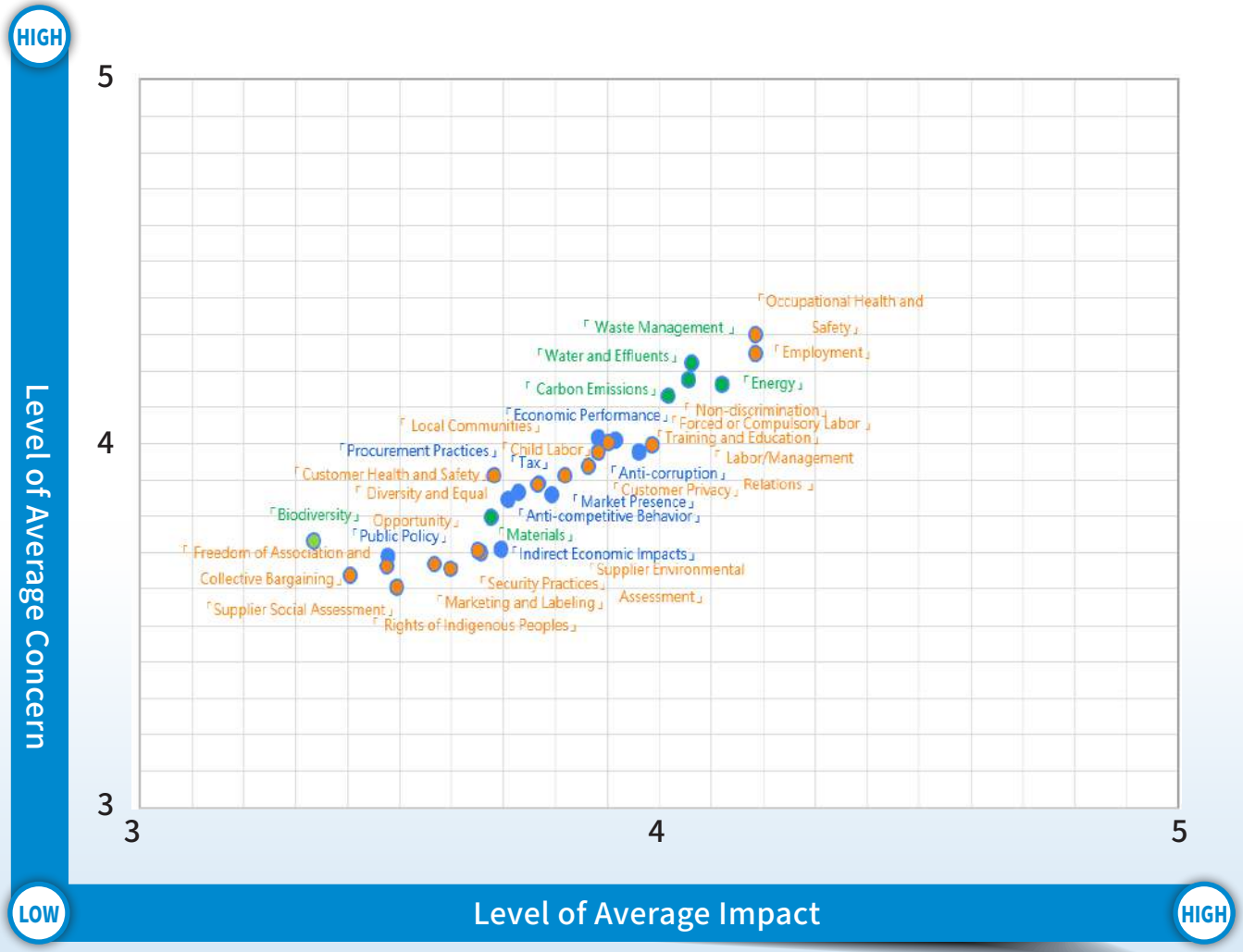
Stakeholder	Qurestionnaires issued	Questionnaire returned	Return rate
Shareholder	12	10	83%
Employee	100	97	97%
Customer	12	10	83%
Supplier	25	21	84%
Bank	12	12	100%
School	7	5	71%
Total	168	155	92%

2.5.3 Topics concerned/ impact evaluation

The Sustainability Development Committee reviewed the 31 topic-specific Standards under the GRI Sustainability Reporting Standards, aligned them with the material topics, and mapped them against the SASB Hardware Industry metrics. The Committee also consulted with in-house experts to assess changes in market trends, new technologies, competitors, and customer needs. Following approval by the Sustainability Development Committee, six material topics were confirmed.

For the GRI series, items with an average level of concern equal to or greater than 4.1 points, an impact level equal to or greater than 4 points, and an average score equal to or greater than 4 points were identified as the material topics disclosed in this Report.

Material Topic Matrix



Score for level of concern : 1= unconcerned; 2= less concerned; 3= ordinary (medium) concerned; 4= relatively concerned; 5= highly concerned

Score for level of impact : 1= no impact; 2= little impact; 3= ordinary (medium) impact; 4= relative impact; 5= high impact.

2.5.4 Communication with and response to topics concerned by stakeholders

Stakeholders	Topics concerned	Main communication channel	Frequency
Investor/ shareholder	Corporate governance Market position Anti-corruption Economic performance Carbon emissions	**News disclosure/ important message** : Media/Market Observation Post System; real-time disclosure/ publication of important messages Shareholders' Meeting is held once every year and an annual report is published every year. Investor Conference is held every year. Established contact for stock investor relation and stock affairs for two-way communication. **Contact person**: Miss Liao **E-mail**: winy@mail.gs.com.tw	•Irregular •Once/ year •Once/ year •Irregular
Employee	Employee welfare Labor-management relations Employment Occupational safety and health	Hold one labor-management meeting every quarter to maintain good communication with employees. Provide regular employee health examination. Arrange company trip and educational training courses. **Contact person**: Mr. Lan **E-mail**: ericlan@mail.gs.com.tw	•Once/ quarter •Once/ year •Regular
Customer	Customer protection and communication Service quality	Provide customers diverse communication channels and sign the confidentiality agreement. Communicate through diverse channels and visit customers irregularly. **Contact person**: Mr. Lin **E-mail**: jefflin@mail.gs.com.tw	•Irregular •Annual
Supplier	Supplier management Service quality	Communicate through diverse channels and visit suppliers irregularly. Sign Procurement Agreement and Confidentiality Agreement with suppliers. **Contact person**: Mr. Huang **E-mail**: rick@mail.gs.com.tw	•Irregular •Once/ year
Bank and school	Information disclosure Risk management Career development	Understand green finance and opportunities of participation. Hold ESG meetings irregularly for details of strategies and risk management. Organize industry-academia collaboration plan to strengthen the level of proactiveness and cooperation as well as establish trust and transparent communication. **Contact person**: Mr. Lan **E-mail**: ericlan@mail.gs.com.tw	•Irregular •Irregular •Irregular

2.6 Material topics and materiality assessment



Sustainable Development Committee" also referred to the standards established by Sustainability Accounting Standards Board (SASB) and followed SASB industry indicators. In addition, the Committee discussed and engaged with experts and stakeholders to evaluate market trend, new technology, counterparties, and change of customer demands. After being agreed by the Board of Directors and approved by the "Sustainable development Committee", a total of six material topics were confirmed, including energy, water and effluent, carbon emissions, waste, employment, and occupational safety & health.

2.6.1 Management of material topics

Item	Material topic	Major issue	Positive impact	Negative impact	Short-term goals	Medium-term goals	Long-term goals
1	Occupational Safety and Health	**Health care and employee protection**	Ensuring factory workers health and safety, enhancing employee trust, and complying with environmental, health and safety regulations.	Failure of implementing occupational safety and health effectively and complying with occupational safety regulations will cause cost risk and probability of occupational incidents and further affect corporate image.	No material occupational incidents.	No material occupational incidents.	1. Disabling injury rate is smaller than the average rate among businesses in the same trade. 2. Disabling injury severity rate is smaller than the average rate among businesses in the same trade. 3. Frequency-severity indicator is smaller than the average rate among businesses in the same trade.
2	Employment	**Talent attraction and retention**	1. Ministry of Labor launched the long-term retention of skilled foreign workers program. 2. Schools encourage students participating in the internship program.	1. The issue of low-birth rate in Taiwan is getting serious. It causes the decline of labor supply. 2. The cost of hiring employees is increasing.	1. Establishment of long-term retention of skilled foreign workers program. 2. Continuous working with schools for student internship.	1. Initiating mid-level skilled foreign workers retention program 2. Continuously recruiting students for internship and retaining talents.	Ensuring ratio of mid-level skilled labor and interns in the employee structure.

Item	Material topic	Major issue	Positive impact	Negative impact	Short-term goals	Medium-term goals	Long-term goals
3	Energy	Energy conservation/ Development of renewable energy	Implementation of effective energy management strategies can significantly reduce carbon emissions, enhance resource efficiency, and lower operating costs.	Failure of executing energy management effectively may cause unnecessary energy waste and the rise of costs, increase carbon emissions which causing impacts to the environment, and unable to achieve the goal of net zero promoted by the competent authority, leading to the penalty from the competent authority.	3. Elimination of energy-consuming equipment 4. Installation of high-efficient equipment 5. Regular maintenance on equipment	1. Using renewable energy 2. Installing the power consumption monitoring system 3. Optimizing the production process and reducing energy consumption	1. Enhancing average annual power consumption rate 2. Installing green energy to save electricity (solar power facility)
4	Waste	Waste management and resource recycling efficiency Recycling and reutilization	Requesting waste disposal and clearance providers to meet environmental protection helps deepening the value chain relationship.	Reviewing the status of waste clearance providers' to ensure compliance with regulations for environmental protection; regular on-site audit.	1. Establishment a system to visit waste clearance providers on the site once every year. 2. Implementation of waste classification and assignment of dedicated personnel to manage waste classification.	Conducting on-site audit to waste clearance providers once every year.	Reducing general business waste year by year.
5	Water and Effluent	Water saving/ waste water management	Establishment of system maintenance and inspection mechanism to maintain normal system operation can achieve the purpose of reducing discharge of pollutants. • Enhancing corporate image • Increasing customer satisfaction	Enhancement of self-monitoring on effluent quality and equipment inspection frequence as well as reduction of water consumption.	Purchase of pH meter	Effluent meets legal regulations.	Recycling rain water.
6	Carbon Emissions	Carbon reduction Carbon neutrality	A good greenhouse gas emission strategy can lower emissions step by step to achieve carbon neutrality and reduce the need of investing in the purchase of green power in the future.	Failure of working with the value chain partners to reduce greenhouse gas emissions may cause expensive expense for eco-friendly regulations as well as intensify global climate change.	1. Reduction of intensity of greenhouse gas Scope 1+2 emissions. 2. Greenhouse gas verification covers all subsidiaries in Taiwan.	1. Reduction of intensity of greenhouse gas Scope 1+2 emissions. 2. Greenhouse gas verification covers part of overseas subsidiaries.	1. Reduction of greenhouse gas Scope 3 emissions. 2. Greenhouse gas verification covers all overseas subsidiaries.

chapter

03

Green environment and environmental sustainability

3.1 Climate governance risk & opportunity (TCFD)
3.2 Net zero & carbon reduction
3.3 Energy efficiency
3.4 Value water resource
3.5 Resource recycling & reutilization



3.1 Climate governance risk & opportunity (TCFD)

General Affairs Department coordinates with business units in G-SHANK to establish "Sustainability Task Force" with the President as the convenor to promote cross-departmental communication as well as identify climate-related risks and establish and implement strategic risk management. We follow the framework of TCFD to identify risks, including transitional risks (policy, law, market, technology, and reputation) and physical risks (short-, medium-, and long-term). Besides, we evaluate financial impacts caused by potential events, the period affected, objects impacted in the value chain, and probability of risk.

In terms of opportunities, we evaluate resource efficiency, energy, products & services, market, and adaptability. The TCFD Team under the Sustainability Task Force is in charge of coordinating climate risk management, arranging risk identification and evaluation conducted by each department, and listing climate risks and opportunities to summarize material climate risks and opportunities. In facing climate change, we classify risks into transitional risks and physical risks and establish corresponding strategies.

Transitional risks include greenhouse gas emission control, carbon tax, carbon fee, and net zero emissions. Such risks my cause the increase in production costs and enhancement of facility costs like the purchase of renewable energy or the rise of carbon fee. The coping strategies include setting 2050 net zero emission goal, establishing task force to promote carbon reduction programs, developing low-carbon products, and participating in renewable energy programs. The expected cycle of influence is medium to long terms. For physical risks, we have identified the impacts of flooding caused by typhoon, power failure caused by earthquake, and global warming. Flooding by typhoon and power failure may cause production interruption and loss. The coping strategies are to evaluate risks on the site and draw up emergency response plans. The short-term goal is to reduce the risk of interruption. The rise of temperature causes power consumption demand and increased expense. Through energy management and greenhouse gas reduction strategy, we implement conservation. In the long term, we promote low-carbon production step by step. It is expected to save costs and reduce carbon emission. These measures aim to satisfy customer demands, increase income, enhance corporate resilience on climate, and in the end, support corporate long-term goal in sustainable development.



