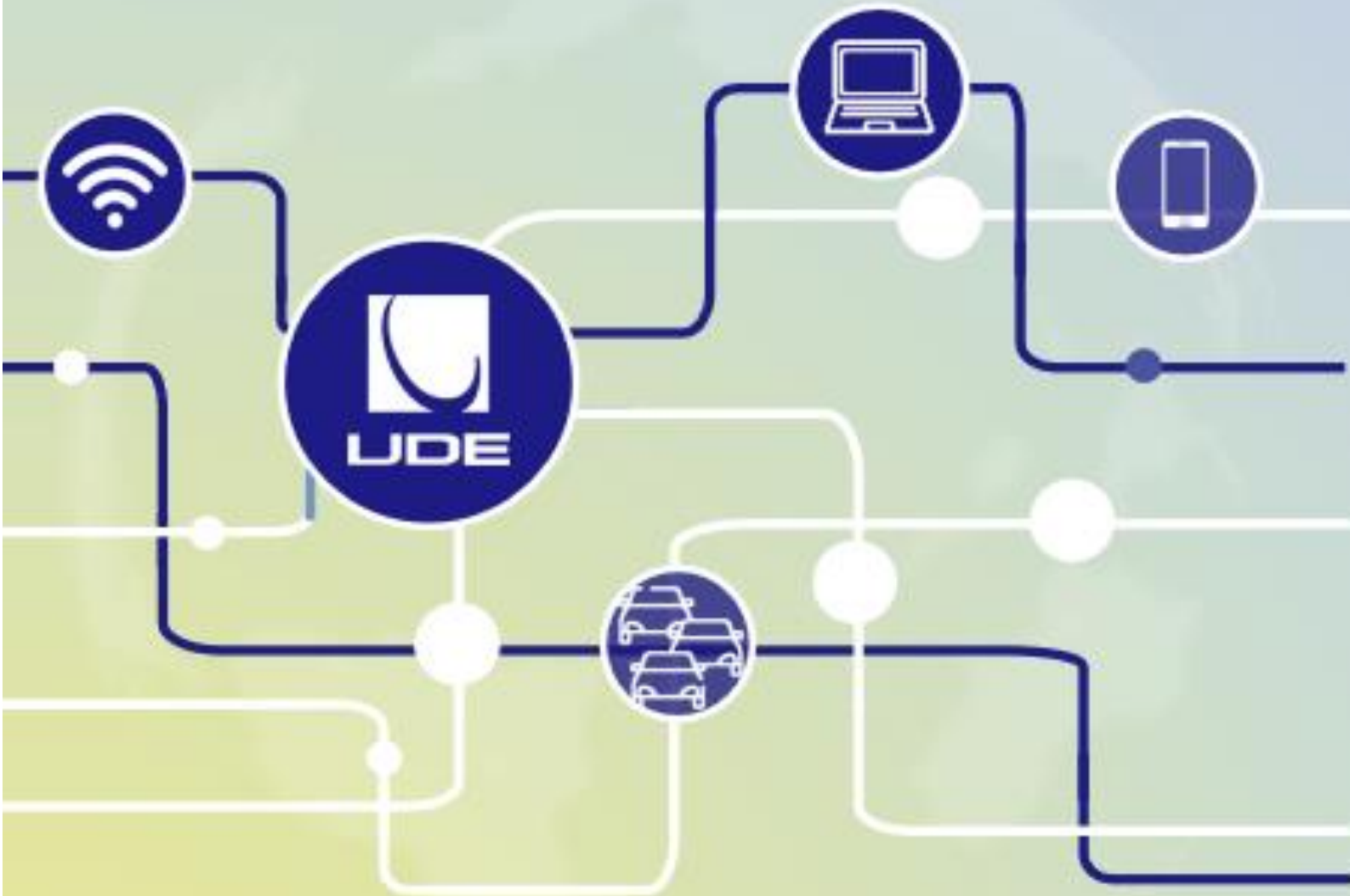
2025 湧德電子

永續報告書

U.D.E. ESG Report



UDE 湧德電子 股份有限公司 U.D. ELECTRONIC CORP.

● Report Overview and Scope

Report Summary

This report is prepared in accordance with the guidelines and framework of the GRI Standards published by the Global Reporting Initiative (GRI). It provides a detailed introduction to U.D. Electronic Corporation (hereinafter referred to as "U.D. Electronic," "U.D.E. Headquarters," "the Company," "we," or "us") and its fulfillment of corporate social responsibility, including specific measures taken in areas such as green production for a sustainable environment and a healthy and safe work environment for a friendly workplace. This is the Company's first corporate sustainability report, which provides reliable and transparent information on issues of concern to investors, promotes two-way communication with internal and external stakeholders, and comprehensively presents the Company's management policies and data on various corporate sustainability issues with transparency and credibility. This report can be read and downloaded from the Company's official website：https://www.ude-corp.com/tw .

Reporting Period

2025 (January 1, 2025 to December 31, 2025). This report discloses U.D. Electronic Corporation's various ESG sustainability management policies, risk assessments, materiality analysis, responses, and performance information on actions. Some content is included to enhance the reader's understanding of the report information. The Company will revise and issue the ESG report annually in the future.

Scope Boundaries

The scope of this report is based on the organizational boundaries set by U.D. Electronic Corporation. This boundary includes the head office: 2nd Floor, No. 13, Lane 68, Neixi Road, Luzhu District, Taoyuan City, Taiwan. The information contained in this report is mainly focused on U.D. Electronic Corporation, with relevant material topics disclosed to internal employees and external stakeholders such as customers, suppliers, and investors. In the greenhouse gas inventory section of this report, the scope includes Zhongjiang U.D. Electronic Co., Ltd., a subsidiary in mainland China, in addition to the head office. Financial statements are consolidated with subsidiaries and mainland China operations and presented in New Taiwan dollars or thousands of New Taiwan dollars. Other information is disclosed using commonly used text and numerical values.

Principles and Guidelines

To continuously enhance the comparability of performance and the materiality of reporting, all information disclosed in this report adopts internationally recognized standards: GRI, SDGs, TCFD, SASB, and the Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies. These standards are as follows:

- Global Reporting Initiative Sustainability Reporting Standards (GRI Standards)
- TCFD: Climate Change Risks, Opportunities, and Financial Impacts
- SASB Standards for Resource Transformation in the Sustainable Accounting Standards: Hardware Manufacturing: Sustainable Development Themes and Accounting Metrics
- Regulations Governing the Preparation and Filing of Corporate Social Responsibility Reports by Listed Companies
- Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies, amended on December 7, 2021

Ensuring the Accuracy of Publicly Disclosed Information

Publicly disclosing ESG-related information has a significant impact on stakeholders. Therefore, we need to make every effort to pay attention to every detail and ensure the accuracy and completeness of the disclosed information.

Internal Confirmation: Unless otherwise specified, all monetary units in this report are in New Taiwan Dollars, and numerical values are rounded to two decimal places. To highlight medium- and long-term trends, some indicators provide continuous data for the past two or three years.

Every piece of data, figures, and reviewed information disclosed in this report has been documented, confirmed, and approved by relevant department heads, and reviewed by the highest management level.

Publication Frequency

Publication frequency: Once a year. Current version: 2025 ESG Sustainability Report: Published in August 2026. Next publication: August 2027.

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● Statement from the Highest Management Level

In 2025, due to global geopolitical situations and the effects of U.S. tariff policies, trade tensions have intensified. As an integrated professional manufacturer of network communication connector components, U.D. Electronic Corporation is at the upstream end of the electronics industry supply chain. Facing the current market trends, we are focused on stable production capacity, technological development, and expanding new businesses. U.D. Electronic will continue to create value for investors and society.

U.D. Electronic Corporation adheres to the core concept of "people-oriented" and attaches great importance to issues such as corporate governance, environmental protection, and the physical and mental health and safety of employees. This year, U.D.E. has implemented the concept of sustainable operation, simultaneously carrying out greenhouse gas inventories and corporate labor rights practice checkups across different factory locations. At the same time, we have taken more proactive actions in social participation, established a friendly workplace environment, emphasized risk management and information security protection, and firmly implemented sustainable corporate operations.

U.D. Electronic Corporation upholds the business philosophy of "lean management, continuous improvement, and constant innovation," deeply cultivating the network communication connector industry and expanding into other related electronics component industry chains with successful results. In 2025, despite the impact of the international situation and environmental changes, the Company still achieved growth in operating profit for the year through the cooperation of professional teams in innovative research and development and marketing, adhering to lean management, promoting the PDCA cycle, and continuous improvement. Corporate sustainability issues are the shared responsibility of the entire industry chain. U.D. Electronic continues to work hand in hand with customers and the supply chain, with confidence in collaborating to build a sustainable future.

U.D. Electronic Corporation is committed to actively promoting ESG sustainable development policies, fulfilling its commitments to society, maintaining good corporate governance, and assuming corporate responsibility for society and the environment. U.D.E., hand in hand with all its employees, will continue to contribute to a green environment, realizing the principles of "integrity management, sound governance, cherishing the environment, and fulfilling social responsibility" to pursue the goal of sustainable operation.



Chairman: Po-Jung Chen



General Manager: Ming-Tzu Chen

1. Implementing Sustainable Management

1.1 Stakeholder Organization, Responsibilities, and Identification

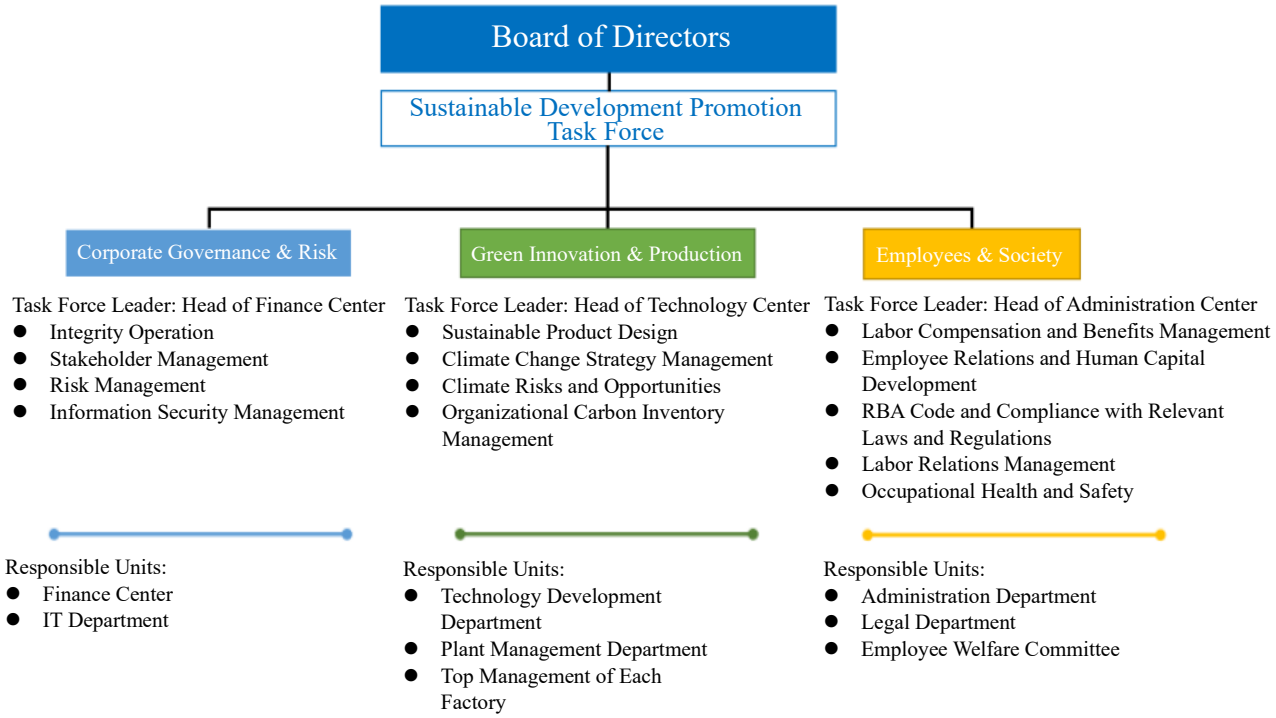
1.1.1 ESG Organization and Responsibilities

Following the vision and mission of the Company's ESG policy, a Sustainability Development Promotion Committee was established in 2024. Chaired by the Chairman of the Board, this committee comprises senior executives from various fields who jointly review the Company's core operational capabilities and formulate medium- to long-term sustainable development plans.

The Sustainable Development Promotion Task Force serves as a cross-departmental communication platform that integrates vertically and connects horizontally. It conducts relevant meetings to identify sustainability issues related to the Company's operations and stakeholders' concerns, formulates corresponding strategies and work guidelines, allocates budgets related to organizational sustainability development, plans and implements annual programs, and tracks implementation effectiveness to ensure that sustainable development strategies are fully implemented in the Company's daily operations.

The Sustainable Development Promotion Task Force reports annually to the Board of Directors on the implementation results of sustainable development and future work plans. The proposals must include: (1) identifying sustainability issues that require attention and formulating corresponding action plans; (2) revising goals and policies related to sustainability issues; and (3) supervising the implementation of sustainable operations and evaluating the implementation status.

The Company's Board of Directors regularly receives reports from the management team each year (including ESG reports). The management team must propose corporate strategies to the Board of Directors. The Board of Directors must evaluate the likelihood of success of these strategies, regularly review the progress of the strategies, and urge the management team to make adjustments when necessary.



▲ U.D. Electronic Corporation ESG Management Organization Chart

1.1.2 Identifying Key Stakeholders

In accordance with the " Procedures for Stakeholder Identification and Material Issue Deliberation in Sustainable Management," U.D. Electronic Corporation uses six screening principles—"Responsibility," "Influence," "Proximity," "Dependence," "Representativeness," and "Policy and Strategic Intent"—to identify five key stakeholder groups in ESG meetings: investors (shareholders), employees, customers, suppliers, and government agencies. Through various communication channels, we listen to the voices of stakeholders, collect their concerns about the Company, and accept and respond to their expectations. The Company's key stakeholders are shown in the figure to the right:



▲ U.D. Electronic Corporation Stakeholders

1.2 Communication and Analysis of Stakeholder Issues of Concern

U.D. Electronic Corporation collects sustainability-related issues based on the Sustainable Development Goals, industry norms and standards, and organizational annual goals. Through various stakeholder communication channels, unit representatives regularly/irregularly interact with stakeholders. By considering the impact of the Company's operations and whether it will affect the Company's operations, a total of 36 stakeholder concerns have been compiled (including duplicates), as detailed in the table below:

Stakeholder	Issues of Concern	Main Communication Channels	Communication Frequency
Company & Investors	Product quality, Business performance, Integrity operation, Shareholder rights, Regulatory compliance, Corporate governance, Risk management, Information security, Management systems, Product innovation	•Board of Directors •Shareholders' Meeting / Annual Report •Market Observation Post System •Corporate Website •Investor Conferences	• 1 meeting/year • 1 time/year • Monthly/Quarterly/Annually • As needed
Employees	Talent development, Compensation and benefits, Talent attraction, Ethics, Human rights and equality, Health and safety, Labor relations, Emergency response	• Two-way communication meetings • Labor-management meetings •Training courses •Email notifications / official announcements / complaint mailboxes	•Irregular •Quarterly •Irregular •Irregular

Stakeholder	Issues of Concern	Main Communication Channels	Communication Frequency
Customers	Product quality, Customer relationship management, Customer privacy, Regulatory compliance, Energy conservation and carbon reduction	•Customer complaint handling and response •Customer satisfaction surveys •Customer meetings •Telephone/mail/website	•Irregular •Annual •Irregular •Irregular
Suppliers	Supply chain management, Green procurement	•Written audits •Written/on-site evaluations •On-site audits	•Irregular •Once a year •Once a year
Government Agencies	Regulatory compliance, Greenhouse gases, Energy conservation and carbon reduction, Occupational safety and health, Information disclosure, Waste management, Water resource management, Energy management	•Official letters/telephone consultations •Participation in promotional meetings •Regulatory briefings •Inspections by competent authorities	•Irregular •Irregular •Irregular •Regular/Irregular

1.2.1 Identifying and Analyzing Stakeholder Issues of Concern and Their Importance and Impact

Each issue of concern is identified in relation to the stakeholder's material topics, and the degree of concern is analyzed within the internal and external scope corresponding to the issues of concern in terms of corporate governance, economy, environment, and society, as shown in the table below:

Stakeholder Concerns		The Connotation of Major Issues	Company Internal Scope		Company External Scope			
			Organization	Staff	Shareholders	Customers	Supplier	Government Agencies
Corporate Governance		Integrity Operation	●	●	●	●		●
		Regulatory Compliance	●	●	●	●		●
		Management Systems	●		●		●	●
		Product Innovation	●	●	●	●	●	
		Ethics	●	●	●			
Economic Aspect	Investors	Business Performance	●	●	●	●	●	
		Shareholder Rights	●	●	●	●	●	
	Customers	Product Quality	●	●	●	●		
		Customer Relationship Management	●	●	●	●	●	
		Customer Privacy	●	●		●	●	
	Suppliers	Green Procurement	●			●	●	
Environmental Aspect		Waste Management					●	●
		Water Resource Management				●		●
		Energy Conservation and Carbon Reduction	●	●	●	●	●	●
Social Aspect	Personnel management within the company	Labor Relations	●	●	●			●
		Compensation and Benefits	●	●			●	●
		Human Rights and Equality	●	●	●	●		●
		Talent Cultivation	●	●		●	●	●
		Health and Safety	●	●	●		●	●

Note: The table above analyzes the importance of 19 issues of concern to six stakeholders: internal (organization and employees) and external (shareholders, customers, suppliers, and government agencies). Issues of concern with 5 to 6【●】marks are classified as material topics, as indicated by the light blue markers. There are a total of 10 material topics.

1.3 Ranking of Material Topics After Identification

Based on the results of stakeholder identification, the ESG Sustainable Development Promotion Task Force was convened to discuss the material topics for the 2025 ESG Sustainability Report, taking into account stakeholder concerns, the degree of stakeholder attention, and the immediate or potential impact on the economy, environment, and society. The ESG Sustainable Development Promotion Task Force held a review meeting on April 14, 2025, to rank the material topics for 2025. Referring to industry best practices, reasonable adjustments and revisions were made in 2025, and meeting minutes were recorded and submitted to the Chairman for approval. **The 10 material topics and 10 secondary topics disclosed for 2025 are shown in the table below:**

Stakeholder Concern Level	High		Labor relations, Customer privacy, Compensation and benefits, Product quality	Business performance, Customer relationship management, Integrity operation, Talent development, Product innovation, Health and safety, Energy conservation and carbon reduction, Shareholder rights, Regulatory compliance, Human rights and equality etc.
	Moderate		Greenhouse gases, Green procurement, Management systems	Energy management, Risk management, Ethics
	Low			
		Low	Moderate	High
	Impact on Economy, Environment & Society			

Note: Material topics are marked with , secondary topics are marked with , this report mainly addresses material topics.

1.4 Responding to Material Topics

Ten material topics were identified in 2025. A summary of management actions and related measures is provided below:

Corporate Governance/Economic Aspects			
Item	GRI Standards	Importance to U.D. Electronic Corporation	Initiatives
Integrity Operation/ Shareholder Rights	102-22 Composition of the highest governance body 102-16, 17 Ethics	Satisfying shareholders is a crucial task for the Company. Implementing an integrity operation policy is vital for establishing the Company's reputation and credibility.	Establish company articles of association and specify the shareholder dividend distribution method. Formulate the "Code of Conduct for Integrity Operation."
Product Innovation	416: Customer Health and Safety 417: Product Marketing and Labeling Product Innovation	Continuous product innovation creates added value for the Company's products and increases profits, enabling the Company to stand out in a competitive market.	The Company has a dedicated R&D center to research and develop new products to meet customer and market demands.
Regulatory Compliance	205: Anti-corruption 206: Anti-competitive Behavior 307: Compliance with Environmental Regulations	Integrity operation is a policy and the foundation for building trust, reputation, and credibility for the Company.	Compliance with regulations is essential for integrity operation. Establish systems for anti-corruption, anti-bribery, and conflict of interest.
Business Performance	201: Economic Performance 202: Market Presence	Business performance relies on continuous profitability to achieve the goal of sustainable operation, expand new customers, increase market share, and create new employment opportunities.	Keep abreast of the economic situation and increase capital expenditures as appropriate; expand customer base and market share; control costs and expenses.
Customer Relationship Management	416: Product Safety 417: Product and Service, Product Quality and Delivery Time	Customer service and satisfaction are crucial factors in building trust and a good reputation with customers. ◦	Conduct regular annual customer satisfaction surveys and require responsible units to improve customer complaints within a specified timeframe.
Environmental Aspect			
Energy Conservation and Carbon Reduction	305: Emissions 307: Compliance with Environmental Regulations	In response to global environmental trends and in cooperation with the national overall greenhouse gas reduction strategy, the Company monitors its greenhouse gas emissions.	Reduce electricity consumption and implement effective energy management.

Social Aspect			
Item	GRI Standards	Importance to U.D. Electronic Corporation	Initiatives
Human Rights and Equality	406: Non-Discrimination 408: Child Labor 409: Forced or Compulsory Labor 412: Human Rights Assessment	Comply with the Labor Standards Act, the Act of Gender Equality in Employment, and other relevant laws and regulations, and establish the "Management Measures for Foreign Workers" to ensure that their labor rights are protected.	Formulate the "Work Rules" and "Measures for the Prevention, Complaint, and Punishment of Sexual Harassment," which include regulations on human rights protection, forced labor, and sexual harassment, and submit them to the Bureau of Labor for approval.
Health and Safety	403: Occupational Health and Safety	Comply with the Occupational Safety and Health Act to provide employees with a safe, healthy, high-quality, and friendly workplace.	Establish "Environmental Impact and Occupational Safety and Health Hazard Assessment" to identify hazards and establish safety operation standards.
Talent Cultivation	404: Training and Education	Establish a training and development system and a performance evaluation mechanism to cultivate and develop employees' individual abilities.	Formulate the "Employee Education and Training Management Measures" for supervisors at all levels to follow.

2. Corporate Governance and Integrity Operation

In response to the material topics and goals of sustainable management in corporate governance, such as integrity operation, risk management, and regulatory compliance, the following table shows U.D. Electronic Corporation's short, medium, and long-term indicators for each of the major topics in sustainable management of corporate governance:

	Short-Term Indicators (1-2 years)	Medium-Term Indicators (3-5 years)	Long-Term Indicators (6+ years)
Integrity Operation	Internal audit deficiency improvement completion rate 100%	100% Internal audit deficiency improvement completion rate 100%	100% Internal audit deficiency improvement completion rate 100%
	Corporate governance evaluation ranking remains within the top 20% of all Over-the-Counter (OTC) listed companies	Corporate governance evaluation ranking remains within the top 20% of all Over-the-Counter (OTC) listed companies	Strive to achieve a corporate governance evaluation ranking within the top 5% of all OTC listed companies
	0 cases of supervisors or employees violating the principle of integrity	0 cases of supervisors or employees violating the principle of integrity	0 cases of supervisors or employees violating the principle of integrity
Risk Management	Conduct escape and evacuation drills and fire drills twice a year	Conduct escape and evacuation drills and fire drills twice a year	Conduct escape and evacuation drills and fire drills twice a year
Regulatory Compliance	0 violations of the Company Act or tax laws and regulations	0 violations of the Company Act or tax laws and regulations	0 violations of the Company Act or tax laws and regulations

Material Topic Goals and Performance: Corporate Sustainability

To address corporate governance and sustainable management, U.D. Electronic Corporation has established an ESG sustainability organization. Based on the principles of integrity operation and information transparency, we comply with regulations, enhance business performance, strengthen internal control and personnel management mechanisms, and pursue ISO management system certifications. We have implemented business philosophy and ethical standards to shape a high-quality corporate culture. The goals and performance for this material topic are as follows:

● Integrity Operation

2025 Performance Goals	2025 Achievement	2026 Performance Goals
Internal audit deficiency improvement completion rate 100%	100% → Achieved	Internal audit deficiency improvement completion rate 100%
0 cases of supervisors or employees violating the principle of integrity	0 cases → Achieved	0 cases of supervisors or employees violating the principle of integrity
Corporate governance evaluation ranking within the second tier (6-20%) of all OTC listed companies	Ranking within the third tier→ Not yet achieved	Corporate governance evaluation ranking remains within the second tier (6-20%) of all OTC listed companies

● Risk Management

2025 Performance Goals	2025 Achievement	2026 Performance Goals
Conduct escape and evacuation drills and fire drills 2 times a year	2 times →Achieved	Conduct escape and evacuation drills and fire drills 2 times a year

● Regulatory Compliance

2025 Performance Goals	2025 Achievement	2026 Performance Goals
0 violations of the Company Act or tax laws and regulations	0 cases → Achieved	0 violations of the Company Act or tax laws and regulations

2.1 Company Profile

U.D. Electronic Corporation (hereinafter referred to as "U.D.E.," "the Company," "we," or "us") was founded in 2005 and officially listed on the Taipei Exchange (TPEx) in 2012. The Company has one location in Taoyuan, Taiwan. In addition to developing various electronic material components, U.D.E. actively expands its product range and production capacity to capture development trends and meet market demands.

- Date of Establishment: March 18, 2005
- Capital: TWD 891,427,000
- Stock Symbol: Taipei Exchange stock symbol (3689), officially listed in 2012
- Number of Employees: 127 (as of the end of December 2025)
- Industry: Electronic Components
- Operational Headquarters: Taiwan
- Global Locations: Taiwan, China, Vietnam
- Website: https://www.ude-corp.com/



2.1.1 Headquarters and Locations

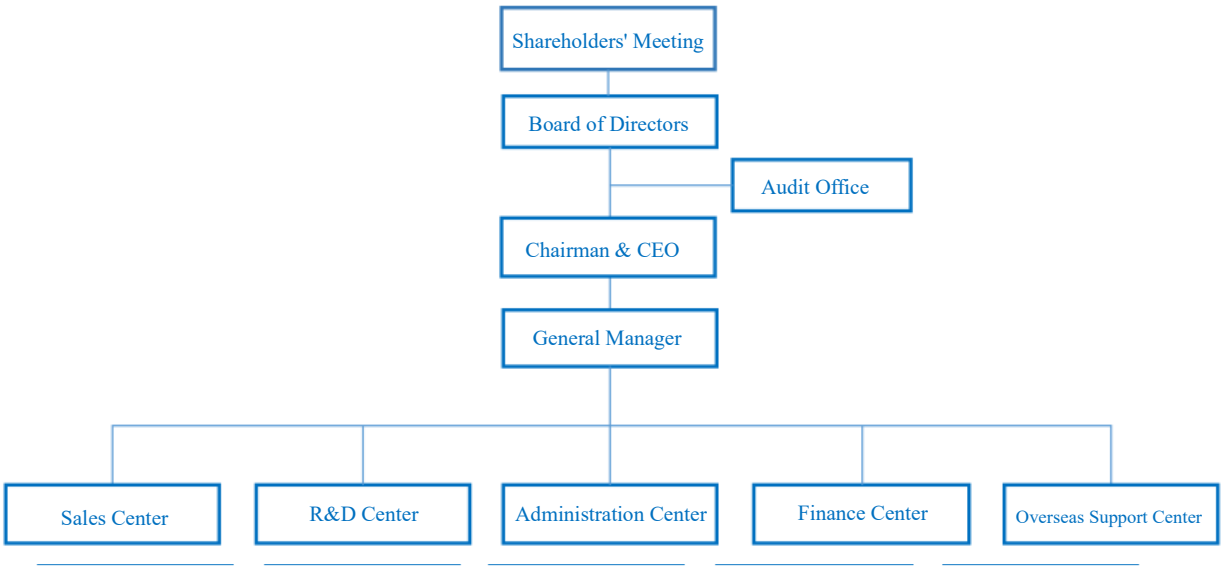
Headquarters	Regional Locations
Head Office	2nd Floor, No. 13, Lane 68, Neixi Road, Luzhu District, Taoyuan City, Taiwan
Dongguan Plant	No. 1, Xinyuan Road, Ludong Village, Humen Town, Dongguan City, Guangdong Province, China
Zhongjiang Plant	No. 303, West Fourth Section, Second Ring Road, Nanhua Town, Zhongjiang County, Deyang City, Sichuan Province, China
Vietnam Plant	CN-01 Lot, Phase 1, Thai Ha Industrial Zone, Bac Ly Commune, Ly Nhan District, Ha Nam Province, Vietnam

2.1.2 Major Developments

Year	Major Developments in the Past 14 Years
2025	Acquired 91.09% equity in Linkpower Electronics Co., Ltd., which is engaged in the assembly, manufacturing, and sales of commercial lighting systems.
2022	Invested in a 100% stake in U.D. ELECTRONIC VIETNAM COMPANY LIMITED, which is responsible for the production of electronic components.
2019	Indirectly invested in a 70% stake in Dongguan Han Lian Technology Co., Ltd., which is responsible for the manufacturing and sales of electronic connection wires and electronic products.
2018	Indirectly invested in a 60% stake in Dongguan Artegen Intelligent Technology Co., Ltd., which is responsible for the design, production, and sales of automation equipment.
2017	Invested in DYP Corp. and indirectly acquired a 100% stake in Dongguan De Yang Precision Rubber and Plastic Co., Ltd., which is responsible for the production and sales of rubber and plastic products.
2016	Indirectly invested in a 55% stake in Dongguan De Yang Precision Rubber and Plastic Co., Ltd., responsible for the production and sales of rubber and plastic products. Indirectly invested in Dongguan De Yang Precision Rubber and Plastic Co., Ltd., responsible for the research and development of electronic components.
2014	Indirectly invested in a 100% stake in Zhongjiang U.D. Network Electronic Co., Ltd., responsible for the trading of electronic components.
2013	Invested in a 50% stake in CDE Corp., responsible for the production of internal components for products.
2012	Listed on the Taipei Exchange.
2005	U.D. Electronic Corporation was established.

2.1.3 Company Organization

The Company's Board of Directors comprises directors and independent directors elected by the shareholders' meeting, and includes the Sustainable Development Promotion Task Force. In accordance with the law, an Audit Committee and a Remuneration Committee are established under the Board of Directors. The Chairman's Office has an Audit Office. The highest management level is the Chief Executive Officer (CEO), who oversees the General Manager. The General Manager oversees the Administration Center, Finance Center, Sales Center, R&D Center, and Overseas Support Center, as detailed in the chart be



▲ U.D. Electronic Corporation Organization Chart

2.1.4 Organizational Responsibilities

The responsibilities of each main department are as follows:

Main Department	Responsibilities
Chairman & CEO	Provides policy instructions and sets target directions for the Company's business operations.
General Manager	Implements the resolutions of the Board of Directors and manages all Company affairs.
Audit Office	Manages the Company's internal audit work.
Administration Center	Manages the Company's administrative affairs, human resources management, and environmental management.
Finance Center	Manages the Company's financial management and accounting.
Sales Center	Responsible for the sales of the Company's products, new customer development, customer credit investigation and service, handling customer complaints and returns, etc.
R&D Center	Responsible for the research and development of the Company's products and design specifications.
Overseas Support Center	Primarily manages the business of overseas subsidiaries.

2.2 Corporate Governance Structure

The key to U.D. Electronic Corporation's successful operation lies in the dedication of management and employees, the support of shareholders, and a transparent corporate governance mechanism and structure that fulfills corporate social responsibility. The "Code of Conduct for Integrity Operation" is established to implement the Company's integrity operation policy and establish a sound governance system. A Remuneration Committee is established under the Board of Directors to assist the Board in fulfilling its supervisory responsibilities. The Remuneration Committee has three seats and regularly reports its activities and resolutions to the Board of Directors.



▲ 2025 Annual General Meeting

Material Topic → Shareholder Rights Policy: Operate Profitably and Protect Shareholder Rights	
Management Approach	● Goal: Achieve profitable business performance growth and gain support from both management and shareholders. ● Commitment: Utilize due diligence and early warning communication methods to implement the Company's established guidelines and protect the rights and interests of key stakeholders, including shareholders. ● Management Measures: (1) Maintain continuous growth and profitability in operating performance, sharing profits with shareholders. (2) Establish a "Corporate Governance Best Practices" system, holding regular annual general meetings, setting agendas, and fulfilling obligations. (3) Comply with legal norms and requirements, and ensure the proper composition of the Board of Directors. (4) Uphold integrity operation and strive for sustainable governance to create value for shareholders. (5) Update major news on the Market Observation Post System in a timely manner to protect shareholder rights.

2.2.1 Board of Directors

U.D. Electronic Corporation has established the "Corporate Governance Best Practices," which clearly define the structure of the Board of Directors, rules of procedure, and obligations and responsibilities. The election of directors adopts a candidate nomination system to ensure that the selection process for all directors is fair, open, just, and diversified.

2.2.2 Board Structure

Considering U.D.E.'s operational scale, development needs, and practical operational requirements, the appropriate number of seats on the Board of Directors has been determined. The selection of members considers a diversification policy that requires them to possess the necessary knowledge, skills, and qualities to perform their duties. Members must faithfully execute their duties and fulfill their due diligence as good administrators and corporate citizens. Careful consideration is given to the composition and diversification standards of the Board, which is composed of individuals from relevant industries with expertise in business management, law, and finance. All members possess the professional knowledge and skills necessary to perform their duties. U.D.E. has nine directors, three of whom are independent directors. In 2025, a total of seven board meetings were held, with an overall director attendance rate of 95%.

2.2.3 Authority of the Board of Directors

According to the Company's "Board Meeting Rules," the following matters shall be submitted to the Board of Directors for discussion:

1. The Company's operational plans.
2. Annual and semi-annual financial reports. However, this does not include semi-annual financial reports that are not required to be audited by a certified public accountant according to legal regulations.
3. Establishing or amending the internal control system in accordance with Article 14-1 of the Securities and Exchange Act (hereinafter referred to as the "SEA").
4. Establishing or amending procedures for handling major financial and business activities such as acquisition or disposal of assets, engaging in derivative transactions, lending funds to others, endorsing or providing guarantees for others, in accordance with Article 36-1 of the SEA.
5. Raising, issuing, or privately placing equity securities.
6. Election or dismissal of the Chairman when the Board of Directors does not have a standing director.
7. Appointment and removal of the head of finance, accounting, or internal audit.
8. Donations to related parties or significant donations to non-related parties. However, donations of a charitable nature for emergency relief due to major natural disasters may be submitted to the next board meeting for ratification.
9. Matters that shall be resolved by the shareholders' meeting or the Board of Directors in accordance with Article 14-3 of the SEA, other laws and regulations, or the articles of incorporation, or major matters stipulated by the competent authority.
10. If the remuneration of directors and managers recommended by the Remuneration Committee is not adopted or if the recommendations of the Remuneration Committee are amended, it shall be approved by at least two-thirds of all directors present, and a majority of the directors' present shall agree to it. The resolution shall also explain whether the remuneration approved by the Board of Directors is more favorable than the recommendations of the Remuneration Committee.
11. Proposals related to the vision, strategy, and organizational planning for sustainable development.

2.2.4 Educational Background and Experience of Board Members

Title	Name	Term of Office	Major Education/Experience
Chairman	Po-Jung Chen (陳伯榕)	3 years	MBA, San Francisco State University Vice Chairman and General Manager, Speed Tech Corp.
Director	Ming-Tzu Chen (陳旻徽)	3 years	Master of Science in Automatic Control, University of Sunderland, UK Vice General Manager, Speed Tech Corp.
Director	Yu-Chan Shih (石育展)	3 years	Department of International Trade, Fu Jen Catholic University Section Chief, Delta Electronics, Inc. Sales Manager, Speed Tech Corp.
Director	Chi-Ling Chen (陳綺玲)	3 years	Jen-Teh Junior College of Medicine Piano Teacher
Director	Chang-Chun Chien (簡長春)	3 years	Department of Automotive Repair, Cheng-kung Senior Industial Commercial Vocational School Vice General Manager, Da Ming Paper Industry Co., Ltd. General Manager, Sheng Chang Rong Ttading Co., Ltd.
Director	Te-Chang Yao (姚德彰) (Representative of Jun Feng Investment Co., Ltd.)	3 years	Vice General Manager, Xu Bang Management Consultant General Manager, Ta Ya Venture Capital
Independent Director	Hsueh-Yu Liu (劉學愚)	3 years	Manufacturing Operations Manager, HP Taiwan Information Technology Vice General Manager, WK Associates Ltd.
Independent Director	Kuang-Chao Fan (范光照)	3 years	Director, Graduate Institute of Industrial Engineering, National Taiwan University Corporate Director Representative, NTU Innovation Incubation Corporation Vice Dean, College of Engineering, National Taiwan University; Professor, Department of Mechanical Engineering, National Taiwan University Director, NTU Yen Tjing Ling Industrial Research Institute
Independent Director	Hsu-Ling Wang (王緒玲)	3 years	Vice General Manager and CFO, WK Associates Ltd. Accounting Manager, HP Taiwan Information Technology

2.2.5 Diversity of Competencies

The professional expertise and management skills of the Board members, including operational judgment, finance and accounting, crisis management, industry knowledge, international perspective, leadership, and decision-making abilities, are taken into consideration when forming the Board. A summary of the competencies of each Board member is presented in the table below:

Professional Competency / Director's Name	Operational Judgment	Accounting/ Finance/Mathematical Skills	Management Skills	Crisis Management Skills	Industry Knowledge Capability	International Market Perspective	Leadership /Decision-Making Capability
Po-Jung Chen (陳伯榕)	●	●	●	●	●	●	●
Ming-Tzu Chen (陳旻徽)	●	●	●	●	●	●	●
Yu-Chan Shih (石育展)	●	●	●	●	●	●	●
Chi-Ling Chen (陳綺玲)				●		●	●
Chang-Chun Chien (簡長春)	●		●	●		●	●
Te-Chang Yao (姚德彰) (Representative of Jun Feng Investment Co., Ltd.)	●		●		●	●	
Hsueh-Yu Liu (劉學愚)	●		●	●	●	●	●
Kuang-Chao Fan (范光照)	●		●	●	●	●	●
Hsu-Ling Wang (王緒玲)	●	●	●	●	●	●	●

2.2.6 Directors' Remuneration

The Company's directors' remuneration is handled in accordance with Article 20 of the Company's Articles of Association. If there is a profit in the current year , not more than 3% of the profit shall be allocated as directors' remuneration. The procedures for determining remuneration take into account the Company's overall operating performance, future industry risks and development trends, as well as individual performance achievement rates and contributions to the Company, to provide reasonable compensation.

2.2.7 Linking Executive Remuneration with ESG Performance

U.D. Electronic Corporation continues to enhance its corporate governance and incentive mechanisms for the senior executives. Starting from 2024, the Company has officially incorporated ESG performance indicators into the variable remuneration assessment for senior executives, demonstrating its concrete commitment to integrating sustainability goals into management practices and performance responsibility. Within the annual variable remuneration of senior executives, 3% is explicitly linked to ESG-related objectives, covering the following three sustainability indicators:

Environmental (E): Annual reduction in energy consumption and progress in carbon emission management

Social (S): Employee satisfaction achievement rate, occupational safety indicators (e.g., zero significant occupational accidents), and completion rate of employee training hours

Governance (G): Maintenance or improvement of the corporate governance evaluation ranking, implementation of integrity management and internal control systems, and effectiveness of stakeholder communication

The 3% ESG-linked incentive is granted based on achievement of annual ESG key performance indicators (KPIs), and a resolution is made by the Remuneration Committee of the Board of Directors after a comprehensive review, taking into account the annual ESG performance report and internal audit results.

2.2.8 Board Performance and Operations

The Board of Directors has access to transparent and sufficient information to make decisions that have a significant impact on organizational development, performance improvement, operational performance, and the management of business, environmental, and social risks. Through full communication and discussion, the Board plans the Company's future operational direction and fully utilizes its functions.

Board Performance and Operations: In accordance with the law, the Company has held quarterly meetings of the Board of Directors over the past two years. The attendance of each director is shown in the table below:

Title	Name	Actual Attendance		Authorized Attendance		Actual Attendance Rate	
		2024	2025	2024	2025	2024	2025
Chairman	Po-Jung Chen (陳伯榕)	5	7	1	0	83%	100%
Director	Ming-Tzu Chen (陳旻徽)	6	6	0	1	100%	86%
Director	Yu-Jan Shih (石育展)	6	7	0	0	100%	100%
Director	Chi-Ling Chen (陳綺玲)	6	7	0	0	100%	100%
Director	Chang-Chun Chien (簡長春)	4	6	0	0	67%	86%
Director	Jun Feng Investment Co., Ltd. Representative: Te-Chang Yao (姚德彰)	5	7	0	0	83%	100%
Independent Director	Shue-Yu Liou (劉學愚)	6	7	0	0	100%	100%
Independent Director	Kuang-Chao Fan (范光照)	6	7	0	0	100%	100%
Independent Director	Shuh-Ling Wang (王緒玲)	6	6	0	1	100%	86%

2.2.9 Remuneration Committee

The Company's Remuneration Committee consists of three members. The operation of the committee is conducted in accordance with the Company's "Organizational Regulations for the Remuneration Committee." The members, responsibilities, and implementation status are shown in the table below.

Category	Content of Actual Operation in the Past Two Years
Members	Independent Directors: Hsueh-Yu Liu (劉學愚), Kuang-Chao Fan (范光照), Hsu-Ling Wang (王緒玲)
Responsibility	Evaluate the policies, systems, structure, and standards of various remunerations for directors and managers.
Implementation Status	1. Term of Office: 2023/6/26-2026/6/25 2. In 2024, the Remuneration Committee convened 3 meetings (January, March, May), with an average attendance rate of 100%. In 2025, the Remuneration Committee convened 2 meetings (February, May), with an average attendance rate of 100%.

In the past two years, the Compensation Committee has convened six times, with the attendance status of committee members as shown in the table below:

Title	Name	Actual Attendance		Attendance by Proxy		Actual Attendance Rate	
		2024	2025	2024	2025	2024	2025
Convener	Hsueh-Yu Liu (劉學愚)	3	2	3	2	100%	100%
Member	Kuang-Chao Fan (范光照)	3	2	3	2	100%	100%
Member	Hsu-Ling Wang (王緒玲)	3	2	3	2	100%	100%

2.2.10 Audit Committee

The Company's Audit Committee consists of three members. The operation of the committee is conducted in accordance with the Company's "Audit Committee Charter." Details regarding its members, responsibilities, and implementation status are presented in the table below.

Category	Content of Actual Operation in the Past Two Years
Members	Independent Directors: Hsueh-Yu Liu (劉學愚), Kuang-Chao Fan (范光照), Hsu-Ling Wang (王緒玲)
Responsibility	Supervise whether the financial statements are properly presented, whether internal controls are effective, etc.
Implementation Status	1. Term of Office: 2023/6/26-2026/6/25 2. In 2024, the Audit Committee convened 6 meetings (January, March, May, June, August, November), with an average attendance rate of 100%. In 2025, the Audit Committee convened 7 meetings (January, February, May, May, August, September, November), with an average attendance rate of 100%.

The Audit Committee convened 15 meetings in the past two years. The attendance of the committee members is shown in the table below.

Title	Name	Actual Attendance		Attendance by Proxy		Actual Attendance Rate	
		2024	2025	2024	2025	2024	2025
Convener	Hsueh-Yu Liu (劉學愚)	6	7	0	0	100%	100%
Member	Kuang-Chao Fan (范光照)	6	7	0	0	100%	100%
Member	Hsu-Ling Wang (王緒玲)	6	6	0	0	100%	86%

2.2.11 Communication Between Independent Directors and Accountants

The independent directors and the accountants hold four meetings each year. During these meetings, the certified public accountants brief the independent directors on the findings of the financial report audits, significant regulatory updates, and annual audit plans. The overall attendance rate of the independent directors at these meetings is 92%.

2.2.12 Communication Between Independent Directors and the Head of Internal Audit

The independent directors and the Head of Internal Audit hold six meetings each year. In addition to submitting audit reports for review by the independent directors, the Head of Internal Audit also provides the independent directors with important business reports on the Company and its subsidiaries during each meeting. The overall attendance rate of the independent directors at these meetings is 95%.

2.3 Ethical Management

Based on the principles of fairness, honesty, trustworthiness, and transparency in conducting business activities, the Company has established operating procedures and a code of conduct for ethical management in accordance with the " Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies " and the relevant laws and regulations of the Company's and its affiliates' operating locations. These measures aim to implement the ethical management policy, actively prevent unethical conduct, and provide specific guidelines on matters that the Company's personnel should observe when performing their duties.

The Company's board of directors, managers, employees, agents, and persons with significant control are required to exercise due diligence and care of a good administrator to urge the Company to prevent unethical behavior. They should also continuously review the effectiveness of implemented measures and make improvements to ensure the implementation of the ethical management policy.

2.3.1 Ethical Conduct in Business Activities

The Company shall conduct its business activities in a fair and transparent manner based on the principles of ethical management. Before engaging in business transactions, the Company shall consider the legality of its agents, suppliers, customers, or other business partners, and whether they have engaged in any unethical conduct. The Company shall avoid transactions with entities that have a record of unethical behavior. Contracts signed between the Company and its agents, suppliers, customers, or other business partners should include provisions requiring adherence to ethical management policies. These contracts should also stipulate that the Company may terminate or rescind the agreement at any time if the counterparty engages in unethical conduct.