3.1.1 Analysis of climate risks and opportunities



G-SHANK conducted cross analysis in accordance with local geographic features and extreme climate frequency & impact level to evaluate impacts to our operation caused by each type of extreme climate. The results are as follow:

Transitional and physical risks	Impact	Physical opportunities
Heavy rain and flooding	1. Equipment damage: Flooding may soak product equipment, device, and electronic components and cause short circuit or permanent failure. 2. Production interruption: Production site is flooded and employees are unable to enter; production lines are forced to suspend. 3. Loss of materials: Flooding in the warehouse may cause dampness and deterioration of raw materials or products.	1. Installing drainage systems to enhance factory disaster resilience and responding speed. 2. Developing rainwater recycling and purification system to re-use the rainwater collected on non-manufacturing purposes (such as cooling and cleaning) and further implement water saving and recycling water resources. 3. Strengthening factory design and water resource classification management.
High temperature and heat wave	1. Rise of energy costs: The sharp increase of power consumption for air conditioning and cooling equipment enhances operating costs. 2. Risk to employee health: Working in the environment of high temperature may cause employees suffering from heat strike or the decline of production efficiency.	1. Introducing low energy consumption cooling system to enhance energy efficiency and improve working environment at the same time. 2. Establishing employee health and climate adaptation mechanism to strengthen corporate sustainability image in caring employees.
Strong wind and typhoon	1. Damage to factory building structure: Strong wind may blow off roof, and damage doors & windows or external facility. 2. Power interruption: A fallen utility pole or damaged grid equipment will cause power failure and affect production.	1. Investing infrastructure for disaster prevention (such as roof reinforcement) to enhance operating stability. 2. Establishing a fast recovery and emergency response system (BCP) to become a reliable partner that provide stable supply in the supply chain. 3. Developing distributed energy systems (like energy storage equipment, self-generated solar power) to reduce the dependency on external grid and strengthen business continuity.
Cost for compliance with environmental protection regulations	To meet legal regulations, factories may need to invest low-carbon equipment. It increases transition costs.	To meet energy saving and enhancement of resource efficiency required by environmental protection regulations, it reduces operating costs in the long term.
Policy support and financial incentives	Taiwan government promotes "2050 Net Zero" and provides subsidy and preferential loan to support enterprise transition. G-SHANK can obtain funds and technical support by participating in relevant programs.	1. Applying for the R&D subsidy for low-carbon technology provided by the government to enhance the feasibility of technical upgrade. 2. Through achieving goals of carbon reduction, the potential burden of carbon tax in the future is reduced. It enhances cost competitiveness.
Renewable energy and energy efficiency improvement	Along with the intensity of government's promotion in renewable energy and energy price volatility, G-SHANK may invest infrastructure of renewable energy (such as solar power panel or energy storage equipment) to reduce long-term operating costs and enhance resilience.	3. Installing solar power panels in the factory area to further reduce dependency on traditional electricity. 4. Investing high-efficient manufacturing equipment and smart energy management system to reduce energy waste during the production process. 5. Developing internal energy power supply system to maintain stable production during power failure.

3.1.2 Strategy

Period	Item	Description
Short-term strategy	Infrastructure resilience	Upgrading the drainage and flood prevention systems in the factory and installing pumping equipment and discharge channels to reduce impacts caused by flooding.
	Response to power interruption	Installing energy storage backup system and optimizing the internal power distribution system to ensure no production interruption during power failure.
Medium and long-term strategy	Optimization of energy structure	Installing solar power panel equipment to enhance ratio of self-generated power and reduce dependency on traditional
	Water resource management	Installing rainwater recycling system for the use of cooling system or non-drinking need to reduce impact caused by drought.
	Supply chain sustainable cooperation	Working with suppliers to establish the goal of green supply chain and ensure overall operation meets requirements of carbon reduction.
	Product innovation	Satisfying market demands in green technology to enhance competitiveness.

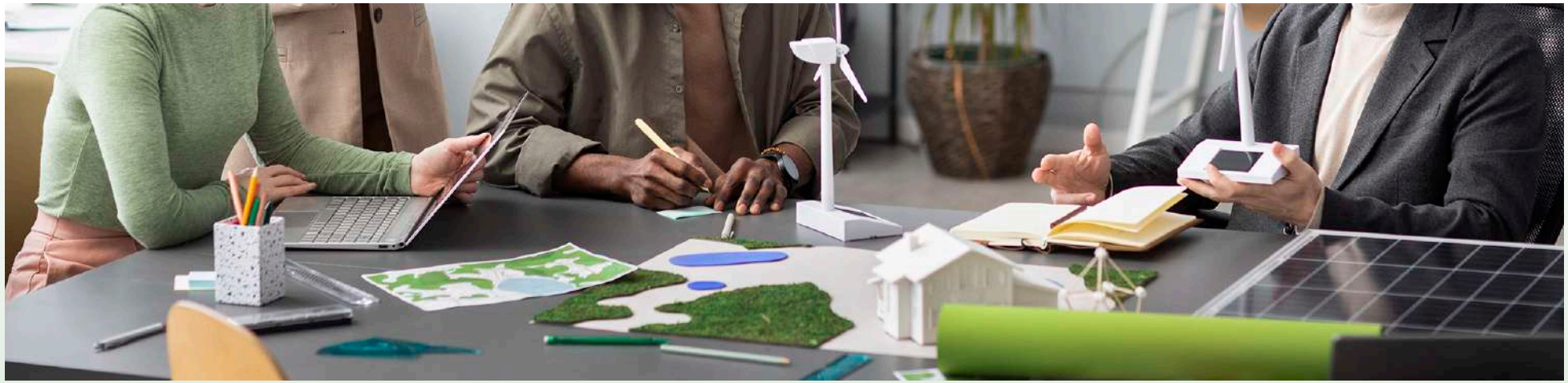
3.1.3 Risk Management

Period	Item	Description
Physical risk	Infrastructure for disaster prevention	Increasing drainages and strengthening structure of factory building to respond to physical risks caused by typhoon and heavy rain.
	Reduction of impact caused by power failure	Installing energy storage facility and power generation system to ensure continuous operation on core equipment.
	Emergency response plan	Establishing emergency strategies during production shutdown to ensure rapid recovery of production and reduce losses.
Transitional risk	Policy adaptation	Establishing climate policy tracking system to respond to the change of legal regulation in advance and apply for government subsidy to reduce transitional costs.
	Upgrading technology	Drawing up plans of equipment renewal every year to ensure compliance with energy saving and low carbon standards as well as providing technical training to employees.
	Market adaptation	Developing solutions that meet green product demands and working with suppliers to promote green transformation.

3.1.4 Metrics & Targets

Metrics	Targets
Days of shutdown caused by climate disaster	Work hard to avoid losses caused by climate disaster every year.
Product carbon emissions and energy consumption per unit	Reduce intensity of carbon emissions year by year before 2030.
Ratio of self-generated renewable energy	Aim to use renewable energy effectively by 2040.

While facing challenges of extreme climate, G-SHANK also faces many opportunities at the same time, especially in green manufacturing, energy transformation, policy support, and market expansion. Through actively adopting strategies, we are able to achieve effective transition and turn climate challenges into market advantages to fulfill long-term goal of sustainable development and grow of economic benefits.



3.2 Net zero & carbon reduction

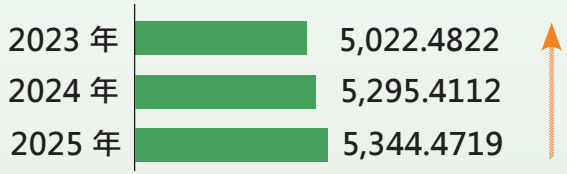
Emissions in the past three years are as follows :

	2023		2024		2025	
Item	Category 1	Category 2	Category 1	Category 2	Category 1	Category 2
Emission	265.4419	4757.0403	298.1444	4997.2668	222.3912	5122.0807
Total	5022.4822		5295.4112		5344.4719	
Ratio	5.29%	94.71%	5.63%	94.37%	4.16%	95.84%

3.2.1 Trend analysis

Total emissions

Unit: ton CO_2e



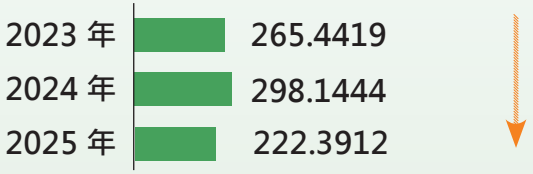
Total emissions

Increased by 49.061 metric tons of CO_2e (approximately 1%)

Compared to the base year, the main source In 2025, emissions increased by approximately 1% compared with the previous year, while annual revenue grew by 12.66%, demonstrating improved efficiency in the Company' s use of resources.

Category 1 emissions

Unit: ton CO_2e

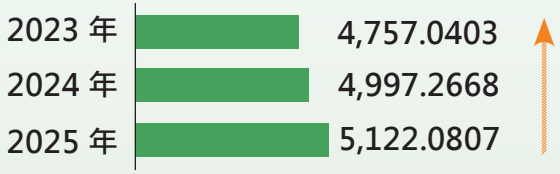


Emissions

Decreased by 75.7532 metric tons of CO_2e (approximately 25%)

Category 2 emissions

Unit: ton CO_2e



Emissions

Increased by 124.8139 metric tons of CO_2e (approximately 2.5%)

Revenue increased compared with the previous year, resulting in higher demand for electricity.

Note: The above information pertains to the Taiwan Headquarters.

3.2.2 Emission intensity and effectiveness

Carbon intensity is calculated by total emissions and power consumption for production to evaluate carbon emission intensity of each unit of electricity.

Carbon intensity in 2023

$$\frac{5{,}022.4822 \text{ ton } CO_2e}{9{,}615{,}200 \text{ kWh}} \approx 0.522 \text{ KG } C0_2e/\text{ kWh}$$

Carbon intensity in 2024

$$\frac{5{,}295.4112 \text{ ton } CO_2e}{10{,}519{,}600 \text{ kWh}} \approx 0.503 \text{ KG } C0_2e/\text{ kWh}$$

Carbon intensity in 2025

$$\frac{5{,}344.4719 \text{ ton} CO_2e}{10{,}806{,}077.4 \text{ kWh}} \approx 0.490 \text{ 公斤 } C0_2e/kWh$$

The carbon intensity in 2025 was lower than that in 2024, indicating improved electricity efficiency.

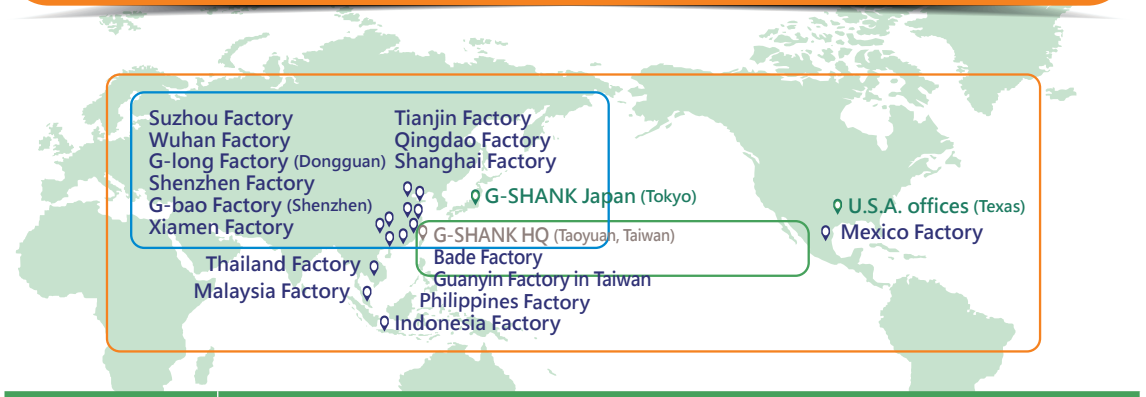
3.2.3 Future prospect and goal of emission reduction

Along with more and more serious global climate change challenges, as an industry-leading enterprise, G-SHANK deeply understands corporate social and environmental responsibility. We firmly believe sustainable management and environmental protection responsibility not only are the necessary path to future development but also an important commitment to the next generation. Therefore, we solemnly declare G-SHANK will fully promote the goal of net zero and devote to become the model in the industry.

2022 Completed carbon verification in HQ and Factories in Taiwan.

2024-2025 Completed educational training on carbon verification in overseas subsidiaries.

2026 Completion of carbon verification in overseas subsidiaries.



Outlook and Target	Explanation
Target of carbon reduction	We plan to achieve it through continuous energy-saving measures, optimization of energy structure, and use of renewable energy.
Energy transformation	We extend the use of renewable energy, such as solar power panel, to enhance the ratio of green electricity used in the factory step by step.
Scope of integration III	In the future, we will include emissions from the supply chain and product life cycle, enhance overall management capability, and strengthen collaboration with upstream and downstream enterprises to reduce emissions.

3.3 Energy efficiency

Energy is the core resource for G-SHANK to maintain production operation and enhance efficiency. Besides, it is an important management topic when facing challenges of climate change. As a leader in the precision stamping mold design and manufacturing in Taiwan, we deeply understand crucial impact of energy utilization on operational effect, carbon emission, and corporate sustainability.

Under the background of responding to international climate policy trend and stakeholder expectation, G-SHANK incorporates energy management into corporate core strategy to fulfill goals of enhancing energy efficiency, reducing carbon footprint, and promoting transformation of renewable energy.



3.3.1 Energy management policy

G-SHANK is devoted to fulfill high-efficient use of energy and commitment to environmental protection. We established following energy management policies:

- **Optimization of product process :** We continue equipment upgrade and technology innovation to reduce energy waste.
- **Promotion of renewable energy application** : We install more green electricity to reduce dependency on traditional energy step by step.
- **Digital energy management** : We adopt a digital monitoring system to precisely analyze energy consumption data and establish improvement plans accordingly.
- **Education and training :** We enhance employees' awareness in energy saving and promote an energy-saving culture.