2.3.2 Implementation Methods

The Company's Chairman, General Manager, or senior management shall regularly communicate the importance of integrity to directors, employees, and agents.

The Company shall conduct regular training and promotion for directors, managers, employees, agents, and persons with significant control. Each business unit shall promote the Company's ethical management policies to its counterparties, enabling them to fully understand the Company's commitment to ethical management, its policies, preventive measures, and the consequences of violating ethical conduct. The Company shall integrate its ethical management policy with employee performance evaluations and human resources policies, establishing a clear and effective reward and punishment system.

2.3.3 Reporting and Disciplinary Action

If the Company's directors, managers, employees, agents, or persons with significant control discover any violation of the ethical management regulations, they should proactively report it to the board of directors, managers, the head of internal audit, or other appropriate supervisors. The Company will ensure the confidentiality of the informant's identity and the reported content, and will actively investigate and handle the matter. If a major violation is discovered during the investigation or if the Company is at risk of significant damage, a report should be immediately prepared and the independent directors should be notified in writing. Those who are confirmed to have violated the ethical management regulations will be subject to disciplinary action based on the severity of the violation, according to relevant personnel regulations. Information such as the title, name, date of violation, content of violation, and handling of the violator will be disclosed on the Company's internal website.

2.4 Internal Control Mechanisms and Management Systems

2.4.1 Internal Control Mechanisms

The Company's dedicated internal audit personnel regularly review compliance and conduct random checks of behavioral records. They then compile audit reports and submit them to senior management for review to ensure the implementation of company policies and the improvement of mechanisms.

Internal Control Mechanism
● Scope: To inspect and evaluate the adequacy and effectiveness of the internal control systems and operational efficiency of various departments within the company. ● Targets: Audit targets include the operations of all departments within the company. ● Management Measures: ■ Planned Approach→Based on regulatory requirements and risk assessment results, the Audit Office formulates an annual audit plan before the end of each year. This plan is submitted to the Board of Directors for discussion and approval, serving as the basis for conducting audit operations. ■ Project-Based Approach→Depending on business needs, senior management or the head of the Audit Office may designate audit topics and timelines. Auditors are required to conduct various audits within the specified timeframe.

2.4.2 Audit Process

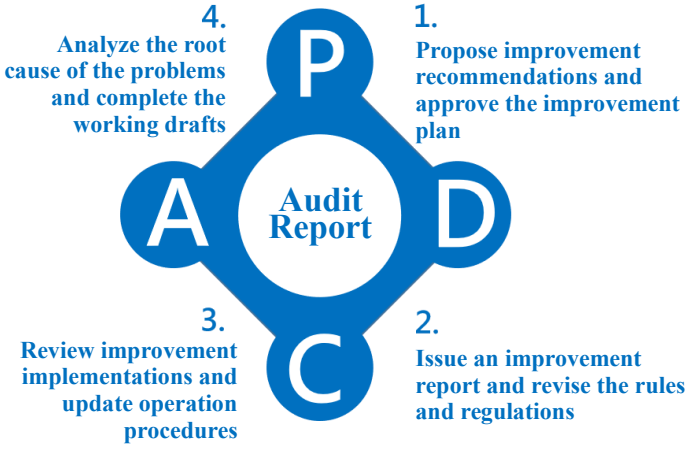
(1) Formulate an annual audit plan based on risk assessment results.

(2) Execute audit operations according to the annual audit plan.

(3) Conduct project audits as needed and promptly inform management of existing deficiencies or potential risks.

(4) Issue an audit report after performing audit work and propose recommendations and improvements.

(5) Continuously track and improve audit deficiencies, preparing tracking reports at least quarterly until improvements are implemented.



▲ **The Audit PDCA Cycle of U.D.E.**

(6) After the audit report and tracking report are approved, they should be submitted to each independent director for review by the end of the month following the completion of the audit items. The audit operation management follows the P-D-C-A management cycle as shown in the diagram on the right:

There were no significant internal control deficiencies in 2025. The statement of effectiveness of internal control is disclosed in the annual report.

2.4.3 Internal Management System

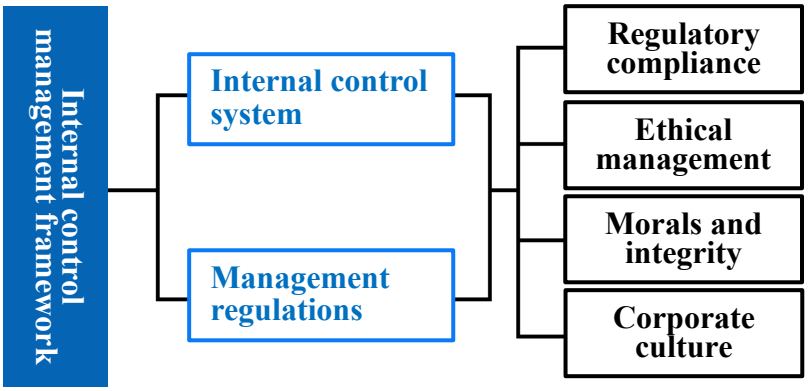
The Company's Board of Directors and managers have established an internal management system in accordance with the "Regulations Governing Establishment of Internal Control Systems by Public Companies" and relevant laws and regulations to enhance management effectiveness and product quality. The internal management system is mainly divided into the following three categories:

2.4.3.1 Internal Control System

The internal control system covers the entire operation of the company, including all aspects of "management" functions such as planning, organization, and control, as well as the nine major cycle procedures and standard measures adopted in business areas such as sales, production, procurement, financing, payroll, fixed assets, computer information, investment, and research and development.
Its main purpose is to achieve "promoting the effective operation of the enterprise organization" with the following three objectives:
①Ensure that the company complies with policies and operating procedures.
②Prevent waste, theft, and inefficient use of assets.
③Ensure the accuracy and effectiveness of accounting and operational data.

2.4.3.2 Various Management Measures

For special control items with high operational risks, such as credit management operations and approval authority for various expenses, relevant management measures have been established to mitigate operational risks.
The aforementioned internal control system is based on corporate culture, employee core values, and professional ethics, enabling these three management systems to operate effectively and continuously improve. This aligns with U.D.E.'s sustainable business philosophy, thereby enhancing management effectiveness and product quality reliability to achieve the company's vision and mission of sustainable operation. The internal control management system is illustrated in the diagram on the right:



▲ The internal control management framework of U.D.E.

2.5Business Philosophy, Ethical Standards, and Regulatory Compliance

2.5.1 Business Philosophy

The Company's core values are: Lean Management, Continuous Improvement, and Constant Innovation. These values also represent the Company's business philosophy. With the pursuit of profit and surplus as the ultimate goal, the Company is committed to ensuring information transparency, creating higher added value for its products, striving to enhance the team's professional and leadership capabilities, and continuously improving operational performance.

2.5.2 Ethical Standards and Regulatory Compliance

Key Issues → Regulatory Compliance Policy: Compliance with relevant laws and regulations of Taiwan and international laws.	
Management Policy	● Objective: To comply with Taiwan's economic, environmental, labor, health and safety laws and regulations, as well as international legal provisions, during the process of enhancing the overall competitiveness of the enterprise. ● Commitment: To utilize due diligence and early warning communication methods to comply with Taiwan's economic, environmental and labor laws and regulations, as well as international legal provisions, to safeguard the rights and interests of stakeholders. ● Management Measures: (1) Establish an effective internal control system and management system to implement the company's integrity and ethical operations. (2) Comply with relevant laws, regulations and requirements, and cooperate with the government to jointly promote the sustainable development of the electronics manufacturing industry. (3) Emphasize business ethics and employee professional ethics, and respect intellectual property rights and the privacy of individuals and customers. (4) Strengthen communication with various stakeholders and strive to meet their expectations for the company's sustainable operation.

2.5.3 Anti-bribery and Anti-corruption

U.D.E. has established a "Code of Ethical Conduct" to ensure the normal operating order of the enterprise and maintain fair competition. It is used to regulate business purchase and sales behavior, and prohibit any form of corruption, extortion, and misappropriation of public funds, which constitute improper gains. The code clearly defines all of U.D.E.'s business activities or external interactions, including: Contact with government departments, Negotiating orders with customer representatives, Customer QC inspections, Impartial execution of product testing, inspection, and review. During these activities, it is prohibited to directly or indirectly offer or receive cash, goods, or other benefits under the guise of rebates, promotional fees, publicity fees, labor fees, reimbursement of various expenses, or provision of domestic or international travel, which constitute improper gains outside of the transaction.

2.5.4 Regulatory Compliance

U.D.E. abides by all applicable laws and regulations. It regularly collects and compiles relevant legal and regulatory information related to its operations. If there are any new additions or revisions, the responsible unit immediately reviews whether the current operating model and practices are compliant and assists in disseminating the policies to all departments. The following table summarizes U.D.E.'s compliance with corporate governance, environmental, economic, and social regulations, including relevant legal sources, internal regulations or procedures, and whether any legal violations occurred in 2025:

Category	Relevant Laws and Regulations in Taiwan	Corresponding Regulations or Procedures of the Company	Were there any legal violations in 2025
Corporate Governance	Company Act, Corporate Governance Best-Practice Principles, Code of Ethical Conduct for Listed and OTC Companies, Audit Committee Charter, Remuneration Committee Charter	Company Articles of Association, Corporate Governance Best-Practice Principles, Code of Ethical Conduct	The Company has acted in accordance with the law and therefore has not been subject to significant monetary penalties or other non-monetary penalties.
Employee Labor Rights and Conditions	Labor Standards Act, Employment Service Act, Act of Gender Equality in Employment, Labor Insurance Act, Labor Pension Act, National Health Insurance Act, Employees' Welfare Funds Act, Regulations of Leave-Taking of Workers, Regulations for Implementing Labor-Management Meeting etc.	Work Rules, Filing of Roster of Labor-Management Meeting Representatives, Recruitment Operating Procedures, Termination Management Procedures, Salary Management Procedures, Welfare Measures Management Methods …etc.	The Company complies with relevant laws and regulations of the Labor Standards Act and has not been penalized for violations of the Labor Standards Act or labor disputes. Neither the Company's operating locations nor its major suppliers have any incidents of forced labor.
Health and Safety	Occupational Safety and Health Act, Enforcement Rules of the Occupational Safety and Health Act, Enforcement Rules of the Occupational Safety and Health Act, Regulations of the Labor Health Protection, Occupational Safety and Health Facilities Rules, Occupational Safety and Health Education and Training Rules... etc.	Filing of Occupational Safety and Health Work Rules Filing of Occupational Safety and Health Organization and Personnel	The Company complies with the Occupational Safety and Health Act and its related regulations and has not experienced occupational accidents or been penalized for violations found during labor health and safety inspections.
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 Enforcement Rule…etc.	Waste Disposal Procedures, Noise Control Procedures, Drinking Water Management Procedures, Wastewater Management Procedures…etc.	The Company complies with environmental regulations and has not been penalized for violations of environmental regulations.
Economy	Civil Code of Fair Trade Act, Patent Act, Copyright Act, Intellectual Property Act, Trade Secrets Act, Personal Data Protection Act…etc, and Communicable Disease Control Act, Sexual Harassment Prevention Act	Labor Contract, Code of Professional Ethics, Personnel-Related Management System	The Company has no record of violating economic and social regulations or being fined.
Society			

In 2025, there were no cases of official penalties imposed on the Company regarding corporate governance, environment, economy, or social aspects. The Company will continue to uphold this record in the future and will further promote accurate legal information to colleagues through training sessions and internal meetings.

2.5.5 Tax Policy

The Company supports tax policies that encourage product and technological innovation and sustainable development. U.D.E. is committed to controlling tax risks, pursuing sustainable development, and fulfilling its corporate social responsibilities. U.D.E. commits to the following:

- All major operational decisions comply with relevant laws and regulations, and tax risk assessments are conducted accordingly.
- Following the OECD's Base Erosion and Profit Shifting (BEPS) Action Plan, U.D.E. generates profits through companies with economic substance and obtains tax resident status to comply with local tax regulations.
- U.D.E. does not engage in transactions in low-tax jurisdictions for tax avoidance purposes.
- Disclosures in financial reports comply with relevant laws and regulations. Tax-related information is also fully disclosed in accordance with relevant regulations.
- U.D.E. establishes a relationship of mutual respect and good communication with tax authorities in tax jurisdictions based on integrity.
- The Company complies with tax policies and regulations. There have been no incidents of government financial subsidies or penalties imposed by competent authorities.

2.6 Information Security

2.6.1 Information and Communication Security Risk Management Framework

The company strengthens information and communication security management in accordance with the regulations of the competent authority. The management framework: The general manager coordinates the organization management center and audit office to establish an information security governance organization, which inspects various security management measures, integrates information, and suggests improvement plans. The general manager decides on various security management policies and reports them to the chairman and CEO, who assign dedicated personnel to promote and implement the policies.

2.6.2 Information Security Policy

- Conduct information asset risk assessment, examine system architecture, network security, resource management, and software and hardware authorization for compliance and high availability with the enterprise environment, and adjust or incorporate risk items into improvement plans.
- Promote confidentiality policies and data protection, file and record management, mobile device control, hierarchical access control, and irregular inspections and record compilation by audit and legal departments, collaborating to report various abnormal information, reduce the risk of information leakage, and maintain important corporate assets and competitiveness.
- Promote awareness of information security with the times to enhance employees' awareness of information security and implement it in their daily work.
- Maintain close cooperation with various information security companies. Immediately notify, investigate, and handle information security incidents and vulnerabilities that occur in various locations to ensure that vulnerabilities are repaired as early as possible to prevent problems before they occur.

2.6.3 Implementation Measures

2.6.3.1 Multi-layered Protection for External-to-Internal and Internal-to-Internal Networks

- Implement multi-layered firewall equipment from different brands, enabling their respective advantageous features, advanced detection technologies, traffic monitoring, application identification, and analysis of unknown malware to proactively block suspicious connection behavior and infiltration attempts.
- Implement network control across factory areas and device types, installing additional firewalls between factory areas to prevent the spread of viruses and attacks across different zones.
- Add multi-channel, multi-layered email defense gateways, enabling features such as Attachment Defense, real-time URL detection, protection against Business Email Compromise (BEC) scams, phishing, and ransomware. This provides multi-dimensional detection, anti-evasion detection, defense against advanced email infiltration, and interception of advanced persistent threats.

2.6.3.2 Endpoint Protection

- Computers are equipped with more than one type of security software based on their classification. In addition to enhancing basic antivirus protection, next-generation endpoint Advanced Persistent Threat (APT) protection is implemented. This utilizes behavioral detection to monitor unusual operational behavior with zero-time difference, immediately blocking and deleting malicious programs and reducing lateral infection. Furthermore, machine learning and behavioral analysis are employed to prevent fileless malware and memory attacks.
- Intrusion Prevention Services have been purchased to provide real-time alerts and responses, preventing large-scale intrusions.
- A device entry inspection mechanism is established to prevent malicious software from entering the factory through system vulnerabilities.
- Internet behavior control and isolation protection. Document operations and browsing external web pages are separated into different operating environments to reduce accidental clicks on phishing websites and subsequent downloads of malicious software to personal computers, blocking hackers from lurking externally and infiltrating the internal network.

2.6.3.3 Data Security Protection

- Implement a document encryption and protection system to restrict personnel access, control file behavior permissions, and record file operations to prevent data leakage.
- Control copy and scan equipment. Unauthorized personnel cannot operate the equipment. Implement print record retention software to record any login and operation, and completely preserve copied and scanned electronic files.
- Control outgoing and internal emails.
- Restrict access to cloud space.
- Implement a data backup system, establish a backup mechanism, and store backups offline.
- Prohibit the use of infringing software: Software licenses used by the company must be legalized. Unauthorized installation of software without legal authorization on any computer equipment, including company-provided computers or personal computers brought into the company, is considered an infringement.
- Audit mechanism: Information Security Day, general inspection on the fourth week of every month.

2.6.3.4 Information Confidentiality Regulations

- Employees shall take appropriate protective measures for trade secrets and confidential information they become aware of or manage in the course of their duties, including the following measures:
  - Before disclosing to a third party, a confidentiality agreement shall be signed.
  - Strictly abide by the labor contract and other relevant confidentiality management regulations.
  - Take necessary and reasonable protective measures to prevent unauthorized access to confidential information and obtaining trade secrets or confidential information.
  - Company information disclosure principles: Employees shall not disclose the Company's assets, including information, business, technical data, and any other tangible or intangible trade secrets and confidential information, to any third party without permission.

Information Security Management Measures		
Category	**Description**	**Related Measures**
Authority Management	1. Employee account	Personnel account authority management and auditing
	2. Authority control	
	3. System operation	
Access Control	1.Employee access control to internal and external systems	Internal and external access control (VPN)
	2.Data transmission security measures	Data leakage control (document encryption system)
External Threats	1. Antivirus and anti-hacking system protection measures	Antivirus software for malware detection
	2. Spam interception and isolation	Spam filtering system to prevent malicious email messages
	3.Firewall network threat blocking	Firewall hardware devices to protect against external network threats

▲ U.D.E. Electronic Corporation Information Security Management Measures

2.7 Risk Management

2.7.1 Risk Management

To effectively identify, analyze, assess, control, handle, and continuously monitor various risks, enhance risk awareness among all employees, keep risks within acceptable levels, and ensure the integrity, effectiveness, and optimization of risk management.

Risk Management Mission: To build and maintain an effective risk management system and continuously improve it to reduce operating costs, ensure continued profitability for the company, and create a high-quality work environment to achieve the company's sustainable development goals. Its objectives and targets, commitments, and management measures are as follows:

● Operational Risk Management Methods

Key Risks	Regulatory Risk	Sales Risk	Climate Change Risk
Management Methods	Closely monitor and plan for significant policy and legal changes, comply with regulations, and mitigate the impact of regulatory changes on company operations.	Diversify the revenue contribution from sales customers and actively develop new customers to avoid concentrated sales risk.	Implement planned procurement and select supply sources, production locations, and production methods to avoid cost impacts due to climate change and natural disasters. Plan for alternative materials in advance during the research and development phase.

2.7.2 Identification, Assessment, and Management of Emerging Risks

U.D.E. constantly monitors trends in economic and environmental changes, identifies long-term risks and opportunities, and adjusts its business strategies accordingly to achieve sustainable development goals and long-term operational performance. Therefore, each risk management team collects relevant domestic and international information to assess potential long-term operational risk items for the company. Through questionnaires or senior management meetings, they identify the issues that may have the highest impact in the future and discuss how to mitigate the impact and develop response strategies.

- **Annual Major Emerging Risk Identification Process**

  1. Gather internal and external information related to emerging risks.
  2. Consolidate relevant risk information and establish a method for identifying risks.
  3. Conduct major emerging risk identification with senior management to identify emerging risks.

- **Major Emerging Risk Assessment**

  1. Identify potential problems related to major emerging risk events.
  2. Predict and analyze the possible impact of each risk event.
  3. Establish management contact points for identified major emerging risks.

- **Managing Major Emerging Risks**

  1. Establish major emerging risk management strategies and plans.
  2. Execute and monitor major emerging risk events.
  3. Each risk management team conducts effectiveness tracking and control.

2.8 Participation in External Organizations

To effectively combine and leverage industry strengths and stay abreast of industry development trends, U.D.E. has joined domestic and international industry associations. We actively participate in various seminars and discussions organized by these associations, closely interact and exchange ideas with industry peers, and collaborate to envision shared prosperity for the industry.

Organization Name	Role
Taiwan Electronic Connection Association (TECA)	Standing Director
Strategic Alliance for Automobile Industry in TECA	Member
Storage Networking Industry Association	Member
Taoyuan City Industrial Association	Member
Taoyuan City Chamber of Commerce	Member

2.9 Participation in Industry-Government-Academia Research Projects

U.D.E. actively promotes technological development and deepens industry-academia connections. We collaborate with government-funded technology projects to drive new technology research and development, while simultaneously partnering with academic institutions to cultivate potential technical talent.

Project Year (R.O.C.)	Project Title	Partner	Project Start Date
112	Thermal Simulation of Optical Transceivers and a Simplified Thermal Modeling Approach for Electronic System Design and Development	National Science and Technology Council	112/06/01-113/05/31
112	Student Entrepreneurial Internship, Lunghwa University of Science and Technology	Lunghwa University of Science and Technology	112/09/01-113/06/30
112	Industry-Academia Collaboration Program Internship, Department of Electronic Engineering, Lunghwa University of Science and Technology	Lunghwa University of Science and Technology	112/08/01-116/06/30

3. Operational Strategy and Performance, Customer Service

• U.D.E.'s Operational Objectives:

- Product Innovation: Invest in research and development and promote new products to provide more competitive and diverse solutions, becoming a technology and market leader in the industry.
- Market Development: Actively develop high-frequency, high-speed products and automotive electronic components for future potential areas such as 5G and electric vehicles to expand potential customers.
- Product Automation: Increase the proportion of product automation and, through process design, combine human judgment to achieve flexible production with real-time detection and handling of abnormalities, thereby improving product quality and production efficiency, and reducing costs.
- Business Performance: Plan short, medium, and long-term sustainable operation goals and work plans (as shown in the table below) to pursue continuous revenue growth and maintain stable returns to ensure shareholder interests.

Indicator	Short-Term Indicator (1-2 Years)	Medium-Term Indicator (3-5 Years)	Long-Term Indicator (6+ Years)
Business Performance	**Net profit growth of 3%**	**Net profit growth of 5%**	**Net profit growth of 5%**
Customer Management	**Customer satisfaction maintained above 85 points**	**Customer satisfaction maintained above 85 points**	**Customer satisfaction maintained above 85 points**
	0 customer complaints about the company leaking personal or order privacy	**0 customer complaints about the company leaking personal or order privacy**	**0 customer complaints about the company leaking personal or order privacy**
Regulatory Compliance	**0 violations of product or fair trade regulations**	**0 violations of product or fair trade regulations**	**0 violations of product or fair trade regulations**

Material Topic Goals and Performance:

To achieve U.D.E.'s stable growth in business performance, product innovation, and quality, and to assist key supply chains in sustainable operations, we have established the following goals and performance indicators for material topics:

● Business Performance

2025 Performance Goal	2025 Achievement	2026 Performance Goal
Net Profit Growth 5%	Net Profit Growth 30.37% → Achieved	Net Profit Growth 5%
Customer Satisfaction Maintained at 85 Points or above	89.8 Points → Achieved	Customer Satisfaction Maintained Above 85 Points

● Customer Management

2025 Performance Goal	2025 Achievement	2026 Performance Goal
Customer satisfaction maintained at 85 points	89.8 points → Achieved	Customer satisfaction maintained above 85 points
0 customer complaints about the company leaking personal or order privacy	0 cases → Achieved	0 customer complaints about the company leaking personal or order privacy

● Regulatory Compliance

2025 Performance Goal	2025 Achievement	2026 Performance Goal
0 violations of product or fair trade regulations	0 cases → Achieved	0 violations of product or fair trade regulations

3.1 Operational Performance and Challenges

U.D.E.'s economic performance goals: U.D.E. conducts monthly reviews of various production indicators and proposes solutions, continuously controlling raw material costs and optimizing existing production processes. We regularly review the company's profitability and target achievement rates to maintain a healthy financial structure. This allows us to invest in product research and development innovation, bringing more diverse product solutions to customers, maintaining the company's high competitiveness, achieving sustainable operations, and generating higher profits for the company.
U.D.E.'s operational strategies, categorized by different functions, are as follows:

3.1.1 Production Strategy

Implement U.D.E.'s unique cultural practice, UDPS (U.D.E. Performance Seminar). UDPS represents a shared thought process, a common belief in daily work indicators, and a method for work optimization (not limited to TPS and lean production). It promotes a high degree of automation and real-time production to reduce inventory accumulation. Standardized work procedures and operating methods are established to ensure production efficiency. Furthermore, the company regularly reviews existing production processes to identify and improve potential problems, pursuing better quality and sales.

3.1.2 Sales Strategy

Existing Customers: Promote automated product lines to improve product quality and delivery speed.
Potential New Customers: Actively develop SFP high-speed connectors and electric vehicle components to attract potential customers.
End-User Customers: Connect with end-user customers to conduct product feasibility assessments based on their needs.

3.1.3 Operational Strategy

The Company implements a flat organizational management structure to ensure smooth communication. Internally, U.D.E. upholds the spirit of TPS (Toyota Production System), enabling every employee to not only ensure work efficiency but also spend time on the right tasks. At the same time, it empowers every employee to have the ability to "identify and solve problems." Externally, U.D.E. is people-oriented and recruits diverse talents, allowing every employee to utilize their strengths and achieve a work-life balance.

3.1.4 Applications and Functions of Main Products

Main Products	Applications/Functions
Connectors (RJICM, Pure RJ)	Primarily used in servers, smart TVs, personal computers, and printers
Filters (Lan Filter)	Primarily used in servers and network switches
High-Speed Connector Modules (SFP)	Primarily used in servers and network switches
Cable	Primarily used in servers and network switches
Dongle	Primarily used in computers to add interfaces
Silicone (SILICON)	Primarily used in wearable devices
Bluetooth Earphones (EARPHONE)	Primarily used in mobile phones, computers, tablets, etc., to provide audio output

3.1.5 Summary of U.D.E. Product Categories



▲ Major products made by U.D.E.

3.1.6 Generation and Distribution of Direct Economic Value from Operations in the Past Three Years

Unit: Unit: NT$/thousand

Items	2023	2024	2025
Combined operating revenue	6,123,831	5,150,480	6,206,984
Operating profit	1,315,851	1,397,334	1,857,835
Net income before tax	482,117	656,299	891,560
Net income after tax	384,454	514,789	671,153
Other comprehensive income	-33,773	139,357	139,357
Total comprehensive income	350,681	654,146	611,113
Earnings per share	4.94	6.42	7.55
Debt ratio	34.26	27.60	35.61
Return on equity	11.79	12.41	18.55
Director and supervisor shareholding ratio	9.16	8.41	8.54

3.1.7 Proportion of Revenue from Major Products in the Past Three Years

Unit: Unit: NT$/thousand

Year / Product	2023		2024		2025	
	Amount	Proportion	Amount	Proportion	Amount	Proportion
Integrated Products	4,874,569	79.6%	3,723,797	72.3%	4,655,238	75%
Discrete Products	887,955	14.5%	957,989	18.6%	986,910	15.9%
High-Speed Connectors	165,343	2.7%	185,417	3.6%	223,452	3.6%
Others	195,963	3.2%	283,276	5.5%	341,384	5.5%
Total	6,123,831	100%	5,150,480	100%	6,206,984	100%

3.1.8 Sales Amount and Proportion of Major Products in Each Region in the Last Three Years

Unit: NT$/thousand

Year / Area	2023		2024		2025	
	Amount	Proportion	Amount	Proportion	Amount	Proportion
Americas	3,527,327	57.60%	2,628,805	51.04%	3,382,806	54.5%
Asia	2,043,522	33.37%	1,848,507	35.89%	2,110,375	34%
Others	552,982	9.03%	673,168	13.07%	713,803	11.5%
Total	6,123,831	100%	5,150,480	100%	6,206,984	100%

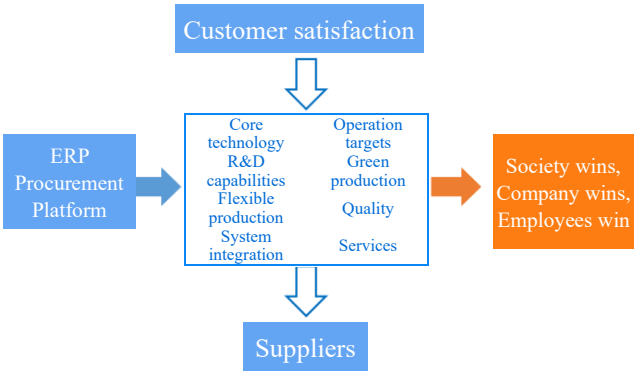
3.2 Customer Management and Service

3.2.1 Customer Maintenance and Satisfaction Survey

- Following the customer satisfaction survey operating procedure UD-M01-W05, regular customer satisfaction surveys are conducted: Every year, the sales department conducts customer satisfaction surveys via email, collects satisfaction data within three weeks, and conducts tracking and evaluation.
- Conduct customer satisfaction surveys and integrate data for internal and external performance ratings.
- Based on the feedback from the satisfaction survey forms, the sales department convenes relevant departments to discuss improvement measures and track the progress and effectiveness of improvements.
- In addition to including satisfaction as a performance indicator in the customer satisfaction survey, the following objectives are also included for measurement, monitoring, analysis, and improvement:

Target	Monitoring Indicators	Target	Monitoring Indicators
Cost	Price reduction rate	Delivery Date	Delivery time
	Payment terms		Delivery fulfillment rate
Quality	Number of sample complaints	Service	Design cooperation ability
	Product yield rate		Quality of product return and maintenance service
	Number of returns		Complaint handling speed
	Number of complaints		

To achieve the long-term goal of continuous operation and growth through customer satisfaction surveys, the Sales Department will create a "Customer Satisfaction Summary Form" based on the comprehensive scores of all customers. To promote customer satisfaction and guide customer service, an objective evaluation of customer satisfaction will be conducted based on statistical data. At the same time, a "Customer Satisfaction Summary Report" will be completed to serve as a reference for the Sales Department in serving customers and for future improvement and development.



▲ The Logic of U.D.E. Customer Satisfaction Survey

3.2.2 Customer Satisfaction Survey

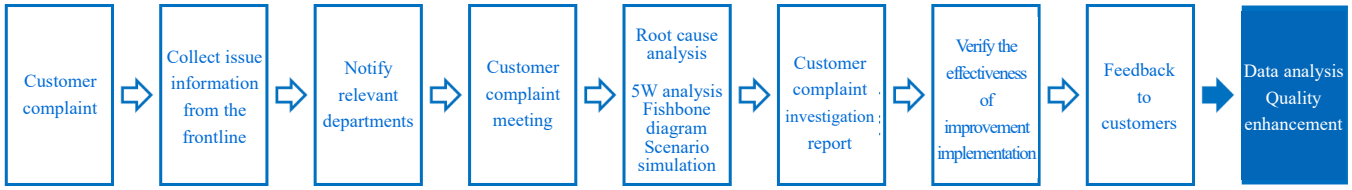
2025 Customer Satisfaction Survey						
Customer Average Satisfaction	Item	Cost	Quality	Delivery Time	Service	Overall Average
	Score	72.6	89.3	86.2	93.7	89.8

3.2.3 Customer Feedback and Handling

To establish a communication bridge with customers and understand their questions and needs immediately, U.D.E. has set up a contact system on its official website. This allows customers to submit product inquiries and other valuable suggestions. After receiving customer feedback, the Company will have internal personnel handle it to ensure that customer opinions are fully valued.

3.2.4 Customer Complaint Handling Mechanism Flowchart Summary

- When a customer complains or provides feedback, the complaint handling procedure is initiated to ensure that customer feedback is received and addressed promptly. This process clarifies the reasons for product issues and aims to reduce the recurrence of similar incidents and complaints.
- In the event of an abnormal customer complaint, the 8D problem-solving method is employed. A team consisting of production and quality control units is convened to identify the root cause and implement corrective actions. By promoting sustainable corrective measures, the goal is to foster a culture of continuous internal improvement and enhance the quality level of U.D.E. products.



▲ Customer Complaint Handling Mechanism Flowchart of U.D.E.

3.3 Customer Privacy

Good customer service is a key factor in maintaining customer relationships. Establishing strong customer relationships helps to enhance customer loyalty, further solidifying long-term cooperation and leading to increased business and expansion.

Customers are important partners of U.D.E., and we apply stringent protection to their privacy and confidential information, treating it with the same level of confidentiality as our own. The production process of our products adheres to international regulations and compliance requirements to ensure the safety of our products and services. We have established policies to protect customer rights and provide channels for complaints to prevent any direct or indirect harm to customers or other stakeholders.

We aim to continuously review and improve our services to enhance customer satisfaction with U.D.E.'s after-sales service, thereby building trust and loyalty towards Yongde products. As of the end of 2025, the company has achieved remarkable results in protecting customer personal data, with no incidents of violating customer confidentiality that led to complaints, nor any violations of laws or regulations related to product and service information and labeling that resulted in significant fines from government agencies.

4.Product Innovation and Development

U.D.E. is committed to product development and quality improvement. Our key objectives for continuous profit growth are: product research and development and innovation, securing patented R&D results, protecting trade secrets and regulatory compliance, product quality management, and assessing the future market potential of products. We have formulated short-term, medium-term, and long-term indicators as shown in the table below:

	Short-Term Indicator (1-2 Years)	Medium-Term Indicator (3-5 Years)	Long-Term Indicator (6+ Years)
Product Innovation	R&D expenses maintain 3% of operating revenue	R&D expenses account for 4% of operating revenue	R&D expenses account for 5% of operating revenue
Regulatory Compliance	0 violations of product laws or patent regulations	0 violations of product laws or patent regulations	0 violations of product laws or patent regulations

Material Topic Goals and Performance

U.D.E. is committed to product research and development, innovation, patented R&D results, and regulatory compliance. The table below shows the key objectives and performance achievements in these areas over the past two years.

● Product Innovation

2025 Performance Goal	2025 Achievement	2026 Performance Goal
R&D expenses remain at 3% of operating revenue	4.54% → Achieved	R&D expenses account for 4% of operating revenue

● Regulatory Compliance

2025 Performance Goal	2025 Achievement	2026 Performance Goal
0 violations of product labeling or patent regulations	0 cases → Achieved	0 violations of product labeling or patent regulations

4.1 Product Research and Development and Innovation

U.D.E. is an Ethernet Solution Provider. Our R&D team upholds the spirit of "Artisan," "Technology," and "Intelligence." U.D. Electronic's product innovation policies and management approach are described below:

Material Topic → Product Innovation Policy: Enhance the Competitiveness of the Company's Products	
Management Approach	● Objective: Committed to developing faster and more stable network communication products. Product innovation, quality improvement, automation of production, and environmental friendliness to enhance the competitiveness of the company's products. ● Commitment: Utilize the PDCA continuous improvement logic to continuously develop products that meet the needs of high-speed and high-frequency transmission. ● Management Measures: (1) Establish an effective R&D management system to improve the quality of the company's research and development. (2) Strengthen communication with customers and strive to meet customer expectations for the company's products. (3) Internally strengthen on-the-job training for employees and externally actively recruit outstanding talents.

4.1.1 Innovative Research and Development

As an Ethernet Solution Provider, U.D.E. continuously develops higher frequency, higher speed, and more stable communication interfaces to meet the high-speed and high-frequency transmission needs of cloud computing, big data, 5G/6G, etc. Examples include high-speed connectors such as QSFP/QSFP-DD/OSFP products; high-speed cables (e.g., DAC, ACC, and AEC) compatible with various interfaces like QSFP, QSFP-DD, and OSFP; MCIO, PCIe5/6, and more. Through high-frequency analysis, stress analysis, heat dissipation analysis in the product design process, and mold flow analysis, shear force analysis, and automatic equipment performance evaluation in the mold and fixture design stage, we can not only ensure the safety and reliability of the product and accelerate product development progress, but also save resources wasted during product development.

At the same time, U.D.E. also cooperates with customers to develop communication interfaces for a new generation of liquid-cooled communication equipment to achieve energy saving and consumption reduction. It is expected to reduce energy consumption by more than 60% compared to the original.



4.2Patented R&D Results

4.2.1 The patents obtained by U.D.E. for developed products are as follows:

1.A total of 24 invention patents, 101 utility model patents, and 5 design patents have been obtained, as shown in the table below:

Patent Category		Taiwan	China	Japan	US	Germany	Korea	Subtotal	Total
Patent Ownership	Invention	14	4	0	6	0	0	24	130
	Utility Model	22	74	1	0	4	0	101	
	Design	0	5	0	0	0	0	5	

As of December 31, 2025, U.D.E. has 17 patent applications pending globally. U.D.E. has 130 granted and valid patents worldwide.

4.2.2 Intellectual Property

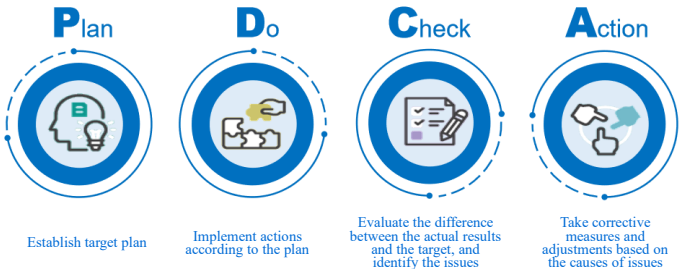
As an Ethernet Solution Provider, U.D.E. maintains a leading position in numerous fields. Therefore, the protection of intellectual property rights is central to U.D.E.'s sustainable operations. U.D.E. firmly defends intellectual property protection and respects the patents of others, while not tolerating any infringement upon its own R&D and innovation achievements. From prior art searches in the early stages of product development, patent conflict analysis and avoidance during the product design process, patent protection after product development, patent minefield layouts for product series, regular monitoring of patents from competitors, and safeguarding against unfair competition, U.D.E. demonstrates its persistence and determination.

4.3 Product Quality Management

4.3.1 Quality Management

U.D.E. maintains stringent quality control. To enhance customer trust in its products, the U.D.E. headquarters in Taiwan has mandated that all subsidiaries obtain quality management system certifications. CDE Corp. achieved ISO 9001 certification in August 2018. Zhongjiang U.D. Electronic Co., Ltd., the primary manufacturing subsidiary, has also obtained ISO 9001, QC 080000, and IATF 16949 certifications. It utilizes an intelligent production management model and continuous improvement practices to optimize product quality. U.D.E. sets strict self-requirements for quality to provide customers with superior products.

4.3.2 U.D.E.'s Continuous Improvement Cycle



U.D.E. has established standardized procedures with stringent criteria for incoming material control, in-process control, finished product control, and inspection. Whether for maintenance or improvement activities, the PDCA management cycle is rigorously followed. When deviations from standard operating procedures occur, corrective actions are taken to ensure adherence to standards. By utilizing the PDCA cycle, U.D.E. continuously improves by identifying abnormalities, implementing solutions, revising standards, and initiating the next cycle of improvement. This commitment to continuous improvement, from preventing the outflow of defective products to designing defect-free products, contributes to the creation of high-quality products.

4.4 Supply Chain Relationships

4.4.1 Supply Chain Positioning

U.D. Electronic in Taiwan serves as the marketing, sales, and R&D center for the group, with two specialized manufacturing facilities located in Guangdong and Sichuan provinces in China. U.D. Electronic in Taiwan primarily focuses on marketing and product design services, enabling the group to effectively meet customer needs across different regions with greater production capacity and speed, while providing prompt, professional service and support.

4.4.2 Ethical Procurement

● Non-use of Hazardous Substances

U.D.E. adheres 100% to customer requirements, mandating that suppliers sign a certificate of non-use of hazardous substances and provide RoHS test reports to guarantee to customers that products do not contain REACH or SVHC substances.

● Responsible Sourcing

U.D. Electronic adheres to the Responsible Business Alliance (RBA) Code of Conduct. We are committed to not procuring or using materials sourced from conflict-affected and high-risk areas. U.D.E. communicates its policy prohibiting the use of conflict minerals to suppliers, requiring their commitment and compliance. We trace the sources of tantalum, tungsten, tin, gold, and cobalt used in our products.
Suppliers are also required to communicate this policy to their upstream suppliers, fulfilling their corporate social responsibility.
In addition to publishing its conflict-free minerals policy on its website, U.D.E. incorporates it into supplier management. Suppliers are required to sign a Non-use Conflict Minerals Guarantee, ensuring that no materials, products, or components delivered to U.D.E. directly or indirectly utilize conflict minerals.
As part of our supplier management, we require major suppliers to sign the RBA Code of Conduct, committing to implement RBA requirements across five areas: labor, environment, ethics, health and safety, and management systems. The proportion of suppliers who signed the RBA Code of Conduct in 2025 is shown below:

Manufacturing Plant	Number of Suppliers Signed	Proportion Signed
Zhongjiang Plant, China	92	100%
CDE Plant, Taiwan	3	100%

5. Sustainable Environment

Climate change is a pressing environmental issue of global concern, impacting the United Nations, governments, society, and businesses alike. U.D.E. has aligned its practices with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), established by the Financial Stability Board in 2019. The table below outlines U.D.E.'s governance, strategies, risk management, and metrics and targets in response to climate change:

Management Level	U.D.E.'s Response Measures
Governance	● The ESG Sustainable Development Promotion Task Force identifies, prioritizes, and develops response strategies for risks, regularly reporting to the Board of Directors and senior management to review the effectiveness of risk management and provide decision-making and guidance. ● Based on the discussions or resolutions of the Board of Directors, the ESG Sustainable Development Promotion Task Force formulates policies and improvement goals, assigns relevant responsible units to make operational adjustments, and regularly or irregularly reports to the Board of Directors on the status of climate change issues, ensuring the Board understands and grasps the climate change risks faced by the company.
Strategy	● Assess, categorize, and prioritize the material risks that climate change poses to company assets, establish response strategies, and implement precise and rigorous preventive measures and emergency response plans. When a crisis or disaster occurs, immediately propose the most appropriate response measures and recovery plans to mitigate potential damage and instability. ● In terms of transition risks, comply with the trend of energy diversification and the regulations and goals of the Renewable Energy Development Act to plan and purchase renewable energy and invest in green electricity certificate projects.
Risk Management	● Based on the TCFD framework, identify climate risk issues by collecting information from international organizations, industry peer analysis, and relevant regulations. Utilize weighted values for the intensity of financial or strategic impact and the likelihood of occurrence to determine risk levels and prioritize risk issues.
Metrics and Targets	● Greenhouse gas emission reduction ● Strengthen the resilience and effectiveness of corporate responses to climate change

● U.D.E.'s short-term, medium-term, and long-term indicators for environmental management are as follows:

	Short-Term Indicator (2022~2024)	Medium-Term Indicator (2025~2027)	Long-Term Indicator (2028~)
Energy Conservation and Carbon Reduction	Electricity Consumption Inventory/Establish Baseline Year Indicator Electricity consumption does not exceed the baseline year	≤ 0.11 (GJ) Annual electricity consumption / million operating revenue	Specific energy-saving plans and their implementation
	Greenhouse Gas Inventory/ Establish Baseline Year Indicator Greenhouse gas emissions do not exceed the baseline year	≤ 0.14 (t) Annual carbon emissions/million operating revenue	Specific carbon reduction plans and their implementation
Regulatory Compliance	**Short-Term Indicator (2022~2024)**	**Medium-Term Indicator (2025~2027)**	**Long-Term Indicator (2028~)**
	No violations of waste regulations: 0 cases	No violations of waste regulations: 0 cases	No violations of waste regulations: 0 cases
	Wastewater discharge complies with regulations	Wastewater discharge complies with regulations	Wastewater discharge complies with regulations

● Material Topic Goals and Performance

U.D.E. is committed to fulfilling its environmental protection responsibilities and continuously improving as a sustainable enterprise. Based on the aforementioned short-, medium-, and long-term energy conservation and carbon reduction indicators and related implementation plans to reduce the potential impact on society and the environment, the performance goals and achievement levels for environmental management in the past two years are as follows:

● Energy Conservation and Carbon Reduction

2025 Performance Goal	2025 Achievement	2026 Performance Goal
Electricity consumption does not exceed the baseline year ≤ 0.11 GJ annual electricity consumption/million operating revenue	0.73 (GJ) → Not completed	Electricity consumption does not exceed the baseline year ≤ 0.11 (GJ) annual electricity consumption/million operating revenue
Greenhouse gas emissions do not exceed the baseline year ≤ 0.14 (t) annual carbon emissions/million operating revenue	0.12 (t) → Completed	Greenhouse gas emissions do not exceed the baseline year ≤ 0.14 (t) annual carbon emissions/million operating revenue

● Regulatory Compliance

2025 Performance Goal	2025 Achievement	2026 Performance Goal
No violations of waste environmental regulations: 0 cases	0 cases → Achieved	No violations of waste environmental regulations: 0 cases
No violations of wastewater discharge regulations: 0 cases	0 cases → Achieved	No violations of wastewater discharge regulations that comply with regulations: 0 cases

● Climate Change Risk Types, Potential Operational Impacts, and Adaptation Methods

Risk Type		Potential Operational Impact	Adaptation Methods
Physical Risks	Earthquake, Flood, Typhoon, Wastewater	● Impact on production capacity, decline in revenue ● Inability to deliver on schedule or interruption of delivery ● Violation of regulations and fines	● Establish a sound water resource regulation system ● Existing water storage capacity can support 3-5 days ● Set up a typhoon prevention team to carry out various typhoon prevention operations ● Inspect process equipment in each factory ● Wastewater management policy
	Drought Power outage Power surge		● Water trucks to support water-deficient areas ● IT has an uninterruptible power supply (UPS) to support power needs ● The generator kicks in automatically and can supply power for fire-fighting and emergency needs; reserve generator fuel and refueling trucks can support operations for several days
	Temperature rise	● Increased electricity consumption, increased greenhouse gas emissions	● Promote the concept of saving electricity ● Replace lights with energy-saving bulbs and install motion sensor lighting
Transition Risks	Emission control	● Need to add carbon control equipment ● Increased operating costs	● Introduce continuous monitoring instruments to control exhaust emissions ● Evaluate and control hazardous gas emissions in the production process
	Corporate image	● Users expect to reduce the environmental footprint of products ● Negative feedback from stakeholders	● The ESG Sustainable Development Promotion Task Force manages relevant measures ● Strengthen the implementation of green processes for energy-saving and water-saving facilities

● Environmental risk

Key Risks	Energy Conservation and Carbon Reduction
Control Measures	● Aim for energy conservation and carbon reduction goals that do not exceed the baseline year, through greening of the plant and equipment improvement. ● Promote paperless practices to reduce paper usage ● Bring your own environmentally friendly tableware to reduce single-use disposables ● Plan green spaces to effectively control carbon emissions

5.1 Environmental Policy and Commitment

U.D.E.'s environmental policy is: "Diligently fulfill environmental protection responsibilities and pursue green operations" as the company's environmental policy and operational goal. The key points of the aforementioned environmental policy, goals, commitments, and management approach are summarized below:

Environmental policy: Diligently fulfill environmental protection responsibilities, pursue green operations, and become a sustainable and continuously improving enterprise.	
Objective	In accordance with the regulations of the Energy Administration, Ministry of Economic Affairs, each plant implements energy-saving measures annually, with the goal of electricity-saving management: electricity savings must reach at least 1% of annual electricity consumption.
Commitment	Utilize due diligence and early warning communication methods to strengthen environmental management and pollution control efforts, reducing the impact on personnel and the environment; comply with environmental regulations, practice energy conservation and carbon reduction, and sort household waste on a regular basis.
Management Approach	● Comply with Taiwan's environmental protection laws and regulations and relevant international standards and norms to appropriately protect the natural environment. ● Conserve energy and reduce electricity waste. ● Reduce the total amount of general waste and properly dispose of waste. ● Proactively communicate and provide appropriate education and training to make employees, customers, and contractors aware that environmental hygiene is a shared responsibility. ● Establish and implement environmental protection and hygiene management systems and work environments, improve environmental hygiene performance, and ensure the physical and mental health of employees.