3.3.2 Strategies and goals

Period	Description
Short-term goals (2023-2025)	To complete the upgrade of energy saving on main equipment (air conditioner and air compressor) to enhance overall energy efficiency.
Medium-term goals (2026-2030)	To increase the ratio of using renewable energy (such as solar energy).
Long-term goals (2031-2040)	To implement green manufacturing in the whole factory, reduce carbon footprint, and promote whole-factory automation technology application for energy saving.

3.3.3 Energy-saving programs and effect

Item	Goal/ target	Program	Status before implementation	Implementation result
1	Replace all traditional fluorescent tubes in the factory with T5 or LED energy-saving tubes	All the traditional tubes were replaced with T5 or LED tubes in 2010.	The traditional tubes in the factory consumed more power. They were replaced with T5 or LED energy-saving tubes.	Completed replacement of T5 or LED tubes in the factory to reduce electricity consumption as well as CO_2 emissions.
2	Replace air compressors with variable frequency compressors	Replace traditional rotary screw compressors with variable frequency compressors	Traditional rotary screw compressors are with lower efficiency and more power consuming.	Reduced power consumption and CO_2 emissions.
3	Green power generation	Installation of solar panels on factory roof	Traditional power energy tends to generate more impacts to environment.	The installation capacity is 197.65KW. It generates green electricity in around 209,114 kWh every year.
4	Enhance saving on electricity	Use two units of chiller to supply chill water through serial connection	Original chiller system was only in 75% output effect because of wear and tear of the compressor. It caused more power consumption.	Two equipment are connected in series to supply chill water to a small air cooler. When the chill water reaches 9 degrees, one of the chillers will shut down to reduce power consumption.
5	Energy-saving system	Installation of solar panels for hot water for accommodation	It consumed more power and was unable to be controlled effectively.	Achieved the purposes of energy saving and cost saving.

	Measure	Description	Energy-saving effect	Budget invested	Total
Energy-saving measures and effect in 2025	Chiller Replacement and Upgrade	Installation of a New High-Efficiency Chiller	23,365 kWh	NT$1,300,000 (tax included)	23,365 kWh
Energy-saving measures and effect in 2024	Air-Conditioning Equipment Replacement and Upgrade	Installation of New High-Efficiency Air-Conditioning Equipment	38,256 kWh	NT$1,579,200 (tax included)	53,533 kWh
	Air Compressor System Upgrade	Energy-Saving Benefits of Air Compressor Upgrades	15,277 kWh		

Energy-saving effect in 2024-2025 :
Cumulative Electricity Savings: 53,533 + 23,365 = 76,898 kWh
Calculated based on the electricity emission factors for the respective years: 53,533 × 0.494 + 23,365 × 0.474 = 26,445.302 + 11,075.01 = 37,520.312 kgCCO_2e. From 2024 to 2025, the Company cumulatively reduced carbon eissions by approximately 37.520 metric tons of CO_2e.

Note: The above information pertains to the Taiwan Headquarters.

3.3.4 Suggestions and future plans

Continuous equipment replacement

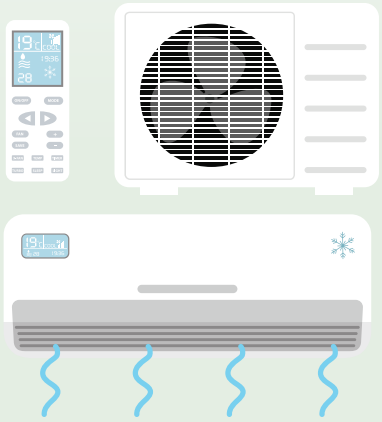
Speed up renewal plans for high-power consumption equipment, like air conditioner and air compressor to further enhance overall energy efficiency.

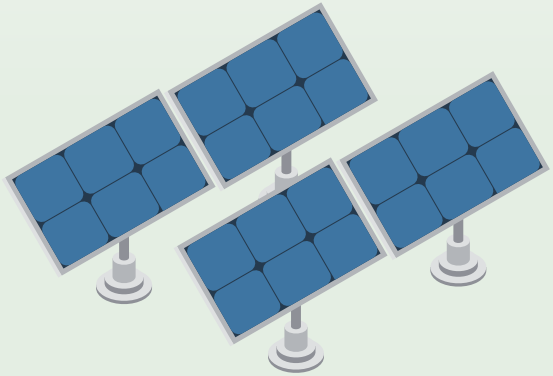
Speeding up renewable energy introduction

Install solar panels in the factory area or purchase green electricity to reduce dependency on traditional electricity step by step.

Smart energy management

Establish an energy monitoring system to timely track power consumption data and optimize the configuration, especially the adjustment and control in high power consumption period.







3.4 Value water resource

G-SHANK carries management principles of "water resource classification for reutilization and recycling" and work hard to enhance water resource efficiency and reduce impacts to environment. Currently, we mainly optimize water allocation through classification of tap water and underground water. We ensure water resources for production and non-production purposes are re-used most efficiency.

In the future, we will further strengthen rainwater recycling to construct a complete water resource recycling system.

Rainwater recycling

We installed facilities for rainwater collection and storage in the factory. The rainwater is used for purposes of cooling, irrigation and cleaning to reduce our dependency on tap water.

Through these measures, G-SHANK will further implement sustainable water resource management, not only reducing overall water consumption but also mitigating the environmental impact of wastewater discharge, thereby laying a solid foundation for achieving the company's long-term sustainability goals.

Note: The 2025 data are group-wide data, excluding the Guanyin Factory and the Philippines Factory.

Item	Content	2024(Taiwan Headquarters)	2025(Group)
Water resource management	Water consumption	13,025 (tons)	98,164 (tons)
	Water consumption intensity	7.9769 tons/ NT$ million revenue	13.1835 tons/ NT$ million revenue
	Water resource management or reduction targets	Effluent water quality testing is conducted annually to ensure compliance with irrigation water quality standards.	



3.5 Resource recycling & reutilization



3.5.1 Policy and commitment

Along with the increasing attention on environmental sustainability development, G-SHANK is devoted to promote waste management strategy to reduce impacts to environment during the manufacturing process. We carry the principle of "maximum resource utilization and minimum waste generation". Through refined management, technology innovation, and recycling program, we aim to achieve the goal of waste reduction step by step and ensure waste disposal meeting relevant environmental protection regulations.

3.5.2 Waste management policy

G-SHANK'S waste management strategy focuses on the followings:

- **Green procurement：** We purchase raw materials that are recyclable and reduce buying single-use materials to ensure materials being recycled and reused.
- **Source reduction：** We optimize production process during product design and manufacturing to reduce material consumption and waste generation.
- **Classification and recycling：** We established a complete waste classification system to enhance resource recycling rate and maximize value of reusable materials.
- **Safe disposal：** We ensure all unrecyclable waste being handled in legal and eco-friendly methods to reduce impacts to environment.
- **Continuous improvement：** We enhance waste management efficiency through data monitoring, employee training and supply chain management to ensure corporate sustainable development.

3.5.3 Waste management performance and trend

Item	Content	2023(Taiwan Headquarters)	2024(Taiwan Headquarters)	2025(Group)
Waste management	Harmful waste	0	0	0
	Non-harmful waste	125.6590 tons	111.3410 tons	867.875 tons
	Total weight (harmful + non-harmful)	125.6590 tons	111.3410 tons	867.875 tons
	Waste intensity	0.0918 tons/NT$ million revenue	0.0682 tons/NT$ million revenue	0.1166 tons/NT$ million revenue
	Waste management policy or reduction	ecycling pallets, release paper, paper plates and tray for reutilization.		



Main waste management measures

Process optimization and source reduction

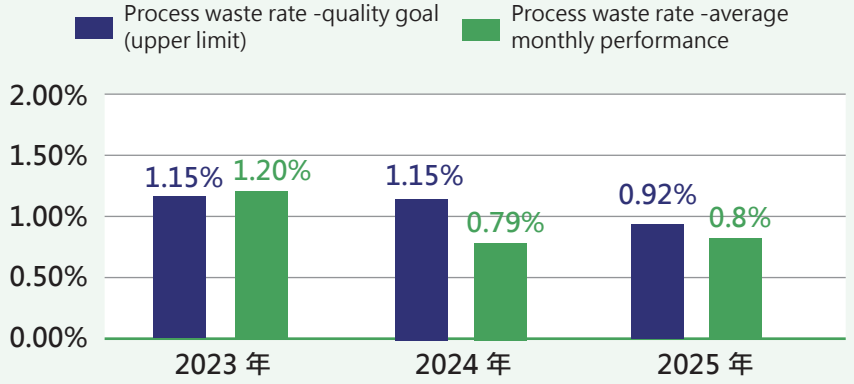
1. Material Loss Management

TBy introducing the A3 report analysis method, the root causes of material loss are identified and improvement measures are implemented.

2. Process Loss Control

- The process loss rate was 1.20% in 2023, decreased to 0.79% in 2024, and was 0.8% in 2025.
- A process loss monitoring mechanism has been established to continuously optimize production processes through data analysis.

Process Waste Rate



Note: The above information pertains to the Taiwan Headquarters.

Waste classification and resource recycling

Establishment of recycling mechanism

- Recycling areas for metal waste, plastics, paper, and packing materials were established to enhance classification efficiency of recyclable materials.
- Through supplier collaboration programs, we recycle part of materials to re-process for reutilization.

Supply chain collaboration and regulatory compliance

Environmental protection requirements for supply chain

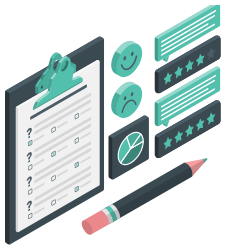
We request suppliers to provide environmental substance testing reports to ensure our supply chain meets **RoHS, REACH** and other international environmental regulations.

Regulatory compliance and internal audit

Waste disposal follows environmental regulations. We receive regular environmental inspection from the government and ensure compliant operation. The internal audit team conducts waste management review every year to ensure the classification and disposal standards meet corporate and eco-friendly requirements.

3.5.4 Suggestions and future plans

Classification	Item	Description
Strengthening resource recycling	Enhancing classification efficiency	Adding more categories for waste classification in the factory to increase employees' classification awareness and execution ability and reduce putting recyclable items into incineration process.
Reducing waste incineration	Promoting waste-reduction production	Incorporating waste reduction into production process design to reduce waste generation by optimizing the process.
	Using alternative materials	Reducing the use of unrecyclable materials and using eco-friendly substitute to reduce incineration volume.
Environmental education	Employee training	Providing regular waste management and environmental sustainability education to employees to strengthen internal awareness in waste reduction and classification.
	Community cooperation	Collaborating with local communities or government to promote waste management projects and create good corporate social image.



chapter

04

Green production & manufacturing

4.1 Items of main product
4.2 Quality management
4.3 Business performance



4.1 Main Products

G-SHANK has been specialized in the area of precision manufacturing. Our products are widely used in all aspects of life, such as electronic, automotive and medical industries. Our precision stamping parts are applied in high-performance servers and mobile equipment. They are able to effectively enhance product life cycle and stability and are fully trusted by global famous brands. We provide our customers high-quality and high-reliability products.

Electronic Products

Connectors, structural parts, and precision stamping parts to be applied to electronic products, including mobile phone, computer, and server.



Automotive component

Battery module for electric cars and automotive electronic parts to provide green and high-efficient solutions to the automotive industry.



Medical Devices

Components for medical devices to provide high-precision products to the medical industry.



Automotive product

G-SHANK has accumulated a lots of molding technology and capability. Based on different demands from customers, we provide high-quality connectors and power steering systems. Because of the popularity among international manufacturers, we work together with many tier-1 famous manufacturers to develop.various electronic components to satisfy product design.



Industrial Equipment

Economic development comes along with industrial equipment. Good equipment and products always rely on precision parts. With experience of more than ten thousand sets of molds accumulated, With integrated manufacturing capacity and costs that meet customer expectation. G-SHANK has assisted several international manufacturers to expand their business in industrial market successfully.



Description of main products and applications :

Main product		Key application
Parts	Precision terminal	Mobile phone I/O connector terminals to connect various signals in the mobile phone. Automotive electronic-related connectors to connect in-car smart system.
	Outer casing	Outer casing for memory card connectors to protect internal components. Industrial mechanical relay/ no-fuse breaker/ uninterruptible power supply ...etc.
	Backlight module	Various panels used on smart phone/ in-vehicle screen/ industrial machinery screen.
	Mechanical component	Internal mechanical components used on projector, digital camera, and smart phone.
	Heat sink	On copper clad laminate for in-vehicle LED head light.
	Insert molding	Memory card core components, waterproof USB transmission connector, car motor & braking system, and medical noninvasive components.
Mold		Stamped & insert molding precision parts for computer, consumer electronics, communication electronics, in-car electronics, and medical electronics .
Fixture		Accessories for production equipment.

Product application

18% Consumer electronics

- Home appliance
- Digital camera
- Game console
- Switch
- Video camera

19% PC/NB

- I/0
- Type C
- USB
- HDMI
- FPC/FFC
- Memory Card
- Board-to-board

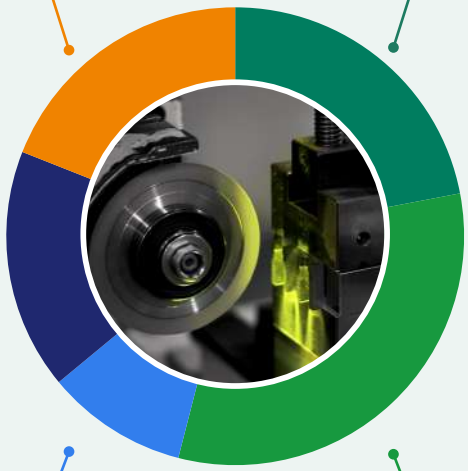
12% Internet related

- Mobile phone
- ADSL
- Network communication

2022:20%
2023:21%
2024:19%

2022:20%
2023:16%
2024:17%

2022:13%
2023:11%
2024:13%



2022:19%
2023:22%
2024:19%

2022:28%
2023:30%
2024:32%

18% Automobile related

- Voltage regulator for power generator
- Transmission oil cooler
- GPS/USB/ charger connector
- Connector for air bag and safety belt
- Air-conditioning system
- Fuse
- Button adaptor
- Tire pressure monitoring
- Vehicle lighting assembly
- Security system
- Automotive camera modules

33% Industry and others

- Sensor
- Relay
- No-fuse breaker
- PLC
- Timer
- Blood glucose meter
- Medical care related
- Lead frame
- Furniture hardware
- Jewelry industry

4.2 Quality management

4.2.1 Quality policy and statement

On top of the ultimate goal of providing products and services that satisfy customers, we established creative actions that fully pursue quality improvement and rapid-advancing technology.

Quality Policy

Quality first, Total quality management
Technology R&D, Striving for excellence
Service implementation, Customer Satisfaction

Quality Statement

No acceptance of defectives, No provision of defectives, No production of defectives
Providing good production, Providing good R&D, Providing good service
Implementing internal audit of PDCA effectively

Quality Guidelines

Centered on "customer satisfaction" as the highest principle. Our integrated and automated production provide whole-process services.
We strengthen management in quality, cost and effect to provide more efficient quality and service.

4.2.2 All-round services

G-SHANK has always focused on product innovation and quality over the years. We promise to follow high-standard professional principles for product management and ensure the development, design, and launch of each product as well as subsequent management satisfy market demands and go beyond customer expectation.

G-SHANK established benchmark for the operation of quality management system and continuous improvement activities. We identify and arrange operational activities and resource demands in accordance with quality planning to achieve the quality goals. "Quality Goal and Quality Planning Control Procedures" was established on February 1, 1996, and the President is in charge of cording and deciding quality goals for the organization as well as relevant functions and teams.

G-SHANK controls quality plans in accordance with regulations of the quality management system, including all operating processes specified in ISO 9001/ IATF 16949 Quality Management Systems.

Our quality planning is as follows :

A Product quality planning

a. For each type (or series) of products, we established specific control plans (QC flow chart) to control the manufacturing and inspection of products.

b. For each workstation in the management flow chart, we established relevant manufacturing and/ or inspection instruction to include product quality required and to use it as the accordance for the related manufacturing, assembly, packing, and inspection procedures.

c. The management flow chart is produced by R&D Department with the responsible personnel from quality assurance and manufacturing. Besides, it shall follow documentation and data control procedures.

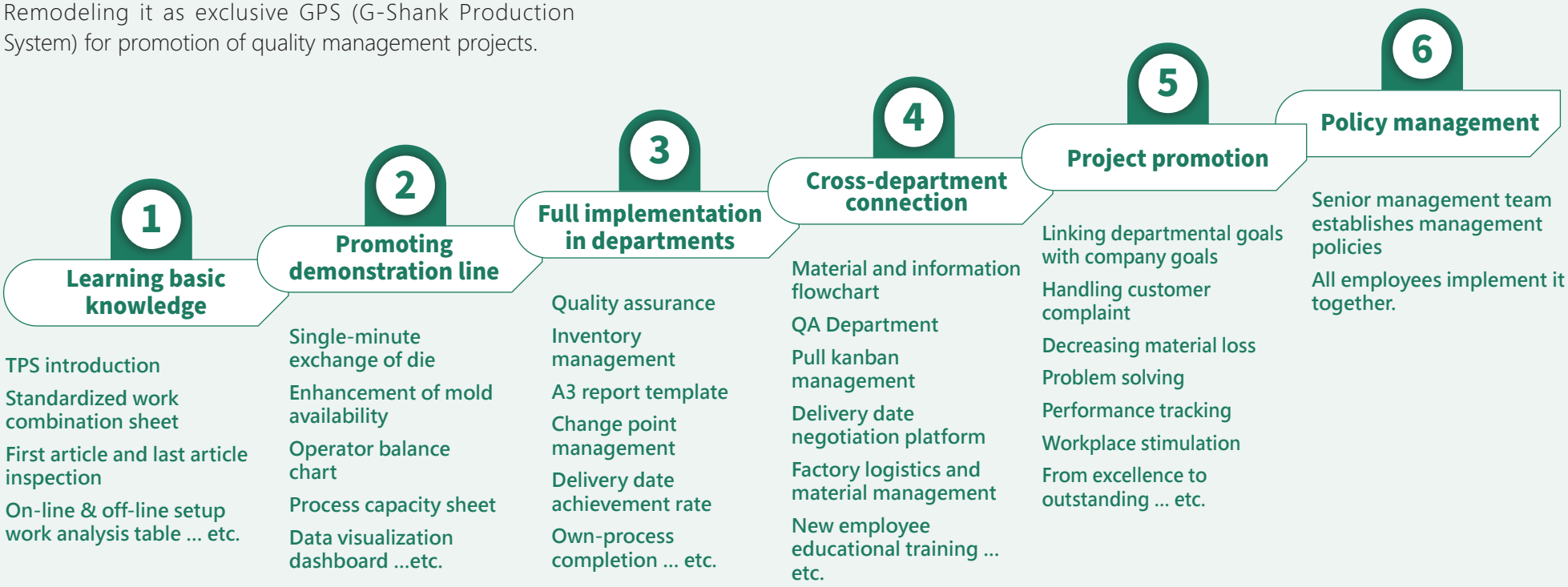
B Quality planning for operational pr ocess and product monitoring and measurement

To ensure product quality meeting customer requirements, the scope of our operational process control covers from customer inquiry, order acceptance, design development, procurement, manufacturing process control, material inspection, process inspection, final inspection, warehousing & product storage ... etc. to product shipment and customer complaint. Relevant control procedures and/ or operating standards were established to achieve the effectiveness of quality management.

4.2.3 Lean management -TPS

Introduction of TPS (Toyota Production System):

Remodeling it as exclusive GPS (G-Shank Production System) for promotion of quality management projects.



G-SHANK introduced TPS management system in 2018 to reduce unnecessary waste during the production process in systematic production methods. The final goal is to realize high production efficiency, zero inventory, and stable product quality with the least work and create an ideal status of maximum value.

We have achieved the following goals:

1 Reduction of customer complaint

Methods of reducing customer complaint

Establishment of Quality Obeya Room → Disclosure and review quality performance every day → Using A3 report to find out causes and formulate strategies → Strategy verification & horizontal expansion

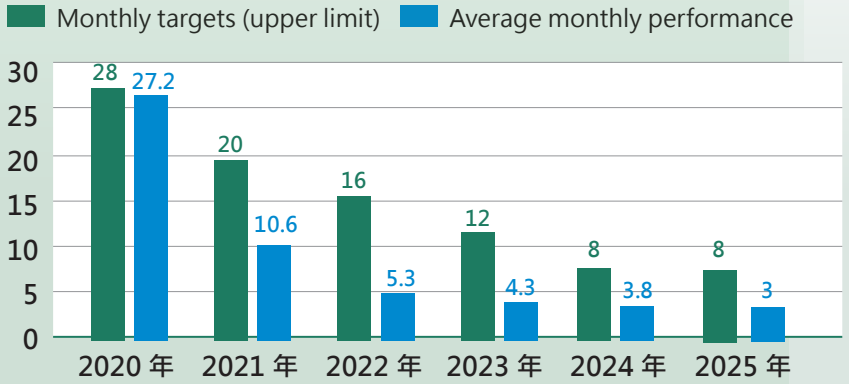
Before improvement	After improvement
Abnormality management	Monthly quality meeting
Prepare 8D report; relevant departments provide investigation results; hold a monthly quality meeting.	• Meeting time: 2PM every afternoon • Organizer – Quality Assurance Center • Update of quality information – Quality Assurance Center • Abnormality explanation, investigation progress, and handling discussion – each responsible department • Provide causes and solutions for cases that have been completed investigation and solutions. • Confirm effect and closure.

Results

Number of customer complaint cases

Year	2020	2021	2022	2023	2024	2025
Monthly targets (upper limit)	28	20	16	12	8	8
Average monthly performance	27.2	10.6	5.3	4.3	3.8	3

Statistics of customer complaints (monthly average)



2 Decreased time spending on mold changing

3 Reduction of inventory value/ space/ time spending on taking inventory

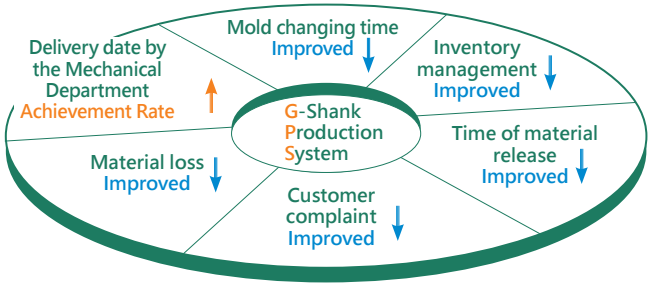
4 Improvement on material release/ loading or unloading

5 Improvement of customer complaint and customer satisfaction

6 Adopting CCD for quality improvement and SMB for resource flow improvement

7 Reduction of material loss

8 Rise of delivery date achievement rate in the Mechanical Department



Note: The above information pertains to the Taiwan Headquarters.

4.2.4 Quality control on single product

Mold Design

- We have more than **80** mold designers and **130** mold assembly engineers in the Group.
- We have a capacity of designing and manufacturing more than **1.1** million sets of mold every month.
- We ensure mold quality with our experience in designing and manufacturing more than **20,000** sets of mold along with 3D/ CAD knowledge base.

Mechanical machining

- There are more than 500 units of advanced equipment in the machining center. It helps the in-house ratio of mold and component more than 90%.
- Grinding technology is a key process in the molding industry. We use projection grinder-PG high precision grinding to achieve the accuracy and ensure the precision of mold.
- Precision EDM and mirror processing technology
- achieve size specification and precision required.

Plastic injection molding

- We have more than 30 units of 35T-110T vertical and horizontal injection molding machine (insert-molding) to save extra expenses on assembly process of end products.
- We design and manufacture in-mold AOI technology for automatic 100% inspection.

Stamping/ Stamping AOI

- Progressive/ single-station die is equipped with Bruderer 1,000 +SPM high-speed stamping technology and automatic material feeder.
- Stamping press and robotic arm with weight tonnage up to 400T can produce pin terminals as well as mechanical structure parts.
- AOI technology and automatic 100% inspection
- ensure product quality.
- Multi-axis machining saves costs in materials and mold to enhance cost effectiveness.

Electroplating

- We have 4 machine 8 lines in total for reel-to-reel control of in-house plating manufacturing process in gold, tin and nickel.
- The continuous plating line is equipped with AOI automatic full inspection to strictly control quality.
- In-process cleaning, tapping, magnetic abrasive polishing, laser cutting/ engraving, and heat treatment can achieve requirements of strengthening, softening, or special physical properties.

Automatic laser welding

- Automatic laser welding significantly enhance production efficiency and stability as well as the strength of iron shell; it also is equipped with AOI inspection.

Assembly

- Automatic assembly to enhance assembling efficiency and stability.

4.2.5 Manufacturing process for main products

Parts

- Material → Stamping production → Machining of finished products → Packing → Warehousing
- Metal stamping parts → Plastics → Insert molding → Packing → Warehousing

Mold

- Receiving an order → Design → Drawings → Component production → Sample delivery → Customer approval

Fixture

Components processed according to drawings provided by customers.



Links between the upstream, midstream, and downstream segments of the industry

Relationship with upstream, midstream, and downstream segments of the industry and future strategies

Industry process

Raw material

Raw material supply

Including raw materials of copper, copper alloy, iron, stainless steel, aluminum alloy, and LCP nylon.

Component manufacturing

The core value of G-SHANK is manufacturing, and we produce the best process configuration according to customer demands

G-SHANK core manufacturing process

Progressive stamping, single-station stamping, plastic injection molding, mechanical machining, continuous electroplating, and laser engraving.

Parts assembly

Extension of the core process

Automatic machine assembly, semi-auto assembly, and manual assembly.

G-SHANK Manufacturing Process Integration Platform

End product



4.2.6 Supply chain management

Status of main material supply

- Move towards local procurement.
- Main material required for our production, including copper, iron and stainless steel, are commodities and easy to obtain. With cooperation from metal material suppliers, we are able to maintain our quality, quantity, price, and delivery date. We never fall in the situation of production suspension due to insufficient supply.