U.D.E. Energy Management Plan:

The Company actively promotes various energy reduction initiatives, selecting equipment with high energy efficiency and energy-saving designs to reduce both corporate and product energy consumption. It also continues to expand the use of renewable energy to optimize overall energy utilization efficiency. For 2025, the Company set a target for electricity consumption not to exceed the baseline year 2022 level of 35.86 GJ per person. This goal has been successfully achieved.

5.2 Environmental Performance and Energy Conservation and Carbon Reduction

5.2.1 Environmental Performance

5.2.1.1 Energy Conservation Measures in Plants: Electrical Equipment

● Lighting fixtures in the plant are gradually being replaced with T5 and LED bulbs and **circulation fans.** ● Employees are encouraged to take the stairs instead of the elevator. ● Plan an energy-efficient power distribution system. Set the on/off time of the light source with a timer. ● Install human body sensor lights	● Prioritize the procurement of equipment that meets energy-saving labels and environmental protection labels. ● Conduct maintenance annually to enhance operational efficiency. ● Through inspections, turn off any unturned-off temperature controllers. ● Maintain the general environmental temperature at 25 degrees Celsius.

5.2.1.2 Power Usage Status in the Past Two Years

Category	Item	Unit	Year 2024	Year 2025
Direct Energy (A)	Diesel	kL	28.7	0
	Diesel Heat Value	GJ	961	0
Indirect Energy (B)	Electricity	KWH	934,560	1,258,640
	Electricity Heat Value	GJ	3,364.42	4531.11
Non-renewable Energy (C)	(A)+(B)	GJ	3365.38	4531.11
Renewable Energy (F)	Self-Generated for Self-Use (D)	GJ	0	0
	Purchased (E)	GJ	0	0
	(D)+(E)	GJ	0	0
Total Energy (G)	(C)+(F)	GJ	3365.38	4531.11
Percentage of Renewable Energy (H)	(F)/(G)	%	0	0
	Revenue for the Current Year	Thousand NTD	5150,480	6206,984
	Total Number of Employees for the Current Year	Person	112	127
	Energy Intensity	GJ/Person	30.05	35.68

Note 1: The energy usage data in this table covers U.D. Electronic's Taoyuan headquarters as the disclosure scope and does not include other subsidiaries.
Note 2: The electricity management target for U.D.E.'s Taoyuan headquarters is to not exceed the per capita heat consumption of the baseline year (2022) (≤ 35.86 GJ/person).

5.2.1.3 Water Resources

The company does not have production processes that require large amounts of water; the primary water usage is for employee domestic needs. In 2025, water consumption was 5,749 degrees.
Water resource management policy: Regularly promote water conservation to employees and post slogans in tea rooms, restrooms, and other locations. The target is to not exceed the baseline year's per capita water consumption degree of 80.7 per person. Recent water consumption is as follows:

Year / Item	2024	2025
Water Consumption Degree	7551	5749
Number of People	112	127
Per Capita Water Consumption (Degree)	67.42	45.27

5.2.2 Green Procurement

U.D.E. is committed to supporting the concept of green procurement to promote sustainable development and reduce unnecessary resource consumption. In order to implement the spirit of sustainable procurement and respond to green procurement initiatives, we aim to become a low-carbon enterprise by prioritizing the purchase of environmentally certified products recognized by government agencies. For office supplies, we will also consider energy-saving, environmentally friendly, and low-pollution products. We have purchased professional water dispensers to provide employees with clean drinking water, thereby reducing the use of plastic bottles and paper cups. We will manage the leasing of photocopiers and printing supplies to minimize paper waste. The purchase of laptops is aimed at promoting a paperless environment. In the future, we will continue to reduce the purchase of disposable items to truly achieve energy conservation and carbon reduction.

5.3 Greenhouse Gas Inventory

The carbon dioxide (CO^2) emissions of our company are shown in the table below:

	Category	Greenhouse Gas CO^2 Emission Sources	2024	2025
Taiwan Taoyuan Headquarters	Direct Greenhouse Gas Emissions (Category 1)	Seven greenhouse gases emitted from stationary, mobile, fugitive, and process emission sources	0.38	0.38
	Indirect Greenhouse Gas Emissions (Category 2)	Purchased electricity	442.98	596.60
	Indirect Greenhouse Gas Emissions (Category 3 to Category 6)	Indirect emissions from the use of products by the organization	90.94	122.47
	Plant emissions:		534.30	719.44
China Zhongjiang Plant	Direct Greenhouse Gas Emissions (Category 1)	Seven greenhouse gases emitted from stationary, mobile, fugitive, and process emission sources	1,188.80	808.76
	Indirect Greenhouse Gas Emissions (Category 2)	Purchased electricity	4,237.53	5,145.39
	Indirect Greenhouse Gas Emissions (Category 3 to Category 6)	Indirect greenhouse gas emissions from transportation, indirect emissions from the use of products by the organization	22,882.90	40,466.67
	Plant Emissions		28,309.23	46420.82
	Total Emissions		28,844	47,140
	Annual Revenue (Thousand NTD)		5,150,480	6,206,984
	Emission Intensity 1 (Total Emissions/Revenue) (t-CO2e/million NTD)		5.60	7.59

Notes:

1. 2025 GWP values are referenced from the Sixth Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC); Emission unit: t-CO2eIPCC.
2. Emission intensity calculation includes direct greenhouse gas emissions (Category 1), energy indirect emissions (Category 2), and other indirect greenhouse gas emissions (Category 3).
3. The calculation of purchased electricity is derived from (annual electricity consumption) × emission factor (varies by region), resulting in the carbon emissions from purchased electricity.

- U.D. Electronic conducted a greenhouse gas inventory in 2025 and established an emission source list. The data period for this greenhouse gas inventory is from January 1, 2025, to December 31, 2025, covering U.D. Electronic in Taiwan and Zhongjiang U.D. Electronic in China. The types of greenhouse gases included in the inventory are the seven greenhouse gases regulated by the Greenhouse Gas Reduction and Management Act, including carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF6), and nitrogen trifluoride (NF3).
- According to the statistical results of the inventory, U.D.E.'s total greenhouse gas emissions in 2025 amounted to 46,421 metric tons of carbon dioxide equivalent (CO2e).
- The Company actively promotes energy conservation and electricity saving initiatives within the plants and combines various plant equipment to launch energy-saving projects. We adjust the automated management of equipment based on changes in production capacity demand to achieve streamlined energy use, improve energy utilization, and reduce greenhouse gas emissions.

5.3.1 Environmental Certifications

For environmental protection purposes, U.D. Electronic prioritizes obtaining ISO 14001, ISO 14064-1, and ISO 14064-3 certifications for its main production plants. By implementing these international standards, we aim to minimize our environmental impact and achieve sustainable operations.



温室气体声明核查意见书

授予

中江湧德电子有限公司

必维认证（北京）有限公司（以下简称“必维”）受中江湧德电子有限公司的委托，对中江湧德电子有限公司报告的温室气体声明进行独立的第三方核查。本核查意见适用于下文所述工作范围内的相关信息。

核查边界：

- 核查场所名称：中江湧德电子有限公司
- 核查地址：中华人民共和国四川省德阳市中江县工业集中开发区 618100
- 温室气体报告期限：2025 年 01 月 01 日 - 2025 年 12 月 31 日

组织边界：中江湧德电子有限公司实施运营控制的活动和设施

报告边界：中江湧德电子有限公司组织边界内，网络连接器、电子接插件、磁性元件包括滤波器和变压器的设计和制造；连接线、硅橡胶制品的制造和相关管理活动过程中产生的直接温室气体排放及其重要的间接温室气体排放

经核查的排放量：

- 类别1：直接温室气体排放：808.76 tCO_2e
- 类别2：输入能源的间接温室气体排放（基于位置）：5,145.39 tCO_2e
  输入能源的间接温室气体排放（基于市场）：1,252.41 tCO_2e
- 类别3：运输的间接温室气体排放：1,211.76 tCO_2e
- 类别4：组织使用产品的间接温室气体排放：41,115.13 tCO_2e
- 类别5：与使用组织产品有关的间接温室气体排放：非重要间接排放，未量化
- 类别6：其它来源的间接温室气体排放：非重要间接排放，未量化

经量化的总排放量（基于位置）：48,281.04 tCO_2e

经量化的总排放量（基于市场）：44,388.06 tCO_2e

限制性叙述：排除其他非重要间接温室气体排放

核查准则：

- ISO 14064-1:2018 温室气体 - 第1部分：组织层面温室气体排放和移除的量化和报告的要求及指南
- ISO 14064-3:2019 温室气体 - 第3部分：温室气体声明核查和审定规范及指南

保证等级：

- 合理保证

认证机构地址：中国北京市东城区东长安街1号东方广场西一办公楼9层902室，邮编：100738
若进一步澄清本意见书的核查范围，可直接向本意见书持有者查询
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核查方法：

- 访谈相关人员；
- 评审提供的文件证据；
- 评估用于数据收集、汇总、分析和检查的量化方法和信息系统；
- 核查抽样场所和数据源。

核查结论：

基于核查工作实施过程和核查发现，中江湧德电子有限公司提供的温室气体声明，与ISO 14064-1:2018 温室气体 - 部分1：组织层面温室气体排放和移除的量化和报告的要求及指南是相符的。

独立、公正和胜任能力声明：

必维集团是一家拥有190多年历史，在质量、环境、职业健康安全和社会责任领域提供独立验证服务的机构。必维核查团队与中江湧德电子有限公司及其管理人员不存在其它的商业关系，核查团队的核查活动是独立的、公正的，不存在任何利益冲突。必维集团在整个业务范围内实施商业道德准则，以确保员工在日常业务活动中保持最高的道德标准。

核查组长：夏婧璇　　**核查日期：**2026年07月10日

编号：EMICN100960A　　**签发日期：**2026年08月06日

版本号：No.1

必维认证（北京）有限公司授权代表

认证机构地址：中国北京市东城区东长安街1号东方广场西一办公楼9层902室，邮编：100738
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▲U.D.E. Zhongjiang Plant ISO 14064-1 and ISO 14064-3 Certification



此为证书 CN09/31405.02 译本

中江湧德电子有限公司

统一社会信用代码：91510600779360lXX
注册地址：中国四川省中江县工业集中开发区
经营地址：中国四川省中江县工业集中开发区
依据主证书 CN09/31405.00 中规定的管理体系已经过审核，并被证明符合下述要求

ISO 14001:2015

所涉及的活动范围覆盖

网络连接器、电子接插件、磁性元件包括滤波器和变压器的设计和制造；连接线、硅橡胶制品的制造

该证书的有效期自 2023 年 12 月 27 日 至 2026 年 12 月 26 日 并须经过符合要求的监督审核保持有效
版本号 11.
此证书的有效性取决于主证书的有效性。

签署
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▲U.D.E. Zhongjiang Plant ISO 14001 Certification

5.4 Waste Management

U.D.E. manages industrial waste according to its characteristics, prioritizing reuse as the preferred method of disposal. A resource recycling vendor is stationed on-site to collect and sort recyclable materials. The company provides designated bins for recyclable and non-recyclable waste to facilitate employee participation. All waste disposal vendors contracted by the company hold valid waste disposal vendor registrations or licenses, operating permits, and authorized disposal items. In 2025, waste disposal was fully compliant with relevant regulations, with no waste leakage incidents. U.D.E. maintains its waste management goal of not exceeding the per capita waste generation of the baseline year (2022) (≤ 0.2 tons).

The following table shows the weight of waste and the methods of disposal：

Category	Final Disposal Method	2024		2025	
		Tonne	%	Tonne	%
General Household Waste	Incineration	14.12	78%	15.52	77%
Recyclable Materials	Resource Recovery	4.06	22%	4.72	23%
Total		18.18	100%	20.24	100%
Number of People		112		127	
Per Capita Waste (tonnes)		0.16 (t)		0.16(t)	

5.5 Green Landscaping

From the initial construction of its plants, U.D.E. has considered environmental beautification and air purification, along with reducing factory emissions to promote health. Due to the frequent movement of people and vehicles on the roads within the plant premises, U.D.E. has intensified tree planting at the main gate, along major roads, and around factory buildings. This not only improves air quality but also enhances the mood and well-being of employees. Within the green areas, a landscape ecological pond has been built, complementing the plant's green landscaping to create a diverse habitat for small creatures and enrich the ecological foundation. The characteristics of green landscaping planning and implementation are as follows: green landscaping is divided into tree planting and general planting, with their respective carbon absorption amounts shown below.

Type	Estimated Area	Annual Carbon Reduction	Total
Tree planting	20 m2	268 kg	288.7 kg
Planting	18 m2	20.7 kg	

Carbon reduction values are referenced from the "An Evaluation Manual for Green Buildings in Taiwan" (Architecture and Building Research Institute, Ministry of the Interior, updated in 2007).





6. Friendly Workplace

In response to the issue of a friendly workplace: employee care and support, U.D.E.'s short-term, medium-term, and long-term indicators for personnel management in a friendly workplace with harmonious labor relations are as follows:

	Short-Term Indicator (1-2 years)	Medium-Term Indicator (3-5 years)	Long-Term Indicator (6+ years)
Labor Relations	Turnover rate: <30%	Turnover rate:<30%	Turnover rate:<28%
	Major complaint incidents 0 case	Major complaint incidents 0 case	Major complaint incidents 0 case
Health and Safety	Health checkup participation rate 80%	Health checkup participation rate 85%	Health checkup participation rate 85%
	Major occupational accidents≤3 cases/year	Major occupational accidents≤3 cases/year	Major occupational accidents≤3 cases/year
	New hires' participation in occupational safety and health training reaches 100%.	New hires' participation in occupational safety and health training reaches 100%.	New hires' participation in occupational safety and health training reaches 100%.
	Average hours of employee safety training ≥3 hours	Average hours of employee safety training ≥3 hours	Average hours of employee safety training ≥3 hours
	Occupational injury mortality rate 0 Disability injury frequency ≤ 0 Disability injury severity rate ≤ 0	Occupational injury mortality rate 0 Disability injury frequency ≤ 0 Disability injury severity rate ≤ 0	Occupational injury mortality rate 0 Disability injury frequency ≤ 0 Disability injury severity rate ≤ 0
Talent Development	New employee training test pass rate 100%	New employee training test pass rate 100%	New employee training test pass rate 100%
	Average annual training hours for employees: 4 hours	Average annual training hours for employees: 5 hours	Average annual training hours for employees: 6 hours
Human Rights and Equality	Incidents of workplace harassment/bullying: 0	Incidents of workplace harassment/bullying: 0	Incidents of workplace harassment/bullying: 0
	Employee complaints/mediation cases: 0	Employee complaints/mediation cases: 0	Employee complaints/mediation cases: 0

● Material Topic Goals and Performance: Talent Development and Sustainability

U.D.E. Electronic is committed to creating a friendly workplace: an environment of employee care and support, fulfilling its responsibilities in talent selection, development, utilization, and retention, becoming a driving force for the company's sustainable development and continuous growth. Based on the aforementioned key items of labor relations, training and development, human rights protection and ethics, and health and safety, we have formulated short-term indicators and related implementation plans, and achieved the performance goals and completion levels in the past two years (as shown in the table below). This is to retain competent, stable, and promising talents with development potential, ensuring the company's sustainable competitiveness.

● Labor Relations

2025 Performance Goals	2025 Achievement Level	2026 Performance Goals
Employee Communication: No major complaint incidents: 0 cases	0 cases → Achieved	Employee Communication: No major complaint incidents: 0 cases
Staff turnover rate: <30%	16.54% → Achieved	Staff turnover rate: <30%

● Talent Development

2025 Performance Goals	2025 Achievement Level	2026 Performance Goals
New Employee Training Test Pass Rate 100%	100% → Achieved	New Employee Training Test Pass Rate 100%
Average Annual Employee Training Hours 4 hours	8.18 hours → Achieved	Average Annual Employee Training Hours 4 hours

● Human Rights Equality

2025 Performance Goals	2025 Achievement Level	2026 Performance Goals
Workplace Violations/Bullying 0 cases	0 cases → Achieved	Workplace Violations/Bullying 0 cases
Employee Complaints/Mediation Cases 0 cases	0 cases → Achieved	Employee Complaints/Mediation Cases 0 cases

● Occupational Health and Safety

2025 Performance Goals	2025 Achievement Level	2026 Performance Goals
New Employee Participation in Safety Training 100%	100% → Achieved	New Employee Participation in Safety Training 100%
Average Employee Safety Training Hours ≧ 3 hours	5 hours → Achieved	Average Employee Safety Training Hours ≧ 3 hours
Health Check Participation Rate 80%	80% → Achieved	Health Check Participation Rate 85%
Major Occupational Accidents ≤ 3 cases/year	0 cases/year → Achieved	Employee Safety Incidents (excluding fatalities) ≤ 3 cases/year
Occupational Injury Fatality Rate 0 Disability Injury Frequency ≤ 0 Disability Injury Severity ≤ 0	Occupational Injury Fatality Rate 0 → Achieved Disability Injury Frequency 0 → Achieved Disability Injury Severity 0 → Achieved	Occupational Injury Fatality Rate 0 Disability Injury Frequency ≤ 0 Disability Injury Severity ≤ 0

Note: *1 Disability Injury Frequency (FR) = (Number of Disability Injuries × 100,000) / Total Hours Worked

*2 Disability Injury Severity (SR) = (Number of Days Lost Due to Disability Injuries × 100,000) / Total Hours Worked

● Regulatory Compliance

2025 Performance Goals	2025 Achievement Level	2026 Performance Goals
Number of violations of labor and occupational safety and health regulations: 0 cases	0 cases → Achieved	Number of violations of labor and occupational safety and health regulations: 0 cases

6.1 Talent Policy and Commitment

Our company actively promotes labor-management harmony to attract and retain outstanding talent, enhance production capacity, and create profitable growth.
We are committed to expanding our research and development team, striving to introduce new product lines, improve the value and volume of our products, and foster a challenging, sustainable, and enjoyable diverse and equitable work environment. We provide a competitive overall compensation strategy and a variety of benefits to strengthen employee cohesion, retain competent and stable talent, and become a growth partner for the company's sustainable development. The personnel management policies regarding talent selection, development, utilization, retention, and the protection of human rights are as follows:

● Corporate Sustainable Development Policy

To enhance labor rights, in addition to complying with Taiwan's "Labor Standards Act" and related regulations, we have established internal policies regarding work rules, sexual harassment prevention, anti-corruption and bribery, fair trading, and complaint procedures, which have been duly filed. We have also set up management mechanisms to protect the rights and interests of our employees. To ensure that employee opinions are fully expressed, we have established an "Employee Suggestion Box" in our facilities and implemented personal data protection measures to prevent unfair treatment of complainants. We are committed to maintaining good labor-management relations and implementing various personnel management systems that promote a friendly workplace and care for employees. In line with our policies on employee care and a friendly workplace, we are committed to effectively implementing the ESG corporate sustainable development policy of "Environmental Protection (E), Employee Care, Friendly Workplace, Social Co-prosperity (S), Integrity in Business and Compliance with Laws, and Governance (G)."

Talent Selection Policy	Prohibit the use of child labor and underage workers, provide mechanisms to attract and retain outstanding talent, hire qualified individuals, offer diverse career development opportunities, and respect employees' freedom of employment.
Talent Development Policy	Establish a sound training and development system to cultivate professionals or management talent in various fields, enhance employees' engineering expertise, communication, and management skills, and strengthen team collaboration performance.
Employment Policy	Provide a competitive compensation and benefits system, fair assessments, and reasonable opportunities for transfers and promotions, allowing employees to actively contribute their abilities and performance. Value employee opinions and enhance labor-management relations.
Talent Retention Policy	Create a healthy and safe working environment for employees and establish diverse and open channels for labor-management communication. Set up effective communication channels to collect employee feedback and improve internal operations.
Human Rights Policy	Comply with Taiwan's labor laws and regulations, prohibit any form of forced or compulsory labor, and ensure that no employee is discriminated against based on gender, race, region, age, disability, nationality, or any other status.

6.2 Human Resource Structure

Talent is a vital asset for U.D. Electronics, and we are committed to creating a challenging, sustainable, and enjoyable work environment. In addition to determining salary levels based on employees' educational backgrounds, professional knowledge and skills, and years of experience, we recruit qualified and stable personnel. We propose a comprehensive compensation strategy that is competitive within the industry, along with mechanisms for talent development and development, performance evaluation and promotion, diverse benefits programs, and statutory retirement systems as part of our personnel management policies.