International certification

To improve operational efficiency, management standards, and the quality of products and services; strengthen market competitiveness and advantages; enhance customer trust; and comply with regulatory requirements, the Company has obtained international certifications. By conforming to globally recognized standards, the Company ensures the stability and reliability of G-SHANK' s products and services and works toward the goal of long-term sustainable development. As of December 31, 2025, an overview of the certificates obtained by each plant across the Group is provided on the right :

Item / Plant	ISO 9001 Quality Management System Certification	ISO 14001 Environmental Management System Certification	IATF 16949 Automotive Quality Management System Certification	ISO 45001 Occupational Health and Safety Management System	IISO 14064-1 Greenhouse Gas Inventory	SONY/GP Green Partner & CANON
Taiwan Headquarters (including the Bade Factory)	◉	◉	◉	◉	◉	◉
Shanghai Factory		◉	◉			◉
G-Long Factory	◉	◉	◉			◉
Xiamen Factory		◉	◉			
Qingdao Factory	◉	◉	◉			
Suzhou Factory	◉	◉	◉			
Tianjin Factory	◉	◉	◉			
G-Bao Factory		◉	◉			
Wuhan Factory	◉	◉	◉			
Malaysia Factory	◉	◉	◉			◉
Mexico Factory	◉	◉	◉			
Thailand Factory						◉
Indonesia Factory	◉	◉				

4.2.7 Green product

To ensure products meeting customer and environmental requirements, we adopt XRF to conduct full inspection on raw materials and relevant items used for production in order to meet international RoSH and REACH regulations.

XRF Equipment Availability Is as Follows:

Plant	Number of Machines
Taiwan Headquarters	3
Shanghai Factory	2
Indonesia Factory	1
Qingdao Factory	1
Thailand Factory	1
Malaysia Factory	1
G-Long Factory	1
G-Bao Factory	1
Suzhou Factory	1
Total	12

4.3 Business performance

The tooling industry plays an important role in the industrial development in the country. Although it is not a high-tech industry, the higher level of industrialization is, the more dependence on mold and die for stable mass production is. Therefore, the tooling industry is also called the mother of machinery industry!

G-SHANK is one of the domestic biggest medium-sized professional progressive die factories. Because we have a lot of suppliers, the scope of mold development for die products is wide. The competitive capacity of each manufacturer depends on equipment and mold development capabilities. Products by different manufacturers are very different, and manufacturers focus on different business items. Based on such industrial characteristics, the competition among companies in the same trade is less obvious.

In facing severe environment, we have four key advantages:

1. Rooted in Taiwan, we expanded to China. At the moment, we have nine production sites in China. Besides, we also established factories in Thailand, Malaysia, Indonesia, and Mexico to form a comprehensive net of supply.
2. We proactively developed and introduced ourselves to customers in Europe, America, and Japan. The Headquarter in Taiwan attracts attention of top ten connector-product-related customers in the world with our technical level that is nearly equivalent to or even surpasses that in the same trade in Japan. The ratio of around 34% exportation shows we have walked away from the difficult situations of industrial hollowing out and destruction competition in Taiwan.
3. Generally, the industry focuses on single technology. However, we are devoted to develop all-around technology. As long as it is tooling, we will be able to carry out mold development for production.
4. We implement cross-application of mold technology. Other than original electronic components, we expand to mechanical, automotive and motorcycle, and medical industries to construct an integrated manufacturing process to supply for market demands comprehensively.

Product development trend

Digitalization of 3C (computer/ communications/ consumer electronics) products, popularization of 5G high-speed network, automation of production, and mass production of electric cars and motorcycles.... These trends were goals for industries at early days. Now, it has already been the present continuous tense. Thanks to the flourishing of electronics and information industries, the market scale expands accordingly. The differences are... it requires higher precision of components, smaller volume, more functions, and cheaper price. If being limited to single technology and unable to go along with and satisfy the changes, it is only a matter of time before becoming irrelevant to the market.

For stamping production, other than precise and fast stamping equipment, mold development and design hugely affect the precision, yield, and production capacity of stamping products. Other than fully qualified for above conditions, G-SHANK also combines manufacturing processes of injection and riveting to comprehensively integrate technology manufacturing process and introduce the development of automatic production equipment in order to provide more efficient and better quality services.

4.3.1 New products (services) developed

Skills or products that were successfully developed in the past year:

Year	R&D results
2023	**In 2023, the Group designed and developed 541 sets of new mold.**
	Successful development: Progressive die for large stamping parts 300T
	Disposable medical device drawing mold
	Cleanroom production for wearable medical mechanism
	Low earth orbit satellite pin header
	Fixture for selective gold barrel and spray plating
	Electric vehicle charger
	3.0mm aluminum boss, height: 7.2mm (included material thickness)
	Disc-shaped product forming (thickness: 0.127);one-shot molding
	Automatic assemble for heat sink riveting ring wire
	Vehicle-mounted press-fit pin
	Development of high-precision riveting forming for multi-segmented tube
	Car lock contact
2024	**In 2024, the Group designed and developed 533 sets of new mold.**
	Successful development: TYPE C connector for high-speed transmission Development of process for integrated production
	Mold development for surgical stapler
	Mm WAVE antenna module BTB connector pin
	PITCH 0.4mm probe for semi-conductor chip testing
	2 in 1 resonance speaker for high-end wireless earphones

Year	R&D results
2025年	**In 2025, the Group designed and developed 696 sets of new mold.**
	Successful development: Connector Terminals for AI Cable-Type Circuit Board Modules
	Micro Board-to-Board Connectors for Laptop Computers
	Antenna Modules for Smart Wearable Devices
	Charging Housings for Smart Wearable Devices
	Relay Modules for Electric Vehicles
	Manufacturing Technology for Three-Stage Deep-Drawn Brass Products
	Process Improvement for End-Face Coining of Fully Rolled Products
	Confidential Camera Module Connectors
	Stainless Steel Module Connector with a Finished Length of 227 mm
	18-Pin Signal Terminal
	Semiconductor Clip Terminal
	Product Development for 90° Full-Circumference Forming at the Joint of Two Round Tubes

4.3.2 Revenue overview

Revenue in the past two years

Unit: NT$ thousand

Item \ Year	Performance in 2024	Performance in 2025	Growth Rate
Parts	6,287,999	7,076,196	12.53%
Mold	204,034	246,799	20.96%
Fixture	49,538	47,082	-4.96%
Goods	67,898	75,935	11.84%
Total	**6,609,469**	**7,446,012**	**12.66%**

Product sales by region in the past two years:

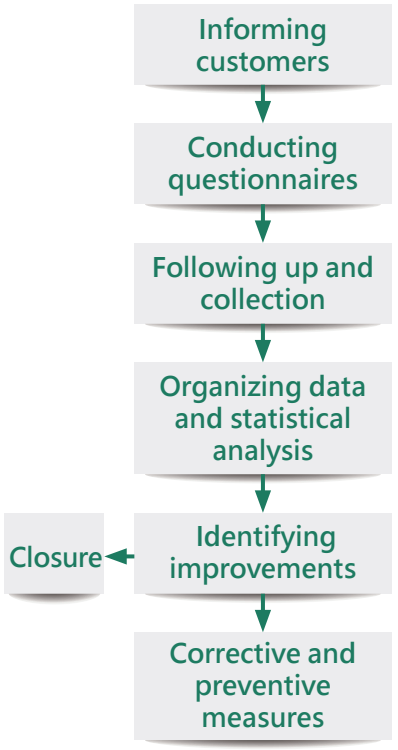
Region \ Year	2024		2025	
	Amount	%	Amount	%
Taiwan	1,379,584	20.87	1,696,359	22.78
America & Canada	320,757	4.85	278,714	3.74
Asia (excluded Taiwan)	4,631,565	70.08	5,185,190	69.64
Other regions	277,563	4.20	285,749	3.84
Total	**6,609,469**	**100.00**	**7,446,012**	**100.00**

4.3.3 Customer relationship

G-SHANK specializes in metal stamping and plastic injection molding. The Company has completed the integration of an end-to-end manufacturing process encompassing mold design, stamping, electroplating, injection molding, and assembly, thereby achieving an integrated supply model from components to finished products. This approach significantly shortens product development lead times, reduces customers' supply chain management costs, enhances customer loyalty, raises the barriers to switching suppliers, and strengthens long-term partnerships.

To enhance added value and competitiveness, G-SHANK is upgrading its existing electronic component supply model from traditional contract manufacturing to an ODM development model. The Company actively integrates resources and participates in the early-stage design of customers' products, making this a key focus of its future development. This approach helps increase product added value and customer loyalty, reduce price competition pressure, and enhance overall profitability.

Procedures of customer satisfaction survey





chapter

05

Shared prosperity & harmonious society

5.1 Talent development & growth
5.2 Human rights equality & inclusive communication
5.3 Labor-management/ employment relationship
5.4 Workplace safety management & employee health
5.5 Social engagement



5.1 Talent development & growth

5.1.1 Talent policy and commitments

Talents are closely related to corporate culture. G-SHANK carries the principle of human rights first and believes employees' potentials and contribution are the key to our success. We continue creating a positive, open, and inclusive corporate culture to create a harmonious relationship with employees. Talents are important assets for G-SHANK. Over the years, we insist on creating a working environment that is challenging and continuously learning. Other than salary standards based on employees' education & working experience, professional knowledge & skills, and seniority, we recruit competent and stable employees as well as propose personnel management systems that include industrial competitive salary strategy, talent cultivation and development mechanism, performance assessment & promotion, diverse welfare, and legal retirement system

5.1.2 Manpower structure

The reporting boundary of the 2025 Report covers the entire Group, excluding the Guanyin Factory and the Philippines Factory. The Group had a total of 2,359 employees, of whom 1,350 were male, accounting for 57%. The workforce structure over the past two years is shown in the table below:

Category	Item	2024(Taiwan Headquarters)				2025(Group)			
		Female		Male		Female		Male	
		People	Ratio	People	Ratio	People	Ratio	People	Ratio
Number of employees	Direct personnel	61	27.6%	403	79%	418	41.40%	979	72.50%
	Indirect personnel	160	72.4%	105	21%	591	58.60%	371	27.50%
Subtotal		**221**	**100%**	**508**	**100%**	**1,009**	**100%**	**1,350**	**100%**
Total		**729**				**2,359**			
Age (years old)	Below 3 0	46	21%	129	25.4%	140	13.90%	336	24.90%
	31-50	126	57%	305	60%	759	75.20%	813	60.20%
	Above 51	49	22%	74	14.6%	110	10.90%	201	14.90%
Job title	Senior Management & Mid-level Management	8	3.6%	29	5.7%	44	4.40%	118	8.70%
	Supervisor	33	15%	59	11.6%	64	6.30%	90	6.70%
	Staff	180	81.4%	420	82.7%	901	89.30%	1,142	84.60%
Total		729				2,359			

Senior executives refer to managers at the division level or above. There were 35 male senior executives, accounting for 2.6%. There were 83 male middle managers, accounting for 6.1%, and 39 female middle managers, accounting for 3.9%. The gender distribution of employees and managers in 2025 is shown in the table on the right:

Ratio of employees and managers by gender in 2025 (Group)						
Item	All employees		Female employees		Male employees	
	Number of people	Percentage (%)	Number of people	By title Ratio (%)	Number of people	By title Ratio (%)
Senior Management	40	1.70%	5	0.50%	35	2.60%
Mid-level Management	122	5.20%	39	3.90%	83	6.10%
Supervisor	154	6.50%	64	6.30%	90	6.70%
Staff	2,043	86.60%	901	89.30%	1,142	84.60%
Total	**2,359**	**100.00%**	**1009**	**100.00%**	**1,350**	**100.00%**

The proportions of new hires and departing employees are important indicators for measuring employee turnover and reflect an enterprise' s innovation, social stability, working environment, and management efficiency. In 2025, the total number of new hires was 410, including 281 males, accounting for 69%, and 129 females, accounting for 31%. The total number of departing employees was 322, including 216 males, accounting for 67%, and 106 females, accounting for 33%. The proportions of male and female new hires and departing employees over the past two years are shown in the table on the right:

ategory	Year	2024(Taiwan Headquarters)				2025(Group)			
	Item	Ratio of number of people by gender				Ratio of number of people by gender			
		Female	Ratio	Male	Ratio	Female	Ratio	Male	Ratio
New (domestic)	Below 30 years old	28	51%	29	33%	56	43.40%	162	57.70%
	31~50 years old	26	47%	52	60%	70	54.30%	111	39.50%
	Above 51 years old	1	2%	6	7%	3	2.30%	8	2.80%
Subtotal		**55**	**100%**	**87**	**100%**	**129**	**100%**	**281**	**100%**
Total		**142**				**410**			
Ratio of new employees to the total number of employees: 19.5%/year						Ratio of new employees to the total number of employees: 17.4%/year			
Resigned (domestic)	Below 30 years old	29	49%	27	30%	36	34.00%	105	48.60%
	31~50 years old	25	42%	51	57%	51	48.10%	97	44.90%
	Above 51 years old	5	9%	12	13%	19	17.90%	14	6.50%
Subtotal		**59**	**100%**	**90**	**100%**	**106**	**100%**	**216**	**100%**
Total		**149**				**322**			
Ratio of resigned employees to the total number of employees: 20%/year						Ratio of resigned employees to the total number of employees: 13.6%/year			

The Company has established the "Implementation Guidelines for Unpaid Parental Leave" and complies with the "Act of Gender Equality in Employment." In addition to implementing the unpaid parental leave system in accordance with the law, under which employees may apply for unpaid parental leave before their children reach the age of three for a maximum period of two years, the Company also provides menstrual leave, prenatal examination leave, maternity leave, leave for accompanying prenatal examinations and paternity leave, pregnancy bed-rest leave, family care leave, and other relevant types of leave to employees in need. In 2025, a total of 10 employees took unpaid parental leave, and eight employees returned to work upon completion of their leave. An overview of the number of employees who took unpaid parental leave and returned to work over the past two years is shown in the table on the right:

Year	2024 年 (Taiwan Headquarters)	2025 年 (Taiwan Headquarters)
Number of people applied parental leave	9	10
Number of people reinstated after the leave	3	8
Number of people resigned after the leave	0	1
Number of people still on the leave by the end of the year	6	1

Note: The above information pertains to the Taiwan Headquarters.

5.2 Human rights equality & inclusive communication

In the fast-changing era, G-SHANK not only is a promoter of economic development but also carries social responsibilities in respecting human rights, treating people equally, and diversity and inclusion. Human equality and inclusive communication are the cornerstone and driving force for our sustainable management.

G-SHANK insists on the core value of fairness and respect as well as ensure all employees and partners being treated equally in gender, age, race, religion and physical & mental status. Besides, we provide a safe, fair and inclusive workplace to ensure the integration of different opinions and culture background, strengthen internal cohesion and innovative capability, and hold up a spirit of sustainable management to create future with stakeholders.



To fulfill the goal, we promise :

- **No forced labor and control working hours.**
- **No child labor and protect minors.**
- **Protect quality in wage, treatment and welfare.**
- **Promote workplace fairness-establishment of transparent and fair recruitment, promotion, and reward systems.**
- **Protect freedom of assembly and freedom of speech & open dialogue-creation of inclusive communication culture.**
- **Respect cultural diversity-Respect different culture, religion and value.**
- **Maintain a safe and health workplace-no discrimination, bullying and harassment in the workplace.**

In 2025, G-SHANK employed seven persons with disabilities, no new immigrant employees, 195 migrant workers, and four foreign nationals. The distribution of diverse employees over the past two years is shown in the table below:

Year			2024 (Taiwan Headquarters)	2025 (Taiwan Headquarters)
Item/ Gender		Age (years old)		
Physical or mental disability	Male	Below 30	0	0
		31-50	1	1
		Above 51	3	3
	Female	Below 30	0	0
		31-50	3	3
		Above 51	0	0
New immigrant	Male	All ages	0	0
	Female	All ages	3	0
Migrant worker	Male	All ages	142	191
	Female	All ages	4	4
Indigenous people	Male	All ages	0	2
	Female	All ages	0	1
Foreigner	Male	All ages	3	3
	Female	All ages	1	1

Note: (1) **New immigrant:** It refers to those who are originally from other countries but have obtain national identity card from Taiwan. For example, someone who is from Vietnam but married to a Taiwanese and obtained an identity card issued by our government.

(2) **Migrant worker:** It refers to those who apply to work in Taiwan as foreigners through agency. It is mostly a three-year contract, and they have to return to their country upon the expiration.

(3) **Indigenous people:** It refers to those who are Taiwanese and are Indigenous peoples (around 575,067 people, accounting for 2.4% of the total population). There are 16 ethnic groups recognized, including Amis, Atayal, Paiwan, Bunun, Puyuma, Rukai, Tsou, Saisiyat, Tao, Thao, Kavalan, Truku, Sakizaya, Sediq, Hla'alua, and Kanakanavu.

(4) **Foreigner:** It refers to foreign professional personnel recruited to work in Taiwan with working visa.

5-3 Labor-management / employment relationship

Our employee welfare measures, further studies, trainings, and retirement system & its implementation as well as labor-management negotiation and protective measures for employees' rights and interests.

5.3.1 Talent training

- We provide employees diverse learning channels and support them for continuous learning. People orientation, we develop right people to do right things.
- We have obtained TTQS bronze medal for educational training provided for many times over the years. In 2023, we obtained TTQS silver medal.
- We provide employees diverse further studies and training opportunities.
- We established training principles and training policy as the accordance for educational training provided. We help employees understand the connection and importance of training activities engaged so that they know how to achieve training and work goals.

Note: The above information pertains to the Taiwan Headquarters.



1. 2014: TTQS Certificate-Bronze Medal
2. 2017: TTQS Certificate-Bronze Medal
3. 2020: Official letter for TTQS Bronze Medal
4. 2023: TTQS Certificate-Silver Medal
5. 2025: TTQS Certificate-Silver Medal











5.3.2 Educational training system

1. Training policy and targets

We are devoted to become a world-leading manufacturer in the industry of precision metal components. We carry a mission of benefiting ourselves, benefiting others, and benefiting society to work hard for the vision of successfully playing an important role in the advancement of human technology. Each employees in our company is trained and developed attitudes of being kind, honest, brave, and responsible in work and in life. We believe only when all G-SHANK employees are equipped with these qualities, can we really create sustainable and ever-green G-SHANK.

To carry through the concept of turning talents into human capital, we are committed to provide diversity training courses, cultivate employees to become excellent professional talents, continuously optimize the quality of training system, and strengthen employee competitiveness to achieve the purpose of sustainable management. Each of G-SHANK employees is entitled to receive professional and well-organized educational training to enhance skills and management capability required by employees when performing their job duties. Besides, we unleash employee potential and closely link the growth of enterprise with employee development plan to enhance production efficiency.

We adopted an effective mode of learning by doing to accumulate experience from real practice and established an approach of apprenticeship to guide new employees pursuing perfection through practice and become an outstanding individual step by step.

Accumulation and establishment from hand-on practice

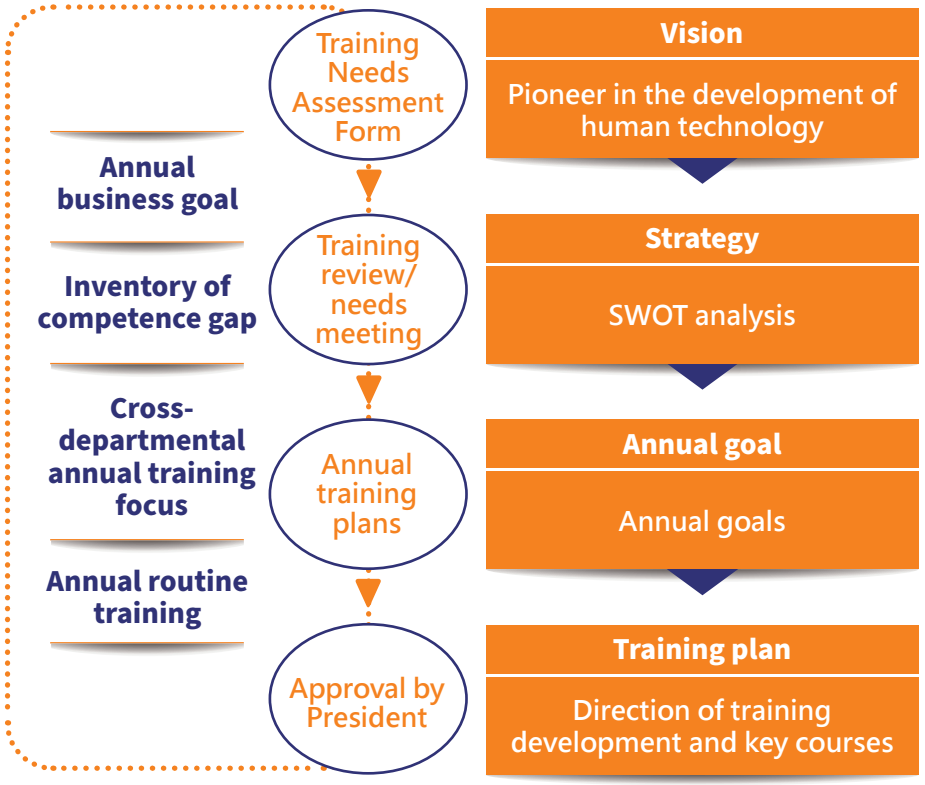
1 **Auditory memory**
The mentor explains professional terms, and the learner takes notes to further strengthen memory.

2 **Teach by demonstration**
With written or other assistive tools, we stimulate learners' motivation through good communication.

3 **Learning by doing**
Guide new employees to pursue perfection through practice and become an outstanding individual step by step.

2. Process to prepare training programs

To achieve the corporate goal of "sustainable management", we adopted an approach of up-down strategic management for educational training. The educational training generated through the approach meets our business direction well and make the most effective use of our training resources so that the outcome can directly reflect on work performance to actually achieve the goals of strengthening employee quality and enhancing competitiveness.



TPS advanced course

Invited external lecturers to the factory for seminar courses and hosted regular TPS course in productivity improvement.


TPS

Excellent external lecturers provide employees training in productivity improvement equivalent to MBA courses.



Internal training (202407)

3. In order to implement the human resource strategy effectively, we planned four key areas when designing the educational training system, including educational training courses exclusive to new employees, management training system by level, professional training system by job duties, and On-Job training system. Besides, we check competency gap through talent inventory and conduct educational training accordingly.

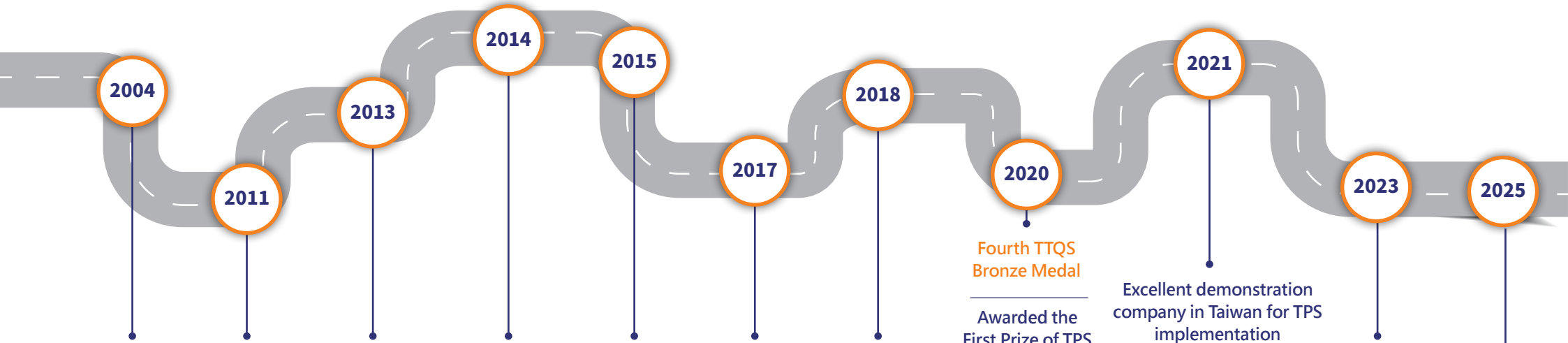
Educational training in 2025:

Type / Item	Internal	External
Number of total participants	1,029(people)	149(people)
Number of total training hours	231(H)	661(H)
Total cost of training	NT$364,000	NT$430,000

Note: The above information pertains to the Taiwan Headquarters.

Level	Core competency	Management competency	Functional competency	Personal further education	On-the-job training
Senior manager	Be kind	Lean management training Training for senior manager	Professional skills R&D design Quality testing Business management Safety and health Information technology General courses	On-the-job training	Apprenticeship
Mid-level manager	Be honest	Training for mid-level manager	Design training Basic training New employee development training	External training	Job rotation
Junior manager	Be brave	Training for junior manager			
General employee	Be responsible				
New employee					

Establishment and development of the training system



5.3.3 Remuneration policy

Employee remuneration includes salary, allowance, reward and bonus. Salary and number of full-time employees in non-managerial roles in the past two years are as follows:

Year	Average salary	Median salary	Number of full-time employees in non-managerial roles
2024	712,000	645,000	711
2025	738,000	650,000	776

Note: The above information pertains to the Taiwan Headquarters.



5.3.4 Employee welfare measures

G-SHANK followed Employee Welfare Act and established "Employee Welfare Committee" on July 29, 1986. It was proved and filed by the competent authority with Letter (1986) Fu She Zi No. 097577 (Fu She Lao Zi No. 1421) to integrate welfare measures, arrange annual welfare activities, and provide employees complete welfare proposals. All the measures will be regularly reviewed every year and prepared improvement plans accordingly. Please refer to 2025 Annual Report.

Content of welfare

Item (all departments)	Content
Guaranteed legal welfare	**Retirement:** appropriation of labor pension in old and new system, old-age pension benefits of labor insurance, and labor pension
	Medical care: National health insurance and labor insurance (occupational incidents)
	Unemployment: Employment insurance
	Others: Paternity leave for male employees, annual leave, labor pension contribution, two days off per week
Health examination	Compliance with Occupational Safety and Health Act: Implementation employee health examination
	Regular employee health management
	Services of full-time nurses and monthly on-site physician
Medical insurance	Occupational accident insurance and employment practice liability insurance
Activities	Annual department gathering, company trip, end-of-year party, family day, after-work club activities, sports competition
Salary/ bonus system	Employee birthday cash gift, end-of-year bonus, gift box/ cash gift for three key traditional festivals, incentive bonus, performance bonus, end-of-year party, employee wedding cash gift, maternity allowance, funeral grant, subsidy for internal and external training, and consolation money for hospitalization
Emergency assistance	Consolation money for critical injury or disease

Employee health examination





In 2011, we built an "indoor sports hall" for employees and in 2023, we provided a "gym" for employees to exercise. To maintain employee physical and mental health, we encourage employees to establish club activities. Other than original clubs, "Yoga Club", "Running Club", "Golf Club", "Basketball Club", "Badminton Club", and "Craft Club" were established one after another. Every year, each club will be granted NT$10,000 budget for operation/ activities.

Other welfare

Free parking
Free parking for motorcycles/ cars are provided to employees with canopy for motorcycles.