6.2.1 Human Resource Structure Distribution in 2025

Category	Item	2024				2025			
		Female		Male		Female		Male	
		Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
Job Category	Administrative	8	7.14%	5	4.46%	10	7.87%	7	5.51%
	Technical	36	32.14%	40	35.71%	40	31.50%	46	36.22%
	Supervisory	0	0%	23	20.54%	0	0%	24	18.90%
Total:		44	39.29%	68	60.71%	50	39.37%	77	60.63%
Grand Total:		112 people				127 people			
Domestic	Under 30	17	15.18%	26	23.21%	16	12.60%	29	22.83%
	31 to 50	26	23.21%	30	26.79%	32	25.20%	36	28.35%
	Over 51	1	0.89%	12	10.71%	2	1.57%	12	9.45%
Total:		44	39.29%	68	60.71%	50	39.37%	77	60.63%
Grand Total:		112 people				127 people			

U.D. Electronic exclusively hires full-time employees and does not employ any dispatched or temporary workers. Therefore, newly recruited personnel are entitled to the same benefits as regular employees upon hiring, without any discrimination. U.D. Electronic treats all interviewees equally, regardless of gender, religion, or race. Through diverse recruitment channels, we encourage more female workers and people with disabilities to join U.D.E., allowing them to realize their personal value and contribute to the company. There were no significant operational changes in 2025. In the event of significant operational changes, U.D.E. will provide 10 to 30 days' advance notice based on length of service, in accordance with Article 16 of the Labor Standards Act.

6.2.2 Ratio of New Hires and Departures of Male and Female Employees in the Past Three Years

Category Item	Year	2023				2024				2025			
	Item	Male/Female Ratio				Male/Female Ratio				Male/Female Ratio			
		Female	Ratio	Male	Ratio	Female	Ratio	Male	Ratio	Female	Ratio	Male	Ratio
New Hires (Domestic)	Under 30	7	21.88%	14	37.5%	3	20%	3	20%	12	32.43%	14	37.84%
	31 to 50	4	12.5%	9	28.12%	4	26.67%	5	33.33%	5	13.51%	5	13.51%
	Over 51	0	0%	0	0%	0	0%	0	0%	0	0%	1	2.70%
Subtotal:		11	34.38%	23	67.65%	7	46.67%	8	53.33%	17	45.95%	20	54.05%
Total:		34 people/100%				15 people/100%				37 people/100%			
Proportion of New Hires to Total Employees:		29.06 % / year				20.54 % / year				29.13 % / year			
Resignation (Domestic)	Under 30	2	8.69%	3	13.04%	0	0%	2	10.53%	5	23.81%	5	23.81%
	31 to 50	11	47.83%	5	21.74%	5	26.32%	10	52.63%	6	28.57%	4	19.05%
	Over 51	0	0%	2	8.7%	0	0%	2	10.53%	0	0%	1	4.76%
Subtotal:		13	56.52%	10	43.48%	5	26.32%	14	73.68%	11	52.38%	10	47.62%
Total:		23 people /100%				19 people /100%				21 people /100%			
Employee Turnover Rate: 19.66% per year						Employee Turnover Rate: 16.96% per year				Employee Turnover Rate： 16.54% per year			

Note 1: Employee turnover as a percentage of total employees (%) = Total number of employee turnovers/Total number of employees at year-end

Note 2: Gender distribution of employee turnovers (%) = Number of employee turnovers of each gender / Total number of employee turnovers

The Company continues to monitor employee turnover and conducts analyses by gender and age group. Based on data from the past two years, the overall employee turnover rate decreased from 16.96% in 2024 to 16.54% in 2025, indicating that employee movement was relatively higher in 2024 and showed signs of stabilizing in 2025. In terms of gender distribution, the number of male and female employees who left the Company in 2025 was equal. In terms of age distribution, employees aged 30 or below and those aged 31–50 each accounted for 47.62% of total departures. Overall, changes in employee turnover may be attributable to factors such as organizational adjustments, job assignments, labor market mobility, and individual career planning. Going forward, the Company will continue to strengthen talent retention and organizational stability through measures relating to compensation and benefits, talent development, workplace support, and communication mechanisms.

6.2.3 Employment of Persons with Disabilities

According to Taiwan's "People with Disabilities Rights Protection Act," the number of employable persons with disabilities that a company hires must not be less than 1% of the total number of employees. If the weighted total does not meet the standard, the company is required to regularly pay a "subsidy shortfall fee" to the employment fund for persons with disabilities under the labor authority. U.D.E. provides full-time job opportunities for persons with disabilities, and as of 2025, has employed one person with a disability.

6.2.4 Leave of Absence without Pay

U.D. Electronic complies with government regulations, allowing any employee who meets the application criteria to apply, regardless of gender. The statistics for the number of male and female employees who applied for leave of absence without pay in the past two years, totaling 3 applicants, are shown in the table below:

Categories	2024			2025		
	Female	Male	Total	Female	Male	Total
Number of Employees Eligible for Parental Leave (A)	3	2	5	1	0	1
Actual Number of Applicants (Current Year Applications & Pending Applications) (B)	3	0	3	0	0	0
Application Rate (B/A) (%), Percentage of Applicants to Total Number	100%	0%	60%	0%	0%	0%

6.3 Talent Training

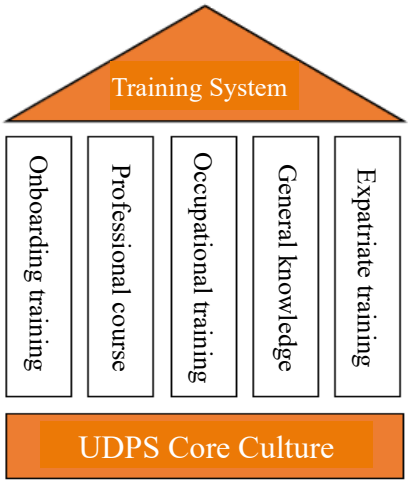
6.3.1 The Central Idea of Talent Development

U.D.E. Group adheres to the principles of TPS (Lean) and has created a unique corporate culture known as UDPS. Talent development is a crucial foundation for the sustainable development of the enterprise. The spirit of UDPS not only plays a significant role in the manufacturing field but can also be applied to talent development.

- The spirit of UDPS emphasizes "continuous improvement" in processes. In terms of talent development, it involves ongoing assessment and reflection to identify shortcomings, allowing for continuous improvement and optimization of the talent development process. This is essential for creating a talent pool that truly meets the needs of the enterprise and possesses sustainable development capabilities.
- The spirit of UDPS requires "participation and contribution from all employees." The company encourages every employee to engage in talent development actively and to contribute ideas and suggestions. This fosters an environment of full participation and efficient development.
- The spirit of UDPS emphasizes "cultivating problem-solving abilities." Every colleague is viewed as an expert, and there is a focus on mastering the details and processes of work, as well as sharing personal problem-solving experiences with others.

6.3.2 Structure of Talent Development

The training system is illustrated in the diagram on the right, which includes onboarding training, general knowledge training, professional course training, and management course training. The courses cover the company's history, organization, management philosophy, corporate culture, ethical standards, labor and human rights laws, regulations, policies, quality systems, occupational safety and health, an introduction to manufacturing processes, as well as the company's environment and benefits. This helps employees become familiar with the environment and systems. After onboarding, mandatory courses in general knowledge and professional skills are set based on different positions and levels to enhance the competency development of employees at all levels. Through the training system, we track and manage the execution progress of training courses, creating tangible training benefits and cultivating talents that meet the needs of organizational development, ensuring the sustainable growth of the enterprise.



- **Onboarding Training:** This includes an introduction to the company, its policies, benefits, and occupational (labor) safety and health training. New employee education and training are planned according to the functional needs of each department. Professional skills training will be based on the responsibilities required for each position within the departments. For example, in the sales department, training will cover the four key functions (sales development, customer service, order shipment, internal processes), with corresponding courses for each function. For the sales development function, the training sequence includes company introduction, product introduction, product part numbers, product specifications, etc., and courses will be offered every six months.
- **Common Skills Courses:** For instance, the MIS onboarding training is held once a month to help new and existing employees become familiar with system usage. Other courses, such as PowerPoint applications and how to write effective emails, are also offered.
- **Occupational (Labor) Safety and Health Training:** This is divided into four main areas: onboarding training for new employees, new employee vitality camps, departmental training, and Safety Week. In addition to in-person classes, digital courses have been created, allowing employees to view them anytime on a mobile app and engage in interactive Q&A.





The company culture of UDPS emphasizes cultivating employees' problem-solving abilities. The headquarters and various factories in China jointly offer relevant courses that facilitate real-time communication, discussion, and experience sharing. The courses are divided into conceptual courses, such as the core principles of TPS, and tool courses, such as material and information flow, standard operating procedures, etc. To effectively apply the UDPS culture across the group, annual UDPS events will be held in July and December. Each department will engage in continuous improvement based on cultural concepts and tool usage. The group management will form an evaluation team to discuss and provide suggestions on optimization proposals from various departments. This initiative encourages all employees in the group to participate in workplace optimization, aiming to achieve the UDPS spirit of "participation and contribution from all employees."





6.3.3 Training Hours

The total training hours for employees in 2024 was 308 hours, while in 2025, the training hours reached 1554.5 hours.

Year	2024	2025
Number of Trainees	133	777
Total Hours (Hours)	308	1554.5

6.3.4 Campus Deep Cultivation Development Program

In order to achieve the company's sustainable development philosophy, talent development goes beyond immediate education and training. The group has also invested in campuses to cultivate interns, aiming to develop talent in advance to support the rapid growth of the group. In 2025, we continued our collaboration with universities in the Taoyuan area, including National Central University and Longhua University of Science and Technology. In response to the company's rapid digital transformation, we invited relevant young students to participate in corporate internship training programs. The collaborating departments include Mechanical Engineering, Electronics, and Information Management. This year, we successfully trained interns for one year, and after graduation, the interns officially joined relevant departments of the company to continue their service. During the training period, students actively participated in company projects, executed cross-departmental collaboration, and developed communication skills. They also had the opportunity to present the results of their actual service, thereby cultivating their project leadership abilities!

6.4 Compensation and Benefits

Compensation and Benefits Policy: Competitive Compensation and Benefits to Attract and Retain Talent	
Management Guidelines	● Objectives and Targets: To balance industry competitiveness, overall economic conditions, and sustainable corporate culture, the Company has established a "Compensation and Benefits System" to provide competitive compensation and benefits that attract and retain talent. ● Commitment: By utilizing due diligence and early warning communication methods, we aim to enhance the employee compensation and benefits system, allocating amounts based on operational profit performance as employee bonuses. ● Management Measures: (1) Provide a stable employee compensation structure in accordance with the Company's compensation management regulations. (2) Establish regulations for the "Benefits Measures Management" to allocate employee welfare funds and organize welfare activities. (3) Conduct performance evaluations and interviews to improve work behavior and capabilities, as well as to cultivate and develop employees' personal skills.

Talented individuals are U.D. Electronic's most valuable asset. The company offers a comprehensive and competitive compensation strategy to attract and retain outstanding talent, contributing to the company's sustainable growth. In addition to salary adjustments upon promotion, appropriate salary adjustments are made based on individual performance to maintain the company's overall compensation competitiveness. In accordance with the company's articles of association, 3% to 15% of operating profits are allocated for employee bonuses and profit-sharing, aiming to attract outstanding talent and reward employees for their contributions, thereby boosting morale and enhancing work efficiency.
Employee compensation structure includes: salary, allowances, bonuses, and quarterly bonuses. The salary and number of full-time employees in non-managerial positions in the past three years are shown in the table below:

Unit (New Taiwan Dollar: Thousand NTD

Year	Average Salary	Median Salary	Number of Full-Time Non-Managerial Employees
2023	1,098	1,005	94
2024	1,160	1,081	102
2025	1,259	1,126	97

The Company continues to monitor employee salaries. Based on data from the past two years, the average salary of full-time employees in non-managerial positions increased from NT$1,160,000 in 2024 to NT$1,259,000 in 2025, while the median salary of full-time employees in non-managerial positions increased from NT$1,081,000 in 2024 to NT$1,126,000 in 2025. This indicates that the median salary level was higher in 2025. Overall, changes in employee salaries may be attributable to factors such as organizational adjustments, job assignments, labor market conditions, and operating profitability. Going forward, the Company will continue to enhance employee morale and work efficiency through compensation and benefits, talent development, workplace support, and communication mechanisms.

6.4.1 Employee Benefits

The company allocates employee welfare funds in accordance with the " Regulations on the Management of Welfare Measures " to handle welfare matters. Insurance benefits are provided to employees based on relevant laws and regulations, including statutory insurance: labor insurance and national health insurance, with the company additionally providing group insurance.
For employee health care, the company hires nurses for the factory in accordance with regulations, providing immediate nursing resources for colleagues. Weekly on-site doctor services are arranged, and employees in need can voluntarily apply for proactive phone care for injured or ill colleagues. Timely return-to-work assessments are conducted, and one free labor health check is provided annually to ensure employees' health status. Additionally, special eye examinations for employees' dependents are offered.

6.4.2 Other Employee Benefits

- Provide a comfortable, bright, and aesthetically pleasing office space and environment to create a happy workplace.
- Birthday bonuses, holiday bonuses for the three major festivals, Labor Day bonuses, maternity allowances, wedding gifts, funeral subsidies for employees and their dependents, and lucky draw activities during the year-end banquet.
- Free supply of freshly brewed coffee, tea, instant noodles, and snacks, with items changed periodically for a diverse selection.
- Provide access to various newspapers, magazines, and publications for reading, regularly updated to keep employees informed with the latest information.
- Occasionally arrange gifts for Father's Day and Mother's Day to express gratitude to parents or partners.
- Based on operational performance and goal achievement, organize domestic and international incentive trips to enhance interaction and emotional bonds, and to deeply appreciate the beauty of travel.
- Periodically hold lunch banquets, afternoon teas, departmental gatherings, and seasonal special events to increase interaction and camaraderie among colleagues.
- Reimbursement for fuel expenses for business trips (adjusted according to the monthly fuel price fluctuations).



▲ U.D.E. Group's 2025 "20 Years Together, Jointly Moving into the Next Act " Year-End Banquet



▲ 2025 Domestic Travel- A Trip to Tainan Formosa



▲ 2024 International Travel - Ride into the Heart of Shikoku

6.4.3 Marriage, Childbirth, and Family Care Support Measures

The Company values employees' needs during the stages of marriage, childbirth, and family caregiving, and is committed to fostering a supportive and family-friendly workplace. In addition to providing statutory leave entitlements, the Company supports employees in balancing work and family responsibilities through childcare leave without pay, maternal health protection, space for breastfeeding and milk expression, and other employee care measures, thereby enhancing workplace support and employee retention.

The Company's family-friendly measures include marriage leave, prenatal examination leave, maternity leave, prenatal examination accompaniment and paternity leave, childcare leave without pay, and family care leave. The Company also provides a dedicated breastfeeding and milk expression room for employees who have such needs. In addition, maternal health protection and care measures are continuously promoted for female employees during pregnancy and after childbirth to reduce work-related and health risks and foster a safe and supportive working environment.

In 2025, the Company continued to promote these related policies and support measures and monitored their implementation and effectiveness. The implementation status for the year is presented in the table below:

Item	Content	2025 Implementation Status
Marriage and Childbirth Support	Marriage Leave	2 instances
	Prenatal Examination Leave	1 instance
	Maternity Leave	1 instance
	Prenatal Examination Accompaniment and Paternity Leave	0 instances
Family Care	Family Care Leave	0 instances
	Childcare Without Leave	0 people
Workplace Support	Breastfeeding and Milk Expression Room	Continuously set-up
Healthcare	Maternal Health Protection and Care	0 instances

The Company will continue to review employees' actual needs in relation to marriage, childbirth, and family care, and will optimize relevant policies and support measures as appropriate to foster a more inclusive, supportive, and family-friendly workplace. For further information on maternal health protection and health promotion initiatives, please refer to Section 6.8, Health Promotion.

6.4.4 Employee Retirement Fund

The retirement fund system is planned in accordance with the provisions of the "Labor Standards Act" and the "Labor Pension Act," ensuring the rights of employees to claim their retirement benefits in the future.
Retirement Eligibility: Employees may apply for retirement under the following circumstances:
(1) Those who have served for fifteen years or more and are at least fifty-five years old.
(2) Those who have served for twenty-five years or more.
(3) Those who have served for ten years or more and are at least sixty years old.
The company may enforce mandatory retirement for employees under the following circumstances:
(1) Those who are sixty-five years old or older.
(2) Those who are mentally incapacitated or physically disabled and unable to perform their job duties.

- Payment Timing: When retirees meet the criteria for voluntary retirement, their retirement benefits will be paid in full within thirty days from the date of retirement. If a lump-sum payment is not possible, the company may apply to the competent authority for approval to make installment payments.
- Other Regulations: Employees applying for retirement must complete a retirement application form, which will be processed upon approval. Employees subject to mandatory retirement will be notified to complete the necessary procedures after approval by their respective units. The right to claim retirement benefits will expire if not exercised within five years from the month following retirement.
- New Retirement Fund Contributions: The company will contribute to the individual retirement accounts at the Labor Insurance Bureau based on a contribution rate of six percent, according to the salary contribution scale, on a monthly basis.
- Number of Retirement Applications in the Last Two Years: In 2024, there was 1 retirement application, and in 2025, there were no retirement applications.

6.5 Human Rights Equality

Human Rights Equality Policy: Diversity and equality, promoting labor-management harmony, and emphasizing human rights.	
Management Guidelines	● Objective: To establish a harmonious and growth-oriented work environment that respects diversity and equality. ● Commitment: To utilize due diligence and early warning communication methods to create a harmonious work environment that upholds gender equality, respects diversity, and protects human rights. ● Management Measures: To comply with relevant labor laws, including Taiwan's Labor Standards Act, Employment Service Act, and Act of Gender Equality in Employment, to provide fair employment opportunities regardless of gender, age, religion, race, nationality, or political affiliation. ■ Develop a code of conduct for the protection of labor human rights and regularly assess the risks of forced labor. ■ Contribute to employee welfare funds in accordance with the " Employees' Welfare Funds Act " and participate in labor insurance and health insurance. ■ Implement human resource management systems that ensure fair hiring and training, reasonable compensation, and objective performance evaluation processes.

U.D.E. has formulated a code of conduct for the protection of labor rights, encompassing working hours and wages, humane treatment, non-discrimination, anti-workplace bullying, and freedom of association, in accordance with international labor conventions, the Responsible Business Alliance (RBA) Code of Conduct, and Taiwan's labor laws. This code includes measures for the prevention of involuntary labor, sexual harassment, workplace maternity protection, and unlawful infringement in the performance of duties.

6.5.1 Implementation Status of Various Human Rights Indicators in the Past Two Years

2024				2025			
No incidents of discrimination occurred.	No restrictions on freedom of association.	No incidents of child labor hiring occurred.	No significant incidents of forced or compulsory labor occurred.	No incidents of discrimination occurred.	No restrictions on freedom of association.	No incidents of child labor hiring occurred.	No significant incidents of forced or compulsory labor occurred.

6.5.2 Personal Data Protection Policy

The Company values customer privacy protection. In compliance with the “Personal Data Protection Act”, it has established the “Personal Data Protection Management Procedures” and strict personal data privacy and security measures. A data governance system has also been implemented to define data standards and classifications, enforce access control and data ownership review mechanisms, and ensure that all data access and sharing are properly governed and safeguarded. These measures guarantee the availability, integrity, and confidentiality of all information. The scope of application covers all branches, business sites, subsidiaries, customers, and suppliers. During operations involving the collection, processing, utilization, and protection of personal data, the Company adheres to all relevant governmental laws and regulations. Personal data is used only within the limits permitted by law and is not disclosed, rented, or provided to any third party in any form. All actions comply with the Company’s Privacy Protection Policy, which is implemented to safeguard customer data security and privacy rights. The privacy protection policies of the Company are as follows:

1. Objectives

1.1. In accordance with the regulation of the “Personal Data Protection Act”, the Company establishes operational guidelines and best practices for the collection, processing, and use of personal data to prevent data theft, alteration, damage, loss, or leakage.
1.2. Regarding personal data protection, through the application of information security technologies, the Company mitigates risks of intrusion, theft, alteration, or interference during personal data processing, and ensures adequate protection levels for data access security.

2. Risk Analysis: Violation of relevant regulations may result in penalties imposed by competent authorities.

3. Responsible Departments:

3.1. Information Department: Establish working information mechanisms to prevent data leakage, regularly review system logs of related equipment, and proactively report abnormalities.
3.2. Administrative Management Department: Ensure proper management of personal data collected from employees (active or resigned) and external sources.
3.3. Employees: Data security measures are taken for employee, customer, and vendor information.

3.4. Internal Audit Office: Conduct internal audits in accordance with audit procedures, prepare reports and recommendations from the results, and undergo corrective and preventive measures.

4. Operating Procedures:

4.1. Collection, Processing, and Use of Personal Data

4.1.1. Personal data involving medical records, genetics, sexual life, or criminal history shall not be collected, processed, or used.

4.1.2. Personal data collected for purposes such as personnel recruitment, business contracts, certification filing, or insurance.

4.1.3. All new employees must sign a “Personal Data Collection, Processing, and Use Notification and Consent Form” upon onboarding.

4.1.4. All physical documents containing personal data are stored by the Administrative Management Department.

4.2. Electronic Information and Communication Security

All systems must comply with the Company’s “Computer Information Management Policy” for maintenance and data protection.

4.3. Personnel Data Security

The storage of all physical personnel records is the responsibility of the Administrative Management Department.

4.4. Regular Audits

4.4.1. The Internal Audit Office must establish audit procedures for personal data protection.

4.4.2. If deficiencies are found, audit reports must be issued and keep corrective actions tracked.

4.5. Timeframe of Data Keeping

4.5.1. Upon decommissioning of information storage equipment, data destruction must comply with the “Media Disposal Control Procedures” to prevent the risk of information leakage.

2025 Quantitative Performance

No personal data complaints or major information security incidents were reported during the year, reflecting the effectiveness of the Company’s privacy management and customer satisfaction.

Employee training coverage reached 100%, with at least one company-wide information security and personal data protection course and assessment conducted during the year. Simulated phishing email tests were conducted at least twice to enhance employees' awareness of cybersecurity risks.

Information security awareness announcements were issued periodically to remind employees of the latest threats and protection measures.

A dedicated information security team of three members holds weekly departmental meetings to ensure continuous updates and enforcement of technical controls and policies.

The principle of least privilege is implemented with strict account and access control; permissions are adjusted immediately upon resignation or role change, and system logs and abnormal logins are regularly reviewed to ensure the effective execution of security measures.

6.5.3 Human Rights Due Diligence Process and Implementation

The Company places great importance on labor rights and the protection of fundamental human rights. With reference to international human rights principles, the Responsible Business Alliance (RBA) Code of Conduct, and applicable labor laws and regulations in the locations where it operates, the Company incorporates respect for human rights into its daily management mechanisms. Through institutionalized procedures, the Company regularly identifies, assesses, and manages potential human rights risks to mitigate adverse impacts on employees and other parties associated with the workplace.