Delightful group meal
We provide healthy and hearty lunch for employees and free overtime meal.

Employee health
We provide employees regular free health examination and arrange on-site occupational health nurse and regular physician visit at the site to offer services of health management and free consultation.

Maternal protection
We have a well-equipped breastfeeding room in place.

Subsidy from Welfare Committee
We provide employees wedding cash gift, funeral grant, consolation for injury and disease, birthday cash gift, gift box/ voucher for three traditional festivals, and discount at appointed stores.

Apprenticeship program
New employees are provided one-to-one workplace instruction to help them take over the duties smoothly.

Leave benefit
Other than types of leaves protected by law, we offer pre-granted annual leave, which is better than legal regulations.

Smooth channels for expression
We encourage employees express their opinions and suggestions with their name signed or anonymously. Besides, to protect privacy, employees can also provide feedback electronically.

Bonus
We issue incentive bonus irregularly and established a performance reward system.

Encouraging employees to pursue perfection
Other than providing subsidies for technical certificates and regular refresher training, we also provide scholarship to encourage employees and their children to continue self-improvement.

Cultivation of professional abilities
We have a professional training center to provide new employees professional education and offer training courses specifically for different job duties.

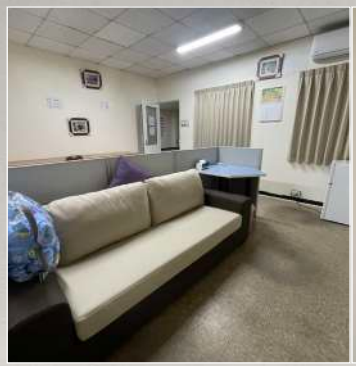
Maintaining life balance
Other than irregular department gathering and annual company trip, we also offer budgets to departments for spring party and end-of-year party to appreciate and encourage efforts made by employees. Besides, there are also a lot of club activities for employees, including Badminton Club, Basketball Club, and Yoga Club... etc.

Competence certification mechanism
Through competence certificate assessment, we provide transparent and clear channels for salary adjustment and promotion.

Multi-skill development
We provide internal talents opportunities of job rotation, internal transfer, and overseas assignments to help employees develop to their potential.

Friendly environment and facilities

Friendly environment and facilities




Multi-purpose sports hall





Golf Club



Yoga Club




Badminton Club



Craft Club



Basketball Club





Training Center





Friendly environment and facilities

Employee accommodation exclusive to students



Family Day









On-site Physician



Apprenticeship Program



Company Trip



Free Parking



Bonus



Group Fun-Day







Retirement system and its implementation

1. To care for employees' retirement life, promote labor-management relations, and increase work efficiency, originally, we followed Labor Standards Act and referred to the actuarial report every year to set aside pension fund in a fixed rate of the total salary. Later on, Labor Pension Act was implemented on July 1, 2005 and adopted the defined contribution plan. After the implementation, employees may choose to continue following pension regulations specified in "Labor Standards Act" or follow the pension program specified in Labor Pension Act and retain seniority before the implementation of Labor Pension Act. For employees that are applicable to the Labor Pension Act, the employee pension contribution borne by us must not be lower than 6% of employees' monthly salary.

2. Employee Retirement Regulations follows Article 56 of Labor Standards Act. Besides, we established Labor Retirement Reserve Committee, and it has been approved and filed with Letter (1988) Fu She Lao Zi No. 39625.

Please refer to 2025 Annual Report for the details of the retirement system and its implementation and other relevant information.

The total number of people who retired in the past two years was 15 people. The distribution is as follows:

2024	7 people
2025	8 people

5.3.5 Collective bargaining agreement

Status of protective measures for employees' rights and interests

To coordinate labor-management relations, promote labor-management cooperation, enhance work efficiency, and protect employees' rights and interests, we followed Article 83 of Labor Standards Act and established "Implementation Methods for Labor-Management Meeting" and "Methods of Electing Representatives for Labor-Management Meeting" and hold meetings regularly.

We carry a management approach of self-management and total employee participation. Managers and subordinates at departments carry out effective communication through regular business meetings and educational training to maintain labor rights and interests. Therefore, we have harmonious labor-management relations. Channels and number of times of labor-management communication for employees' rights and interests maintenance are as follows:

Name of organization	Labor representative	Management representative	2024	2025
Labor-managemen meeting	Chia-Ling Chen Wan-Chun Liao Jui-Shen Chen Chu-Yuan Cheng Hsiao-Chun Tseng	Ying-Shuo Lin Te-Chih Liao Jui-Feng Hsieh Ming-Lung Lan Hsiang-Ting Meng	4	4

5.4 Work place safety management & employee health

G-SHANK Enterprise Co., Ltd. established "Occupational Safety and Health Policy in July 2024 to announce our devotion to prevent workplace hazards and reduce occupational incidents, build an organizational culture in safety, maintain employees' safety and health, promote to and supervise contractors for the implementation of safety and health management, and work hard to achieve the goal of zero incident. Our commitments are as follows:

1. Comply with legal regulations for occupational safety and protect employee safety.
2. Maintain employee health and enhance safety awareness.
3. Value workplace discipline and promote workplace safety and health.
4. Carry out self-management and strengthen audit and inspection.
5. Provide full supervision and communication and promote advanced training.
6. Continuous discussion for improvement to move towards sustainable development.



We value social responsibility very much and has obtained ISO-14001 certification for our working environment. Our environmental policy is to "protect natural resource, reduce pollution to environment, and comply with environmental laws and regulations" .

Continued Implementation of the ISO 45001 System in 2025

G-SHANK is responsible for physical and mental diseases caused to employees because of unlawful infringement during the process of business execution as well as establishing a workplace culture that provides safety, dignity, free of discrimination, mutual respect, inclusion, and equal opportunity. We established a written statement "Prevention of Unlawful Infringement in the Workplace" in July 2024.

For behaviors of unlawful infringement in the workplace, such as physical violence, mental abuse (including threat, bullying, harassment, and humiliation), verbal violence (including bullying, intimidation, interference, and discrimination), inappropriate sexual suggestion and sexual misconduct, and stalking shall be reported immediately. Besides, we strictly forbid any retaliatory act on the complainant, whistleblower, and anyone who assists the investigation.

Consultation Channels for Unlawful Infringement in the Workplace

Unit for complaint	Human Resource Section
Hotline	03-4775141 ex. 309

5.4.1 Environmental safety management

We also value the implementation of protective measures for employee work safety. Each quarter, a "Safety and Health Committee" meeting will be hosted to review activities related to industrial safety and health in the factory. In terms of working environment and employee safety, key goals and management programs will be established every year as the accordance of implementation. Relevant management programs are shown in the table below:

Item	Goal/ Target	Program	Pre-implementation Explanation	Implementation Outcome
1	Earplugs must be used in the noisy workplace to protect hearing	Safety Committee established an audit team to conduct irregular inspection every month.	A few employees didn't follow the regulation of wearing earplugs, and it may cause hearing loss over a long period of time.	Personnel at the noisy workplace has developed the habit of wearing earplugs. It achieved good results.
2	Prevention of foot injury to employees caused by fallen workpiece	Provision of safety shoes to employees	Safety shoes were not provided, and there was a risk of occupational safety.	Good results of implementation. Prevention of occupational safety accidents.
3	Prevention of clipping, rolling or splashing hazards during the stamping process	Stamping press shall be installed with safety door or safety interlock device for protection.	Old stamping machine has no safety door or interlock device. During the operation, it may cause potential hazards when personnel are close to the machine.	9 units of safety guardrail were installed on stamping press in the Technical Department I. 2 safety interlock devices were installed in the Technical Department II.
4	Prevention of clipping and rolling hazards when personnel use manual hydraulic press and electric/ semi-electric stacker	Installation of protective cover/ safety guard on manual hydraulic press and electric/ semi-electric stacker	Some manual hydraulic press and electric/ semi-electric stacker did not have protective cover/ safety guard on gears.	A total of 10 units of manual hydraulic press and electric/ semi-electric stacker gears were installed protective cover/ safety guard.
5	Enhancement of electricity safety for employees	Installation of partition in the main switchboard	Most of the main switchboards did not have partition. It may cause the concern of electric shock to operators.	Partitions were installed in the switch box at the operating area in the Machinery Department.
6	Strengthening education on occupational safety and health and reducing potential risks in the working environment	Educational training courses of occupational safety shall be conducted regularly by the Safety Committee.	Irregularly occupational safety training courses were provided. Personnel usually forgot to follow the training, and it ended up with poor implementation.	Safety Committee hosted regular safety training courses. Items required by law were conducted by quarter. Besides, full record was retained for future reference.
7	Implementation of responding ability to fire safety	Regular fire safety training, including steps of employee firefighting grouping, exercise, response, and rehabilitation	Personnel's awareness in fire, escape, and emergency response was insufficient. They were not familiar with the use of fire extinguisher.	Hosted regular fire safety training and self-firefighting grouping exercise to strengthen awareness of emergency response and using fire extinguisher correctly.
8	Maternal safety in the workplace	1. Establishment of a breastfeeding room on the second floor in Factory I. 2. Check the leave records with the Human Resource Department every month to conduct working environment review for female employees who are pregnant or less than one year after childbirth.	1. The breastfeeding room was not completed established due to workplace renovation. 2. Failure of implementing maternity protection.	1. Selected a safety and private place to establish the breastfeeding room according to legal requirements. 2. Provided a safe working environment to each female employees who are pregnant or less than one year after childbirth.
9	Labor working environment monitoring and testing	In accordance with "Measures Monitoring Labor Working Environment", nose, dust, and CO_2 in the working environment must be sampled for testing every half a year to protect employees from physical injury. The testing results shall be published at each workplace.	Labors at some workplaces were not aware of hazards and risks in their working environment.	Testing results were posted at the workplace so that workers understood clearly the hazards and risks in their working environment.

Performance in 2025：

No.	Item	Unit	Target Value	Actual Value	Achievement Rate	Effect
1	Targets and Implementation Plan	Case	5	5	100%	Five Occupational Safety and Health Management Programs Formulated Based on Hazard Identification and Risk Assessment
2	Regulatory Compliance Evaluation	Item	45	45	100%	A Total of 45 Occupational Safety and Health and Fire Safety Regulations Were Identified
3	Work Environment Monitoring Abnormality Rate	Point	64	63	98%	Noise: 7 Monitoring Points; Dust: 4 Monitoring Points; Carbon Dioxide: 3 Monitoring Points; Illumination: 50 Monitoring Points
4	Compliance Evaluation by Certification Category	Category	164	163	99%	A Total of 15 Certification Categories Required by Regulations
5	Monthly Compliance with the Automatic Inspection Plan	%	100	98	98%	A Total of 32 Categories of Daily, Monthly, and Annual Self-Inspections
6	Pass Rate for Special Health Examinations	People	184	175	95.1%	Special Health Examinations (Noise, Dust, and Ionizing Radiation): 9 Employees Classified under Level 4 Health Management
7	Frequency-Severity Indicator (FSI)	-	< 0.59	0.33	100%	According to the Frequency-Severity Indicators (FSIs) for various industries over the preceding three years, published by the Occupational Safety and Health Administration in March 2025, the FSI for the fabricated metal products manufacturing industry was 0.59.
8	Fines for Violations of Occupational Safety and Health Laws and Regulations	Case	0	0	100%	

Note: The above information pertains to the Taiwan Headquarters.

5.4.2 Promotion of environmental and occupational safety and health

a Promotion of Restriction of Hazardous Substances (R oHS)

RoHS became effective on July 1, 2006. All products sold in the EU must not contain hazardous substances, including lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyls and polybrominated diphenyl ethers. Other than proactively purchased several units of XRF machine in the Group for self-testing, we also request suppliers provide testing reports from a fair party. We have a set of complete testing mechanism in place to meet RoHS requirements.

b Preventive measures and mechanism for occupational accidents

Safety and Health Committee holds a regular meeting every three months. New employees are required to attend occupational safety training according to the regulations. Every year, each employee must attend at least 2-hour training related to occupational accident prevention to enhance their understanding in occupational accidents for accident prevention.

c Free employee health examination every year

We treat employees as our assets. Each year, we entrust qualified medical hospitals to provide employees free health examination. In addition, for workers in special working environment, like noise and dust, we also provide special examination to check their physical health as the accordance for employee health management classification.

d Factory-wide drinking water quality testing

Each quarter, we entrust an external qualified testing institution to test water quality on the drinking water to ensure safety of drinking water for employees.

e Implementation of automatic inspecion

In facing different working environment, manufacturing process, operation, and work, it may cause physical injury to employees due to unsafe operation, equipment or management. Therefore, we established methods of automatic inspection and design automatic inspection checklist for lathe, stamping press, milling machine, and other dangerous machinery or equipment.

f Working environment testing

Each year, we entrust qualified environmental testing institutions to test noise, dust and local exhaust ventilation. We always pass the annual testing to protect employees' safety in the working environment.

g Surrounding environment testing

Each year, we entrust qualified environmental testing institutions to conduct environmental testing on noise and effluent generated by us. The testing results every year meet the requirements to maintain harmonious relationship with neighbors.

In 2025, G-SHANK Enterprise recorded seven occupational accident cases, with a Frequency-Severity Indicator (FSI) of 0.33, which was lower than the industry average.

Statistics of occupational accidents	2024	2025	Comparison with businesses in the same trade
Disabling Injury Frequency Rate (FR)	3.5	4.22	2.47
Disabling Injury Severity Rate (SR)	53	25	1. 143
Frequency-Severity Indicator (FSI)	0.43	0.33	0.59

Note: The above information pertains to the Taiwan Headquarters.