The Company's human rights due diligence primarily covers its employees. In 2025, taking into account the nature of its operations and working environment, the Company reviewed key human rights issues including salaries and working hours, occupational health and safety, workplace discrimination and equal treatment, prevention of sexual harassment, personal data and privacy protection, as well as labor-management communication and complaint mechanisms.

The Company's human rights due diligence process consists of five steps:

1. Issue Identification: Human rights issues related to the Company's operations are identified based on regulatory requirements, internal systems, workforce composition, and operational risks.
2. Risk Assessment: The likelihood and severity of human rights issues are assessed through reviews of management systems, employee communication, complaint mechanisms, observations of daily operations, and internal management procedures.
3. Prevention and Management: Identified risks are prevented and managed through measures such as work rules, sexual harassment prevention measures, management of foreign employees, occupational safety and health management, and education and advocacy initiatives.
4. Complaint and Remediation: Channels are established for employees to express concerns and submit complaints. Responsible units accept, investigate, handle, and follow up on cases in accordance with established procedures to ensure that relevant matters are appropriately addressed.
5. Monitoring and Improvement: The implementation of human rights management measures is reviewed regularly, and relevant policies and management practices are continuously improved based on annual review results.

In 2025, the Company reviewed human rights risk issues in accordance with the above process and continued to implement relevant mitigation and remediation measures. In occupational health and safety, workplace risk identification, education and training, and operational management mechanisms were adopted to reduce workplace hazards. For salaries and working hours, management was conducted in accordance with applicable laws, regulations, and Company policies, with ongoing reviews incorporated into routine operations and management procedures. Regarding workplace equality and sexual harassment prevention, the Company maintained a fair and respectful working environment through policy promotion, complaint procedures, and case-handling mechanisms. For personal data and privacy protection, the Company implemented information management and access-control mechanisms to reduce the risk of information leakage and improper use.

The Company has established complaint and communication mechanisms as important channels for reflecting, handling, and improving human rights-related matters. In 2025, no material human rights violations occurred, and there were no cases involving child labor or forced labor. Looking forward, the Company will continue to review its human rights management priorities and enhance its mechanisms for risk identification, employee communication, education, and advocacy to fulfill its commitment to respecting human rights.

6.5.4 Supplier Human Rights Due Diligence Process and Implementation

The Company attaches importance to sustainable supply chain management and is progressively incorporating human rights requirements into its supplier management mechanisms, focusing on suppliers' management practices related to labor rights, occupational safety and health, and regulatory compliance. In 2025, the Company continued to conduct supplier human rights due diligence, primarily covering its key suppliers.

The Company's supplier human rights due diligence process includes:

1. Issue Identification: Human rights issues are identified based on supply chain characteristics, including the prohibition of child labor and forced labor, working hours and wages, occupational safety and health, and regulatory compliance.
2. Risk Assessment: Suppliers' human rights management practices are reviewed through supplier commitment statements, questionnaires, and document reviews.
3. Prevention and Management: Human rights-related requirements are incorporated into supplier management mechanisms and used as a basis for cooperation and evaluation.
4. Corrective Action for Deficiencies: Where deficiencies are identified in a supplier's systems or management practices, the supplier is required to provide supplementary documentation or implement corrective actions.
5. Monitoring and Improvement: The Company continuously follows up on suppliers' corrective actions and uses the results as a basis for subsequent supply chain management.

In 2025, the Company collected and reviewed human rights-related information from key suppliers. A total of three suppliers were covered, representing a coverage rate of approximately 80%. The review covered matters including the prohibition of child labor and forced labor, working hours and wage management, occupational safety and health, and regulatory compliance. No material human rights violations were identified through the review. In the future, the Company will continue to strengthen its supplier human rights management mechanisms and progressively expand both the coverage and depth of supplier due diligence to mitigate human rights risks in the supply chain.

6.6 Care and Communication

U.D. Electronic provides various communication channels to facilitate communication and coordination between labor and management, gain a deeper understanding of employee satisfaction with management and welfare systems, and maintain positive labor relations. Since its establishment, U.D.E. has fostered harmonious labor relations, and there have been no incidents of losses caused by labor disputes. The likelihood of future losses due to labor disputes is estimated to be extremely low. Furthermore, through employee representatives in labor-management meetings, employees can provide suggestions and perspectives on specific issues, reach consensus with the company through discussions during the meetings, and ensure smooth communication channels. At the same time, in accordance with the law, U.D.E. has established an Employee Welfare Committee and an Occupational Safety and Health Committee, which have been officially approved by the competent authorities. Currently, labor-management meetings are held regularly every quarter, and the Employee Welfare Committee and Occupational Safety and Health Committee also hold regular meetings. Each labor-management communication organization performs its duties and communicates on different issues, jointly promoting harmonious labor relations, coexistence, and prosperity, creating mutual benefit and a win-win situation for both labor and management.

U.D.E. has established comprehensive communication channels with diverse, two-way, and open feedback mechanisms. By implementing effective employee communication and feedback mechanisms, employee voices can be effectively addressed and responded to. Through a fair, confidential, and prompt handling process, employee concerns are resolved, fostering positive labor relations.

6.6.1 Diversification of Labor-Management Communication Channels

Our company respects employees' rights to freedom of assembly and association as granted by law, and does not oppose, prevent, or hinder employees from gathering.

In the aforementioned labor-management communication organizations, except for labor-management meetings, the number of labor representatives exceeds that of management representatives. Additionally, we have established an Occupational Safety and Health Committee and a Workers' Welfare Committee in accordance with the law. The number of representatives from both labor and management is shown in the table below:

Communication Organization Name	Labor Representatives	Management Representatives
Labor-Management Meeting	5	5
Occupational Safety and Health Committee	5	5
Workers' Welfare Committee	6	1

6.6.2 Employee Satisfaction Survey

In 2024, the Company's Management Department conducted the first Company-wide Employee Opinion Survey. This survey covered five major dimensions: salaries, work environment, career development, corporate culture, and sustainable management. It achieved 100% employee coverage, and 95% of employees expressed strong recognition of the Company. Looking ahead to 2025, the Company will continue to conduct a company-wide employee opinion survey, with the goal of maintaining a high level of employee recognition of the Company.

Subject:	All employees
Topic:	Salaries, work environment, career development, corporate culture, and sustainable management
Number of respondents	127 people
Coverage:	100%
Subject:	All employees
Survey conducted by:	Administration Department
Survey period:	2025/1/1~2025/12/31
Overall satisfaction:	9.5 points
Survey results:	The Company's overall employee satisfaction is above the industry average, with 95% of employees expressing strong recognition of the Company.
Improvement plan:	However, a small number of employees indicated that the information provided during onboarding was insufficient. In response, the Company plans to collect feedback from new employees in 2026 and develop onboarding training and education programs accordingly.

6.6.3 Employee Suggestion Box

The Company has set up a "Complaint Reporting" function in the U.D.E. Little Helper LINE group. Employees can directly provide feedback through a Google form. After receiving employee feedback, relevant departments will conduct investigations.

[Employee Suggestion Box] for direct feedback on the following:

- Matters that cannot or have not received a response through normal channels.
- Discovery of illegal or unethical conduct within the company.
- Major suggestions for company operations management that cannot be submitted through normal management channels for some reason.
- Recommendations of outstanding colleagues for their silent contributions.
- Other matters that need to be directly reported to department managers or higher.

[Employee Suggestion Box] feedback may include, but is not limited to, addressing the following issues:

- Anti-discrimination, anti-harassment, and anti-abuse.
- Prevention of forced labor and involuntary labor.
- Prevention of child labor, protection of underage workers, and protection of student workers.
- Working hours, wages, benefits, and labor contracts.
- Occupational health and safety management, accident management, and emergency preparedness and response.

Employees or potential employees who, in good faith and with honesty, raise any questions, suggestions, complaints, or grievances to supervisors or management personnel, or who participate in any investigation or handling of such matters in any way, shall not be subject to dismissal, blacklisting, discrimination, harassment, intimidation, retaliation, or any other employment decisions.

- **In 2025, there were zero feedback submissions.**

Year	Number of Feedback Submissions	Number of Resolved Cases
2024	0	0
2025	0	0

6.7 Occupational Safety and Health

Major Issue → Occupational Safety and Health Policy: "Zero Occupational Accidents, Prevention is Better than Cure"	
Management Guidelines	Objective: To assess, improve, or control hazard identification and risk, emphasizing that prevention is better than cure, and to enhance the performance of occupational safety and health. ● Commitment: To utilize due diligence and early warning communication methods to provide employees with a safe, healthy, and high-quality workplace, while also ensuring the safety of contractors and visitors. ● Management Measures: (1) Establish the Occupational Safety and Health Work Guidelines in accordance with the Occupational Safety and Health Act and have them approved and filed. (2) Develop a hazard identification and risk assessment system to reduce occupational safety and health risks. (3) Strengthen the occupational safety and health system with self-inspection and management. (4) Provide safety and health education and training, emergency response drills, and enhance participation, consultation, and good communication channels.

U.D. Electronic Corporation is committed to providing a safe, healthy, and high-quality workplace for its employees, while also ensuring the safety of contractors and visitors. Based on the "Occupational Safety and Health Work Rules - Yong Zi No. 109080701" (approved announcement below) and the " Occupational Safety and Health Act," U.D.E. assists departments in identifying workplace hazards, establishing safe operating procedures, and preventing potential accidents.
U.D.E. focuses on hazard risk identification, assessment, improvement, and control to enhance occupational safety and health performance and strive towards the goal of "zero accidents." The company continuously monitors occupational safety and health audits and implements occupational safety and health policies. Through the Plan-Do-Check-Action (PDCA) cycle, U.D.E. continuously improves its safety and health management performance.

Total: 1 entry

Registration no.	Registration date	Name of business entity (Name of engineering project)	Document no.	Received date	Remarks	Jurisdiction inspection agency
B109005306	10 August 2020	U.D. Electronic Corporation	Yong Zi No. 109080701	10 August 2020	Confirmed receipt on 10 August 2020. The reference no. for the agency is 2K1090011034	Office of Labor Inspection, Taoyuan

6.7.1 Occupational Safety and Health Committee

U.D. Electronic Corporation has an Occupational Safety and Health Committee, which, in accordance with the law, elects employee representatives to provide a formal channel for face-to-face communication between management and employees on environmental safety and health issues. The committee convenes quarterly meetings to discuss matters related to environmental safety and health, implement environmental safety and health management, and promote the importance of occupational safety and health. In 2025, the committee consisted of 5 employee representatives and 5 management representatives, with a total of 10 members from both labor and management participating in regular meetings and keeping records.

6.7.2 Work Environment and Safety Protection

When constructing a new plant or partially renovating an existing one, relevant units such as manufacturing, management, information, and safety and health must conduct safety and health risk assessments. The safety and health department shall allocate sufficient personnel, along with the number of professional safety and health personnel holding the required legal certifications, as shown in the table below:

Names of Professional Safety and Health Personnel Certifications	Number of Personnel	Certification Expiration Date
Safety and Health Administrator (Level B Technician)	1	2026/7/6
Safety and Health Business Supervisor (Type A)	1	2026/11/26
Fire Safety Manager	1	2028/3/4
First Aid Personnel	2	2027/1/25
Labor Healthcare Service Personnel (Contract)	1	2026/6/19

Note: The personnel mentioned above hold valid certifications and undergo regular retraining, with retraining records maintained.

6.7.3 Occupational Safety and Health System, Self-Inspection, and Management

U.D. Electronic Corporation has established an "Occupational Safety and Health System" in accordance with the law, encompassing the following occupational safety and health work items: safety and health management systems and training, production equipment self-inspection, work environment monitoring, internal safety and health audits, health checkups and medical care, emergency response and drills, occupational accident management, legal reporting, and contractor management and construction inspections.

Occupational safety and health self-management measures include pre-job training, on-the-job training, and certification training for personnel. Potential hazards are identified and managed according to their risk levels. Safe operating procedures for machinery and equipment are established to reduce risks for employees during operations. Necessary protective measures or personal protective equipment are provided. Work environment monitoring, emergency response and evacuation drills, and regular health checkups are conducted. Employees are categorized and provided with proactive care. In the event of an accident, medical care and occupational accident management are provided promptly. Internal safety and health audits are carried out to prevent accidents and reduce risks within the plant. Continuous improvement of safety and health efforts is pursued to achieve the policy goal of "zero accidents."

Regarding hardware facilities, planning, design, and construction are carried out based on various regulations, international standards, and company standards. The audit and safety and health departments are responsible for the management, inspection, and improvement of safety and health, ensuring efficient and effective safety and health practices. In addition to high-risk operation control, contractor entry management and construction safety management, chemical safety management, and occupational accident analysis and statistics, U.D.E. also properly plans work environment monitoring, emergency response procedures, and regular fire drills. In the event of an accident, these measures help to minimize damage and impact on company property, personnel, society, and the environment.

6.7.4 Occupational Safety and Health Education and Training

To ensure that new employees become familiar with the company's relevant operations as soon as possible, new personnel are required to participate in occupational safety and health education and training upon reporting for duty. Assessments will be conducted based on the course content to enhance employees' awareness of safety and health protection as well as operational procedures. The following table shows the number of training sessions, participants, and hours for the occupational safety and health education training in 2025:

Training Category	Shift	Number of People	Hours per Person	Total Hours
New Employee Safety and Health Training (Internal)	30	30	3	90
Current Employee Safety and Health Training (Internal)	2	20	4	80
Emergency Response Training (Internal)	-	-	-	-
Safety and Health Related Certification Refresher Training (External)	1	1	12	12
Total：	-	-	-	182
Average Annual Training Hours	1.4 HR			

Note: Annual Average Hours = Total Annual Hours / Number of Employees at Year-End (182 HR / 127 People)

6.7.5 Emergency Response and Drills

Employees are a vital asset to the company. To minimize the impact of disasters, the facility has established a self-defense firefighting team. Every year, irregular fire drills and chemical spill scenarios are conducted for regional evacuation and disaster prevention training. Additionally, local fire departments are invited to the facility to provide guidance and observe the effectiveness of emergency responses. A comprehensive review is conducted based on identified deficiencies to enhance employee participation and implementation, thereby minimizing the impact of disasters on employees and the company. The emergency response center is equipped with the following facilities:

- Emergency Information: Facility layout, evacuation routes, and emergency response management procedures.
- Fire and Life Safety Monitoring: Firefighting systems, emergency smoke extraction systems, surveillance and recording systems, and broadcasting systems.
- Rescue Equipment: First aid kits and other rescue supplies.





6.7.6 Occupational Accident Management

U.D. Electronic Corporation takes every occupational accident seriously. To effectively manage accidents, we have established an environmental safety and health anomaly handling procedure. When an accident occurs in a department, the department must report and handle the accident according to the procedure. The Safety and Health Office, labor representatives from the department, and the department supervisor will jointly investigate and analyze the accident, review the root cause, clarify the relationship between the accident and the work content, and develop corrective and preventive measures. If the accident reoccurs, the effectiveness of the countermeasures will be re-evaluated. In addition, the Safety and Health Office collaborates with various departments to reduce potential occupational hazards and environmental risks through work observation, education and training, work environment inspections, and internal/external audits, thereby enhancing the safety and health awareness of all personnel. Besides controlling workplace risks within the plant, the company also prioritizes employee safety during commutes. Through irregular departmental meetings, announcements on bulletin boards that employees pass by daily, and electronic bulletin boards, U.D.E. promotes traffic safety and defensive driving messages to deepen employees' awareness of traffic safety and reduce the probability of traffic accidents.





In 2025, there were 0 reported occupational accidents, with FR=0, SR=0, and FSI=0.

Occupational Injury Rate/Index	2024	2025
Number of Reports	0	0
Frequency Rate of Disabling Injuries (FR)	0	0
Severity Rate of Disabling Injuries (SR)	0	0
Composite Injury Index (FSI)	0	0
Occupational Injury Mortality Rate	0	0

Note: Occupational injury statistics exclude traffic accidents.
Frequency Rate of Disabling Injuries (FR) = Total number of disabling injuries / Total working hours × 1,000,000
Severity Rate of Disabling Injuries (SR) = Total number of lost days due to disabling injuries (excluding deaths) / Total working hours × 1,000,000
Composite Injury Index (FSI) = √(Frequency Rate of Disabling Injuries × Severity Rate of Disabling Injuries / 1000)
Occupational Injury Mortality Rate = Total number of deaths caused by occupational injuries / Total working hours × 1,000,000

The number of occupational disease cases in our company for the year 2025 is zero.

Occupational Disease Index	2024	2025
Number of Occupational Disease Cases	0	0

6.7.7 Internal Participation Consultation and Communication Channels

- Communication Process: Occupational Safety and Health Committee → Regular Meeting Minutes Tracking → Proposal Review, Incident Investigation

6.8 Health Promotion

- Health Work Promotion
- Work Items: Health Care, Human Factor Hazard Assessment and Management, Prevention of Abnormal Workloads, Prevention of Workplace Violations, Maternal Health Protection and Management.
- The Company actively promotes workplace health. In addition to meeting the regulatory requirements related to labor safety and health care, we invest effort and resources in health awareness, health activities, healthy diet, and health management to genuinely care for the health of every employee. The health promotion measures are outlined in the table below:

Health Awareness	Health Activities
Announcement on Health Advocacies Free distribution of medical masks for employee use	Support for Running Activities
Health Management	
Annual health check-ups Prevention of illnesses triggered by abnormal workload: an annual assessment is conducted, and health counseling is arranged for high-risk employees. Prevention and improvement of human-factor hazards: an annual assessment is conducted, interviews are arranged for suspected victims, improvement recommendations are provided, and regular follow-ups are conducted. Protection of maternal employees' health: Conduct annual assessments and verify risks and hazards, and provide health education and related information as needed. Prevention of unlawful acts against employees during the performance of duties: Include workplace unlawful acts prevention courses in employee training programs, and provide stress-relief resources and free psychological counseling to reduce the risk of internal and external unlawful incidents.	

6.8.1 Health Care and Medical Services

Health Check-ups: The Company provides free annual health check-ups for employees, exceeding regulatory requirements, as well as special health examinations for employees engaged in hazardous health operations. The results of these health check-ups are statistically analyzed to identify potential pathogenic factors. Based on health risk management, a tiered approach is implemented to track high-risk health groups, promote workplace health initiatives, and prevent occupational diseases, thereby offering employees comprehensive medical care services.

The categories of health check-ups and the number of participants in the past two years are as follows:

Year / Item	2024		2025	
	Check-up Item	Number of Participants	Check-up Item	Number of Participants
General Health Check-up	According to Regulations Governing the Labor Health Protection	98	According to Regulations Governing the Labor Health Protection	95
		87%		75%

Through regular on-site services provided by doctors, we proactively arrange professional medical consultations for individuals with abnormal health check-ups, maternal groups, those with abnormal work loads, and personnel affected by occupational hazards. Those classified as level two management and above will have their health status and job nature comprehensively assessed by the physician, who will provide recommendations on the appropriateness of job assignments within the unit. A total of 53 participants engaged in health consultation services throughout the year.

- **Health Risk Management Levels 1-4**

Level 1 Management: 12	Level 2 Management: 30	Level 3 Management: 46	Level 4 Management: 10
Health checkup results are all normal, and the physician determines there are no abnormalities	Health checkup results show abnormalities. The physician's comprehensive assessment indicates no connection to occupational work. Schedule occupational disease assessment procedures and treatment	Health checkup results show abnormalities. Preliminary assessment indicates a connection to occupational work. After an occupational medicine outpatient consultation, re-evaluate and determine the classification level	Health checkup results show abnormalities. The physician's comprehensive assessment indicates a connection to occupational work. Arrange occupational disease assessment, examination procedures and treatment

6.8.2 Partnerships for Sustainable Healthcare

There is a total of 1 contracted medical unit that have signed agreements with professional institutions to provide discounted medical fees and comprehensive medical services. This collaboration assists employees in receiving proper care and alleviating issues related to life stress, while also maintaining a good doctor-patient relationship.

2025 On-site Service Achievements

On-Site Service Achievements	Physician / Doctor	Nurse	Total
Number of Service Users	4	48	52
Total Service Hours	8	96	104

6.8.3 Emerging Infectious Disease Prevention Program

The Company believes that healthy employees are the backbone of normal operations, and it is the Company's responsibility to care for their physical and mental well-being. In response to the potential threats posed by emerging infectious diseases in the workplace, a dedicated unit continuously monitors global outbreaks, evaluates their potential impact, and formulates preventive and response plans for workplace infection control.

6.8.4 Attention to Seasonal Influenza and Other Infectious Diseases

In response to the ongoing risk of pandemics from seasonal influenza (such as H1N1, H3N2, and other type A or B strains) and other infectious diseases, the company takes a cautious approach. We continuously manage workplace risks associated with various infectious diseases (such as tuberculosis, typhoid, etc.) and accumulate experience to avoid both excessive and insufficient responses. We aim to enhance our routine epidemic prevention capabilities and post epidemic prevention knowledge on bulletin boards in all factory areas for employees' reference and prevention.

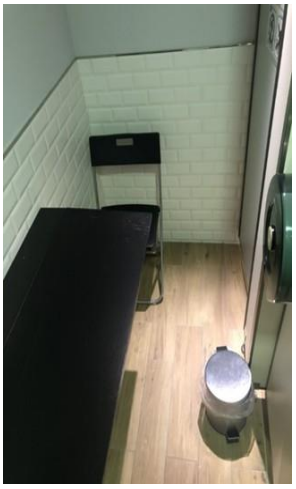
6.8.5 Human Factor Hazard Assessment and Management

In regard to the hardware design of machinery in the production area and handling operations, the company ensures safety from the source by providing ergonomics safety education and training to factory personnel. This helps establish correct safety awareness and includes projects for human factor assessment and improvement, such as proper material handling and correct sitting posture.
To prevent musculoskeletal disorders caused by repetitive tasks, occupational health service personnel plan annual health check-ups. They conduct assessments through questionnaires regarding pain in various body parts and the impact on work for all employees, identifying high-risk groups. In addition to implementing case management measures, they also report to the security office for human factor risk identification and the development of improvement plans.

6.8.6 Maternal Health Protection and Management

In addition to providing seven days of prenatal check-up leave, eight weeks of maternity leave, and seven days of paternity leave as mandated by the Act of Gender Equality in Employment, the company allows both male and female employees to apply for parental leave without pay if they need to care for infants. Additionally, the company has set up breastfeeding rooms to facilitate female employees returning to work after childbirth, allowing them to legally use these rooms to breastfeed or express milk, which can then be stored in the refrigerator and taken home at the end of the day for their infants. To prevent female employees from being exposed to hazardous working conditions that may affect maternal health, the health center has established procedures for maternal health protection and management. This includes conducting risk assessments for operations that may pose risks to maternal health, considering individual differences. After a comprehensive evaluation by labor health service physicians, the company implements graded management and on-site improvement measures to ensure the maternal health of female employees.









6.9 Community Care

U.D. Electronic actively supports the operation of disadvantaged groups, fulfilling its corporate social responsibility. Recently, we made a donation to the local child and youth organization, Rein Deer Children Home, joining the ranks of those who empower them. We believe that education is an investment in changing the future. By investing resources to enhance the education and protection of children and adolescents, we can improve the situation of disadvantaged children and adolescents. At the same time, U.D. Electronic collaborated with Yoga Farm to organize ecological education experiences and yoga activities, allowing employees to relax and recharge while gaining a deeper understanding of the importance of environmental sustainability.





▲ Donation to Reindeer Children Home





▲Hey Yo, Hey Yo, Let's Dig Sweet Potatoes

Appendix 1: ESG Performance

Category	Sustainability Indicators	Unit	2025
Integrity in Business Shareholder Rights	Internal Audit Deficiency Improvement Completion Rate	%	100%
	Number of Violations of Integrity Principles by Supervisors or Employees	Case	0
	Corporate Governance Evaluation Ranking	Level	Third level
Business Performance	Net Profit Growth	%	+30.37%
Risk Management	Annual Emergency Evacuation and Fire Drill	Time	2
Customer Management	Client Satisfaction ≥ 85 Points	Point	89.8 Point
	Customer Complaints Regarding Company Leakage of Personal or Order Privacy	Case	0
Regulatory Compliance	Number of Violations of Company Law or Tax Regulations	Case	0
	Number of Violations of Wastewater Discharge Regulations	Case	0
	Number of Violations of Waste Management Regulations	Case	0
	Number of Violations of Labor and Occupational Safety Regulations	Case	0
	Number of Violations of Product Labeling or Patent Regulations	Case	0
Product Innovation and Development	Maintain Number of Patents	Case	130
	Percentage of R&D Expenses to Revenue	%	4.54 %
Energy Conservation and Carbon Reduction	Greenhouse Gas Emissions	Tons of CO2 per year	46,421
	Electricity Consumption	Degrees per year	1,258,640
Labor Relations	Employee Turnover Rate	%	16.54%
	Employee Communication: No Major Complaint Incidents (0)	Case	0
Talent Development	New Employee Training Test Pass Rate: 100%	%	100%
	Average Annual Employee Training Hours	Hour	8.18
Human Rights Protection	Workplace Violations/Bullying	Case	0
	Employee Complaints/Mediation Cases	Case	0
Health and Safety	Health Check Participation Rate	%	80%
	New Employee Participation in Safety and Health Education Training	%	100%
	Number of Employee Safety Incidents (Excluding Fatalities)	Case	0
	Occupational Injury Fatality Rate	%	0
	Disability Injury Frequency	%	0
	Severity of Disability Injuries	%	0

Application Statement: U.D. Electronic Corporation referenced the GRI Standards for this report (reporting period: January 1 to December 31, 2025).
GRI 1: Foundation 2021 was applied.
Applicable GRI Sector Standard: None.

Specific Action Plans and Implementation Results
[Sustainable Environment]

1. Supporting Government Environmental Policies

U.D. Electronic continues to fulfill its commitment to environmental sustainability. In the fourth quarter of 2024, under the leadership of the Management Department, the Company comprehensively reorganized internal waste-disposal areas and introduced a more detailed classification system for resource recycling. Through space optimization and strengthened classification guidelines, employees' recycling awareness improved significantly, and the overall recycling rate increased from 70% to 95%, demonstrating remarkable results; this trend has continued in 2025.

This improvement covered office areas, pantries, and public spaces on all floors, with clearly labeled bin openings and visual guidance. The new classification categories include: paper, plastic containers, metal, glass, hazardous waste, and kitchen waste. Regular educational initiatives and internal inspections further ensured that all employees implement classification more precisely.

U.D. Electronic believes that a company should not only strive for excellence in technology and innovation but also practice environmental responsibility in its daily operations. Through systematic management and full employee participation, the Company is steadily advancing toward the sustainable goal of a "low-carbon office and zero-waste workplace." Looking ahead, the Company will continue to enhance its waste management mechanisms, connect upstream and downstream recycling resources, and embed green practices into corporate culture.

2. Ecological Education and Experiential Activity

To help employees relax and recharge while deepening their understanding of the importance of environmental sustainability, U.D. Electronic held the "Hey Yo, Hey Yo, Let's Dig Sweet Potatoes" activity on December 20, 2025, inviting employees to take part in environmental conservation efforts. Approximately 50 employees participated enthusiastically, demonstrating the Company's commitment to environmental issues through concrete action.

Located in Longtan, Taoyuan, Yoga Farm adopts environmentally friendly farming practices and integrates food and agriculture education, yoga and wellness, and charitable activities, with a commitment to environmental sustainability and social well-being. Through hands-on participation, U.D.Electronic hopes not only to enhance employees' understanding of environmental issues, but also to raise broader awareness of sustainable development.

[Social Enterprise]

Donations to Underprivileged Groups

Upholding the philosophy of "giving back to society what is taken from society," U.D. Electronic continues to care for the needs of underprivileged communities.

In 2025, the Company donated to the Reindeer Children Home, taking concrete action to support child welfare and educational development. The donated resources will be used to support tens of children with daily care, after-school tutoring, and psychological counseling services, helping them grow up in an environment filled with care and hope.

U.D. Electronic firmly believes that the value of a company lies not only in its products and services but also in its ability to use its resources and influence to give back to society and drive positive change. Through this cooperation, the Company hopes to inspire other corporations and the public to pay greater attention to children's rights and provide practical and long-term support for underprivileged families.

[Corporate Governance]

U.D. Electronic continues to strengthen its corporate governance system, striving to enhance Board capabilities, information transparency, and the protection of shareholder rights. Through system optimization and stronger internal controls, the Company remained within the top-150 ranking in the 2025 Corporate Governance Evaluation. This is a showcase of U.D. Electronic's efforts and outcomes on corporate governance.

Over the past year, U.D. Electronic has implemented several governance enhancement measures, including amending its Articles of Incorporation to improve Board efficiency and independence, enhancing information disclosure mechanisms, and reinforcing integrity management and risk control policies. In addition, the Company provides regular sustainability and compliance risk training for directors and senior executives, further enhancing governance effectiveness.

Appendix 2: Comparison Table of GRI Standards (2021) and ESG Sustainability Reporting Sections

GRI Indicators		Corresponding ESG Sections	Page Numbers	Remarks
Organization and Reporting Practices	**2-1 Organization Details**	2.1 Company Profile	14	
	2-2 Entities Included in the Organization's Sustainability Reporting	• Report Summary and Scope • Scope Boundaries	2	
	2-3 Reporting Period, Frequency, and Contact Person	• Data Period • Publication Frequency • Contact Window	2 3	
	2-4 Information Reorganization	• Changes in Reporting	2	Report Summary and Scope
	2-5 External Assurance/Verification	• Assurance of Public Information Accuracy • External Verification	-- --	Self-Declaration: Reference GRI: 2021
Activities and Workers	**2-6 Activities, Value Chain, and Other Business Relationships**	3.1 Operational Performance and Challenges 3.2 Customer Management and Services	36 40	
	2-7 Employees **a. Total number of employees, and total number classified by gender and region** **b. Total number of employees reported by different categories**	6.2 Human Resource Structure **2024 Human Resource Structure Distribution**	63	
	2-8 Non-employee Workers	**2024 Human Resource Structure Distribution**	63	
Governance	**2-9 Governance Structure and Composition**	**2.2 Corporate Governance Structure** • Board of Directors	17 18	
	2-10 Nomination and Selection of the Highest Governance Body	2.2 Corporate Governance Structure • Annual Shareholders' Meeting • Board of Directors • Board of Directors Structure	17 18	
	2-11 Chair of the Highest Governance Body	2.2 Corporate Governance Institutions • Board of Directors • Board of Directors Authority	18	
	2-12 Role of the Highest Governance Body in Overseeing Impact Management **a. Role of the Highest Governance Body and Senior Management in the Organization's Purpose, Values or Vision, and Strategy** **b. Role of the Highest Governance Body in Overseeing the Organization's Due Diligence and Reviewing the Effectiveness of Organizational Procedures**	The Authority of the Board of Directors 2.3 Integrity in Business 2.5 Business Philosophy, Ethical Standards, and Regulatory Compliance 2.1 Company Overview • Company Organization • Organizational Responsibilities 2.4 Internal Control Mechanisms and Management Systems	18 24 27 15 16 25	
	2-13 Person Responsible for Impact Management **a. How the Highest Governance Body Delegates Responsibility for Managing the Organization's Economic, Environmental, and Social Impacts** **b. How Senior Management or Other Employees Report to the Highest Governance Body on Economic, Environmental, and Social Impact Management Procedures**	2.1 Company Overview • Company Organization • Organizational Responsibilities 2.7 Risk Management System	14 16 32	Board of Directors' Authority 11. Proposals related to the **vision, strategy, and organizational planning** for sustainable operations.
	2-14 Role of the Highest Governance Body in Sustainability Reporting **a. The Highest Governance Body should review and approve the reported information.** **b. If the Highest Governance Body does not have the responsibility to review and approve the reported information (including significant topics of the organization), please explain the reasons.**	Board Authority of the Company 11. Proposals related to the vision, strategies, and organizational planning for sustainable operations.	18	The ESG sustainability report is planned and executed by the ESG task force, and is presented by the General Manager to the Board of Directors for approval before publication.
	2-15 Conflicts of Interest **a. Describe the processes the Highest Governance Body has in place to ensure the avoidance and mitigation of conflicts of interest.** **b. Is there a disclosure of conflicts of interest to stakeholders in the reporting?**	2.3.1 Integrity in Business Operations • Implementation Methods • Reporting and Disciplinary Actions	24 24	

	2-16 Communicating Key Significant Events **a. How to communicate key significant events to the Highest Governance Body.**	Board Authority of the Company 1.1.1 ESG Organization and Responsibilities	18 5	Board of Directors' Authority 11. Proposals related to the **vision, strategy, and organizational planning** for sustainable operations.
	2-17 Collective Intelligence of the Highest Governance Unit **a. The collective intelligence, skills, and experiences of the highest governance unit in sustainable development.**	2.2 Corporate Governance Structure • Educational and Professional Background of Board Members • Diversity of Skills	17 19 20	
	2-18 Performance Evaluation of the Highest Governance Unit **a. The procedures for evaluating the performance of the highest governance unit in supervising the economic, environmental, and social impacts of organizational management.** **b. Whether the evaluation report is independent and the frequency of the evaluation;** **c. A description of the actions taken in response to this evaluation, including the composition of the highest governance unit and changes in organizational practices.**	• Board Execution and Operational Status 1.1.1 ESG Organization and Responsibilities	21 5	
	2-19 Compensation Policy **a. Describe the compensation policy for the highest governance unit and senior management.**	6.4 Compensation and Benefits	63	
	2-20 Compensation Determination Process **a. The organization designs its compensation policy and compensation determination process.**	6.4 Compensation and Benefits	63	
	2-21 Total Annual Compensation Ratio	6.4 Compensation and Benefits	63	
Strategies, Policies, and Practices	**2-22 Statement on Sustainable Development Strategy** **a. A statement on the relationship of the highest governance unit or senior management with sustainable development and their strategies for contributing to sustainable development.**	0_Statement from Senior Management - Sustainable Development Strategy	4	
	2-23 Policy Commitments **a. Describe the policy commitments related to responsible business conduct.** **b. Describe specific policy commitments to respect human rights.**	6.1 Talent Policy and Commitment • Corporate Sustainable Development Policy	57	
	2-24 Incorporation of Policy Commitments **a. How each policy commitment related to responsible business conduct is integrated into its activities and business relationships.**	1.4 Response to Major Issues • List and Management of 10 Major Issues	10	
	2-25 Procedures for Remedying Negative Impacts **a. The organization identifies negative impacts it has caused or contributed to.** **b. Describe the methods for identifying and addressing complaints.**	6.5 Human Rights Equality Implementation Status of Various Human Rights Indicators in the Past Two Years	66	
	2-26 Mechanisms for Seeking Advice and Raising Concerns	1.2 Communication and Analysis of Stakeholder Concerns	6	
	2-27 Regulatory Compliance **a. The total number of significant regulatory violations that occurred during the reporting period.**	2.5.4 Regulatory Compliance	27	
	2-28 Membership in Trade Associations	2.8 Participation in External Organizations	34	
Stakeholder Engagement	**2-29 Stakeholder Engagement Policy** **a. Describe the policy for engaging with stakeholders.**	1.1 Stakeholder Organization, Authority, and Identification 1.2 Communication and Analysis of Stakeholder Concerns	5 6	
	2-30 Collective Bargaining Agreements **a. The percentage of total employees covered by reported collective bargaining agreements.**	The company has no collective agreements and does not hold labor-management meetings.	--	

Significant Issues	• **Guidelines for Determining Significant Issues** **3-1 Process for Determining Significant Issues**	1.1.1 ESG Organization and Responsibilities 1.1.2 Identification Communication Channels for Key Stakeholders 1.2 Communication and Analysis of Stakeholder Concerns Identification and Analysis of Stakeholder Concerns and Their Importance and Impact 1.3 Prioritization of Major Issues After Identification 1.4 Response to Major Issues	5 6 6 6 8 9 10
	3-2 a. List of Significant Issues	**1. Practicing Sustainable Management** 1.3 Prioritization of Material Issues After Identification 1.4 Response to Major Issues	5 9 10
	b. Changes to the List of Significant Issues	1.3 Prioritization of Material Issues After Identification	9
	3-3 Management of Significant Issues	**List and Management of 10 Major Issues**	9

• **List of 10 Material Issues and Management and ESG Response Section**

NO	Clause	Key Points of GRI Provisions	ESG Corresponding Section	Page Numbers	Remarks
1. Operational Performance	201	Thematic Management Disclosure	3.1 Operational Performance and Challenges • Various Operational Strategies and Management Policies	36	
	201-1	Direct Economic Value Generated by the Organization	• Direct Economic Value Generated and Distributed Over the Past Three Years	39	
	201-2	Financial Impacts and Risks of Climate Change	5. Sustainable Environment • Types of Risks from Climate Change, Potential Operational Impacts, and Adaptation Methods	49	
	201-3	Definition of Benefit Plan Obligations and Retirement Plans	6.4 Compensation and Benefits Policy 6.4.2 Diverse Benefits System 6.4.3 Retirement Security	63 64	
	201-4	Financial Assistance Received from the Government	2.5.5 Tax Policy	29	
2. Integrity in Business	2-15	Conflict of Interest	2.3.1 Integrity in Business Operations • Implementation Methods • Reporting and Penalties 2.5 Business Philosophy, Ethical Standards, and Regulatory Compliance	24 27	
3. Customer Management	416	Customer Health and Safety: Topic Management Disclosure	3.2 Customer Management and Services 4.4.2 Ethical Procurement 4.3 Product Quality Management	40 45	
	416-1 416-2	Impact of Products and Services on Health and Safety Incidents of Violating Health and Safety Regulations for Products and Services		44	
	417	Marketing Labeling: Topic Management Disclosure	4.3 Product Quality Management	44	
	417-1	Requirements for Product and Service Information and Labeling			
4. Talent Development	404	Education and Training: Topic Management Disclosure	6.3 Talent Training	60	
	404-1 404-2 404-3	Average Training Hours per Employee per Year Employee Skill Enhancement and Transition Assistance Programs Percentage of Employees Receiving Regular Performance and Career Development Reviews (Number of Employees/Occurrences)	6.3.3 Average Training Hours per Employee	62	
5. Shareholders' Equity	201	Economic Performance: Topic Management Disclosure	3.1 Operational Performance and Challenges	36	

	201-1	Direct Economic Value Generated by the Organization	• Direct Economic Value Generated and Distributed in the Last Three Years	39	
	201-2	Financial Impacts and Risks of Climate Change	5.Sustainable Environment • Types of Climate Change Risks, Potential Operational Impacts, and Adaptation Methods	46	
	201-4	Government Financial Assistance Received	2.5.5 Tax Policy	29	
6. Compliance with Regulations	2-27	Regulatory Compliance	2.5 Business Philosophy, Ethical Standards, and Regulatory Compliance 2.5.4 Regulatory Compliance	28	
7. Equality of Human Rights	406	Non-Discrimination: Topic Management Disclosure	6.5 Human Rights Equality Implementation Status of Various Human Rights Indicators in the Last Two Years	66	
	406-1	Discrimination Incidents and Improvement Actions Taken by the Organization		67	
	409	Forced Labor: Topic Management Disclosure	6.5 Human Rights Equality Implementation Status of Various Human Rights Indicators in the Last Two Years	66	
	409-1	Operational Sites and Suppliers with Incidents of Forced Labor		67	
8. Health and Safety	403 403-1 403-2 403-3 403-4 403-5 403-6 403-7	Occupational Health and Safety: Topic Management Disclosure: Occupational Health and Safety Management System Hazard Identification, Risk Assessment, and Incident Investigation Occupational Health Services Participation, Consultation, and Communication of Occupational Health and Safety Workers Training for Occupational Health and Safety Workers Worker Health Promotion Mitigation or Alleviation of Direct Impacts of Occupational Health and Safety	6.7 Occupational Health and Safety • Major Issues, Health and Safety Policies, and Management Guidelines • Work Environment and Safety Protection 6.8 Health Promotion • Occupational Health and Safety Education and Training 6.7.1 Occupational Health and Safety Committee 6.8 Health Promotion • Occupational Health and Safety System, Self-Inspection, and Management • Emergency Response and Drills	73 74 77 75 73 78 74 75	
	403-8 403-9 403-10	Workers in the Occupational Health and Safety Management System Occupational Injury and Occupational Accident Statistics Occupational Diseases	6.7.1 Occupational Health and Safety Committee 6.7.6 Occupational Injury Management • Number of Occupational Disease Cases in 2022: 0	73 76	
9. Product Innovation	416	Customer Health and Safety: Topic Management Disclosure	3.2 Customer Management and Services 4.4.3 Ethical Procurement 4.3 Product Quality Management	40 45 44	
	416-1 416-2	Impact of Products and Services on Health and Safety Incidents of Violations of Health and Safety Regulations for Products and Services			
10. Energy Conservation and Carbon Reduction	302	Energy: Topic Management Disclosure	5.1 Environmental Policy and Commitment 5.2 Environmental Performance and Energy Conservation and Carbon Reduction 5.3 Greenhouse Gas Inventory	49 50 49	
	302-1 302-2 302-3 302-4 302-5	Energy Consumption within the Organization External Energy Consumption Energy Intensity Reducing Energy Consumption Lowering Energy Demand of Products and Services			
	305	Emissions: Topic Management Disclosure	5.1 Environmental Policy and Commitment 5.2 Environmental Performance and Energy Conservation and Carbon Reduction	49 50	
	305-1 305-2	Direct Greenhouse Gas Emissions (Scope 1) Indirect Greenhouse Gas Emissions (Scope 2)	5.3 Greenhouse Gas Inventory	49	

Appendix 3: SASB Index

Hardware Manufacturing: Sustainability Topics and Accounting Metrics and ESG Section Mapping

Topic	Code	Accounting Metrics	Category	Measurement Unit	Section/Chapter-Page Number
Product Safety	TC-HW-230a.1	Describe methods for identifying and addressing data security risks in products.	Discussion /Analysis	Not Applicable	2.6 Information Security/29
Employee Diversity and Inclusion	TC-HW-330a.1	Percentage of gender/racial/ethnic group representation of (1) managers, (2) technical staff, (3) all other employees	Quantitative	Percentage (%)	6.2 Human Resources Structure/58
Product Lifecycle Management	TC-HW-410a.1	Percentage of revenue from products containing IEC 62474 declarable substances.	Quantitative	Percentage (%)	Unused
	TC-HW-410a.2	Percentage of revenue from products that meet EPEAT or equivalent requirements.	Quantitative	Percentage (%)	Unused
	TC-HW-410a.3	Percentage of revenue from products that meet Energy Star or equivalent requirements.	Quantitative	Percentage (%)	Unused
	TC-HW-410a.4	Weight of discarded products and recycled electronic waste as a percentage of total recycling.	Quantitative	Tonne Percentage (%)	Our company has no product waste
Supply Chain Management	TC-HW-430a.1	Percentage of first-tier suppliers (1) with a validated audit process (VAP) or equivalent audits, categorized by (a) all suppliers and (b) high-risk suppliers.	Quantitative	Percentage (%)	Non-disclosure
	TC-HW-430a.2	Percentage of first-tier suppliers (1) that have not passed the RBA validated audit process (VAP) or equivalent audits, and (2) the improvement rates for (a) major non-conformities and (b) other non-conformities.	Quantitative	Speed	Non-disclosure
Material Procurement	TC-HW-440a.1	Describe risk management related to the use of key hazardous substances.	Discussion /Analysis	Not Applicable	4.4.2 Ethical procurement/45
Table 2: Activity Indicators					
Product Lifecycle Management	TC-HW-000.A	Percentage of units produced by product category relative to revenue.	Quantitative	Percentage (%)	Non-disclosure
	TC-HW-000.B	Area of production facilities.	Quantitative	m^2	Our company has no production facilities
	TC-HW-000.C	Percentage of production from owned facilities.	Quantitative	Percentage (%)	Our company has no production facilities

Appendix 4: Sustainability Disclosure Indicators - Electronic Components Industry

No.	Indicator	Indicator Type	Unit	Annual Disclosure	Remarks
1	Total amount of energy consumed, percentage of purchased electricity, and percentage of renewable energy used	Quantitative	Gigajoule (GJ), Percentage (%)	Total: (GJ), Purchased electricity 100%, Renewable energy usage 0%	
2	Total water withdrawal and total water consumption	Quantitative	Thousand Cubic Meters (m^3)	5.2.1.3 Water Resources / P.51	
3	Weight and recycling percentage of hazardous waste generated	Quantitative	Tonne (t), Percentage (%)	The Company has no production facilities, so waste is mainly domestic waste.	None
4	Description of occupational injury categories, number of people, and ratios	Quantitative	Ratio (%), Number	6.7 Occupational Health and Safety / P.73	
5	Disclosure of product life cycle management: including the weight of discarded products and e-waste, and the percentage of recycling	Quantitative	Tonne (t), Percentage (%)	The Company has no production facilities.	None
6	Description of risk management related to the use of key materials	Qualitative Description	Not applicable	4.4.2 Ethical Procurement / P.45	
7	Total monetary losses due to lawsuits related to anti-competitive behavior regulations	Quantitative	Reporting Currency	0 (NTD)	
8	Production volume of major products by product category	Quantitative	Varies by product type	Not disclosed	