Occupational Safety and Health Administration promotes the strengthening of disaster prevention equipment and measures because of occupational accidents on workers caused by the increase of high-temperature hazards and risks from climate change over the years. According to Regulations for the Occupational Safety and Health Equipment and Measures, necessary equipment for heat injury must be installed.

Explanation

Our factory conducted safety and health hazard identification on heat injury caused by work content. The assessment of risks and opportunities shows low risks. However, the high temperature outdoor causes working environment hot and humid. To reduce labor exposure to heat injury and ensure sustainable healthy labor, we installed air conditioning and local ventilation

5.5 Social engagement

G-SHANK Indonesia Provided Assistance During Natural Disasters

To support disaster-affected communities, flash flood relief supplies were distributed to Aceh, North Sumatra, and West Sumatra. These relief supplies included basic daily necessities, emergency supplies, and reconstruction support, with the aim of easing the burden on affected communities and accelerating the post-disaster recovery process.



Some Employees of G-SHANK Indonesia Participated in Corporate Social Responsibility Activities Along the Riverbank

We have carried out various corporate social responsibility activities along the riverbanks, including environmental cleanups and community education. These activities aim to maintain the cleanliness of the rivers, reduce pollution, and raise public awareness of the importance of environmental sustainability.



Penang Million Tree-Planting Program

The Company actively supported the Penang Million Tree-Planting Program, thereby fulfilling its corporate social responsibility.



Assist traffic safety in the community by installing warning signs and reflective mirrors at the intersection





Value development of student clubs and constantly sponsor the children's orchestra in Tou-Jou Elementary School





Supported charity screening program "Melting Greenland"

G-SHANK continues paying attention to issues related to global climate change. We acknowledged the documentary "Melting Greenland" released at World Biodiversity Summit-New York during UNGA77 Climate Week and at UN COP27 World Climate Summit in November. Therefore, we supported the charity screening program of documentary "Melting Greenland". Starting from environmental education, we hope to draw people's attention and concern on increasingly serious climate issues.

"Melting Greenland" was filmed by the Arctic Live Team consists of personnel from O'right, United Daily News Group, and Vision Project Foundation. The Team visited 11 towns in person to conduct in-depth interview with experts, scholars, government officials, and local residents. It not only recorded environmental, scientific, life, and cultural impacts caused to Greenland by climate change but also witnessed live ice calving.

As mentioned in the documentary, "human civilization has to consider the balance with natural ecology in the long run so that we can achieve sustainable development." G-SHANK invests in improvements from daily operation to manufacturing process one after another as well as complies with the regulations of ISO14001 environmental management certification to continuously implement the policy of green management to achieve the goal of green sustainability.

The team hopes people to witness the fact of climate change and focuses on environmental education to exercise the power of change. Besides, it hopes to expand influence in green sustainability from Taiwan to all over the world. When facing global climate change, no one is an outsider. G-SHANK supports the charity screening program of "Melting Greenland" as teaching materials for environmental education.

Industry-academic collaboration

The Company collaborated with the mechanical engineering departments of Chien Hsin University of Science and Technology, Lunghwa University of Science and Technology, and Minghsin University of Science and Technology. From 2020 to 2025, a total of 69 internship opportunities were provided.

Year	2020	2021	2022	2023	2024	2025	總計
Internship opportunity	26	12	6	1	20	4	**69**



G-SHANK was awarded Excellent Internship Institution by Chien Hsin University of Science and Technology

G-SHANK strongly supports industry-academic collaboration, implements technical and vocational education, and fully performs corporate social responsibility. We were awarded "Excellent Internship Institution" for 2021 Student Off-campus Internship Program by Chien Hsin University of Science and Technology.



Chien Hsin University of Science and Technology Off-Campus Internship Award Plaque



Certificate of Appreciation for the Visit by the Department of Mechanical Engineering, Minghsin University of Science and Technology

In 2025, G-SHANK Enterprise was recognized by the Ministry of Labor as an Outstanding Training Organization under the Employment Program.



Field trip from National Lotung Industrial Vocational High School on March 17, 2021

Over the years, G-SHANK fully performs corporate social responsibility and actively promotes industry-academic collaboration. We cooperate with many colleges and universities for talent exchange. It helps students learn more about business operation and how to combine what they learn with real practice and career development to implement the goal of "learning-application integration".



Field trip from Lunghwa University of Science and Technology on March 13, 2020



Field trip from Nangang Vocational High School on March 18, 2025



Certificate of Appreciation from Nangang Vocational High School



GRI Statement

- **Statement of use:** G-SHANK Enterprise Co., Ltd. has followed GRI Standards (reporting period: 2025/1/1 – 2025/12/31) for the Report.
- **GRI 1 used:** Foundation 2021
- **Applicable GRI industrial standards:** None

GRI 2: General Disclosures 2021

Indicator	Disclosed Item	Corresponding chapter		Page	Note
The organization and its reporting practices					
2-1	Organizational details	1.1	About the Report	04	
2-2	Entities included in the organization's sustainability reporting	1.1	About the Report	04	
2-3	Reporting period, frequency and contact point	1.1	About the Report	04	
2-4	Restatements of information		-		
2-5	External guarantee/ assurance		-		
Activities and workers					
2-6	Activities, value chain and other business relationships	2	Operation and governance	20	
2-7	Employees	5.1	Talent development & growth	75	
2-8	Workers who are not employees	5.1	Talent development & growth	75	
Governance					
2-9	Governance structure and composition	2.1	Corporate governance	20	
2-10	Nomination and selection of the highest governance body	2.1.2	Governance structure	22	
2-11	Chair of the highest governance body	2.1.2	Governance structure	22	
2-12	Role of the highest governance body in overseeing the management of impacts	2.1.2	Governance structure	22	
2-13	Delegation of responsibility for managing impacts	2.3	Sustainable Development Committee	27	
2-14	Role of the highest governance body in sustainability reporting	2.3	Sustainable Development Committee	27	

Indicator	Disclosed Item	Corresponding chapter		Page	Note
2-15	Conflicts of interest	2.1.2	Governance structure	22	
2-16	Communication of critical concerns	2.1.2	Governance structure	22	
2-17	Collective knowledge of the highest governance body	2.1.2	Governance structure	22	
2-18	Evaluation of the performance of the highest governance body	2.1.2	Governance structure	25	
2-19	Remuneration policies	2.1.2	Remuneration Committee	26	
2-20	Process to determine remuneration	2.1.2	Remuneration Committee	26	
2-21	Annual total compensation ratio	5.3.3	Remuneration policy	84	
Strategy, policies and practices					
2-22	Statement on sustainable development strategy	2.3	Sustainable Development Committee	27	
2-23	Policy commitments (responsible business practices, respecting human rights)	2.3	Sustainable Development Committee	27	
2-24	Embedding policy commitments	2.3	Sustainable Development Committee	27	
2-25	Processes to remediate negative impacts	2.6	Material topics and materiality assessment	42	
		2.2	Ethical management	30	
2-26	Mechanisms for seeking advice and raising concerns	2.2	Ethical management	30	
2-27	Compliance with laws and regulations	2.4	Ethical management	30	
2-28	Membership associations		-		
Stakeholder engagement					
2-29	Approach to stakeholder engagement	2.5.4	Communication with and response to topics concerned by stakeholders	41	
2-30	Collective bargaining agreements	5.1	Talent development & growth	75	

GRI3: Material topics and indicators

Standard	Disclosed Item	Corresponding chapter		Page	Note
GRI 300: Environmental Standards					
GRI 302: Energy					
302-1	Energy consumption within the organization	3.3	Energy efficiency	51	
302-3	Energy intensity	3.3	Energy efficiency	51	
302-4	Reduction of energy consumption	3.3.4	Suggestions and future plans	53	

Standard	Disclosed Item	Corresponding chapter		Page	Note
GRI 303: Water and Effluents					
303-1	Interactions with water as a shared resource	3.4	Value water resource	54	
303-2	Management of water discharge-related impact	3.4	Value water resource	54	
303-3	Water withdrawal	3.4	Value water resource	54	
303-4	Water discharge	3.4	Value water resource	54	
303-5	Water consumption	3.4	Value water resource	54	
GRI 305: Emissions					
305-2	Energy indirect (Scope 2) GHG emissions	3.2	Net zero & carbon reduction	49	
305-3	Other indirect (Scope 3) GHG emissions	3.2	Net zero & carbon reduction	49	
305-5	Reduction of GHG emissions	3.2.3	Future prospect and goal of emission reduction	50	
GRI 306: Waste 2020					
306-1	Waste generation and significant waste-related impacts	3.5	Resource recycling & reutilization	55	
306-2	Management of significant waste-related impacts	3.5.1	Waste management policy	55	
306-3	Waste generated	3.5	Waste management performance and trend	56	
306-4	Waste diverted from disposal	3.5.3	Waste management performance and trend	56	
306-5	Waste directed to disposal	3.5.3	Waste management performance and trend	56	
GRI400: Social Standards					
GRI402: Labor/Management Relations 2016					
401-1	New employee hires and employee turnover	5.1.2	Manpower structure	76	
401-12	Benefits provided to full-time employees	5.3.4	Employee welfare measures	83	
401-13	Parental leave	5.1.2	Manpower structure	77	
402-1	Minimum notice periods regarding operational changes				
GRI403: Occupational Safety and Health					
403-1	Occupational health and safety management system	5.4	Workplace safety management & employee health	88	
403-2	Hazard identification, risk assessment, and incident investigation	5.4.1	Environmental safety management	89	
403-3	Occupational health services	5.4.2	Promotion of environmental and occupational safety and health	91	

Standard	Disclosed Item	Corresponding chapter		Page	Note
403-4	Worker participation, consultation, and communication on occupational health and safety	5.4.2	Promotion of environmental and occupational safety and health	91	
403-5	Worker training on occupational health and safety	5.4.2	Promotion of environmental and occupational safety and health	91	
403-6	Promotion of worker health	5.4.2	Promotion of environmental and occupational safety and health	91	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.4.2	Promotion of environmental and occupational safety and health	91	
403-8	Workers covered by an occupational health and safety management system	5.4.2	Promotion of environmental and occupational safety and health	91	
403-9	Work-related injuries	5.4.2	Promotion of environmental and occupational safety and health	92	

SASB

Topic	Code	Accounting Metric	Category	Chapter	
Energy management	RT-IG-130a.1	(1) Total energy consumed: oil consumption (liter/ year) + electricity consumption (kWh/ year) + natural gas consumption (m3/ year) (2) Percentage grid electricity (3) Percentage renewable energy	Quantitative	3.3	Energy efficiency
Employee health and safety	RT-IG-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) of (a) direct employees and (b) contracted employees	Quantitative	5.4	Workplace safety management & employee health
Fuel economy & emissions in use-phase	RT-IG-410a.1	Sales-weighted fleet fuel efficiency for medium-and heavy-duty vehicles	Quantitative	3.3	Energy efficiency
	RT-IG-410a.2	Sales-weighted fuel efficiency for non-road equipment	Quantitative	3.3	Energy efficiency
	RT-IG-410a.3	Sales-weighted fuel efficiency for stationary generators	Quantitative	3.3	Energy efficiency
	RT-IG-410a.4	(a1) marine diesel engines, (b2) locomotive diesel engines, (c) on-road medium and heavy-duty engines, and (d3) other non-road diesel engines	Quantitative	3.3	Energy efficiency
Material sourcing	RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	Discussion and analysis		
Remanufacturing design and services	RT-IG-440b.1	Revenue from remanufactured products and remanufacturing services	Analysis	4.2.5	Manufacturing process of main products
Number of units produced by product category	RT-IG-000.A	Revenue percentage of unit quantity by product category	Quantitative	4.1	Content of main products
Number of employees	RT-IG-000.B	Number of current employees	Quantitative	5.1	Talent development and growth

Task Force on Climate-related Financial Disclosures (TCFD) Comparison Table

Dimension	Disclosures Suggested by TCCFD	Corresponding Chapter		Page
Governance	a. Description of supervision by the Board of Directors on risks and opportunities related to climate.	3.1	Climate governance risk & opportunity (TCFD)	45
	b. Description of roles played by the management team in evaluating and managing risks and opportunities related to climate.	3.1	Climate governance risk & opportunity (TCFD)	45
Strategy	a. Description of short-term, medium-term, and long-term climate risks and opportunities identified.	3.1.2	Strategy	47
	b. Description of how climate risks and opportunities impact the Company's business, strategy, and financial planning.	3.1.2	Strategy	47
	c. Description of the Company's strategic resilience in different scenarios related to climate (including a temperature of 2° C or even harsher situations).	3.1.2	Strategy	47
Risk management	a. Description of risk identification and evaluation processes related to climate.	3.1.3	Risk management	47
	b. Description of risk management process related to climate.	3.1.3	Risk management	47
	c. Description of how to integrate risk identification, evaluation, and management process related to climate with the Company's overall risk management system.	3.1.3	Risk management	47
Metrics & goals	a. Disclosure of indicators used to evaluate climate risks and opportunities when following strategies and the risk management process established.	3.1.4	Metrics & targets	48
	b. Disclosure of Scope 1, Scope 2, and Scope 3 (if applicable) greenhouse gas emissions, and the relevant risks.	3.2	Net zero & carbon reduction	49
	c. Description of goals used to manage climate risks and opportunities as well as the performance of the goal implementation.	3.2.2	Emission intensity & effectiveness	50

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2025 Sustainability Report



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